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## Truth in Medicine

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Friday, December 24, 2004; Page A17

If the president and Congress want to accomplish something truly important over the next four years, how about this: a fundamental change in the playing field for health care.

I have a few suggestions. They are based on 40 years of work on health care policy and operations, including my current role as leader of a community effort in Pittsburgh to set the world benchmark for safety, quality and efficiency in health care delivery. My thoughts are also based on leading a major company, Alcoa, to become the world's safest place to work.

First, the government should create powerful incentives for medical care providers to immediately tell the truth about errors and poor outcomes -- tell it to patients, families and colleagues around the country. The purpose is not to punish but to learn rapidly from mistakes, something that is required in any high-risk, high-performing industry. The benefit won't just be safer, clinically superior health care but less expensive health care. Why? Because safety is realized only when organizations focus on their customers and constantly improve the quality and efficiency of the processes that serve them.

Today we don't report and disclose even the tip of the iceberg of things gone wrong in health care, dooming ourselves to repeat the mistakes, without ever rooting out the broken processes that are producing them in the first place. For example, the nation's leading researchers estimate that less than 1 percent of medication errors are identified.

To address the issue, we ought to have society assume the cost of things gone wrong, in the interest of creating a genuine learning system. Victims of errors would be paid fair compensation, and doctors would not have to pay for malpractice insurance. But if doctors didn't openly and immediately detail errors or poor outcomes to patients and to a national learning system, they would be subject to large, personal financial penalties or loss of license.

At Alcoa, the first principle I had to ingrain throughout the company was this: Every person was responsible for sharing details of things that went wrong, immediately, so that we didn't have to learn the same lesson over and over again. We are far from that standard in health care, but if we stop fighting the wrong battle over medical malpractice, we can get there. Our objective should be to get lawyers out of the medical system, not to cap the money they are taking.

Second, the president should appoint a commission with a tight deadline to redesign the health care reimbursement system with the goal of making it pro-patient. Today, in many corners of even our most significant federal payment systems, we still pay clinicians and facilities for activity, not for the quality of the job they did for the patient. The way to use payment to drive improvement is beginning to emerge in a few experiments around the country, but the status quo will prevail unless the president puts his weight behind rapid change.

We also need a better map of how to achieve dramatic improvements in cost and quality. The federal government should start the mapmaking by commissioning a detailed, three-month analysis of the nation's leading hospitals to fully document not only the cost of errors but also the wasted time, effort and resources embedded in much of health care delivery. Such a study could be accomplished for \$10 million and would make the case for change in a management framework that couldn't be ignored. The team of experienced industrial engineers and health care leaders I work with in Pittsburgh has yet to encounter a health care process that could not provide higher quality at half the current cost.

That map can be brought to life if the government then joins with a single major medical complex that declares its intention to be the best in the world -- measured by objective data -- at every single thing it does. Across the American health care landscape, improved performance has occurred only in parts of organizations. When we have a place that's "done it," we'll have a model that others can see and learn from. We'll also have taken away the age-old excuse that "nobody's done it, so how can we?"

Apart from these federal priorities, the industry itself has its own set of solemn obligations to act on. The 30 to 50 percent of national medical care spending that is currently paying for waste and errors can be captured only through deliberate action at the local level. With the health care industry and the government playing their parts, hundreds of billions of dollars can be freed up. This would make it easy to solve the so-called "access" problem of uninsured Americans and still leave large amounts for other important needs.

*The writer was secretary of the Treasury in 2001-2002.*

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