

President-Elect's Remarks
Brian Gustin, CP
AOPA Annual Business Meeting
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Thank you Brad, I have some big shoes to fill and since our Sun River meeting the pressure mounts on each successive President. With a capable staff and corps of officers I am confident we will again set the mark for Jim next year.

We have asked, listened and are now acting upon your direction with these 11 initiatives but I wondered if a 10K view of healthcare in general might not help answer the question many of you have which is "WHY should I change or even care?"

Healthcare is in crisis. While this is not news for many countries, what is now different is that the current paths of many healthcare systems around the world may very well become unsustainable by 2015.

Healthcare systems must address the root causes of their predicament – rising costs, poor or inconsistent quality, or inaccessibility to timely care – as well the underlying drivers of globalization, consumerism, changing demographics and lifestyles, diseases that are more expensive to treat; including an increasing prevalence of chronic diseases such as obesity, type II diabetes and coronary heart disease, and a proliferation of new treatments and technologies are exacerbating the challenges.

These problems, combined with the emergence of a fundamentally new environment driven by the dictates of globalization, consumerism, demographic shifts, the increased burden of disease, and expensive new technologies and treatments are expected to force fundamental change on healthcare within the coming decade.

Healthcare systems that fail to address this new environment will likely "hit the wall" and require immediate and major forced restructuring – a "lose-lose" scenario for all stakeholders.

Changes must be made; the choices left to the stakeholders of today's healthcare systems are when and how. If they wait too long to act or do not act decisively enough, their systems could "hit the wall" – in other words, be unable to continue on the current path – and then, require immediate and major forced restructuring. This is a frightening, but very real prospect. Financial constraints, counterproductive societal expectations and norms, the lack of alignment in incentives, short-term thinking, and the inability to access and share critical information all inhibit the willingness and ability of healthcare systems to change.

Fortunately, there is a more positive scenario, but it is one that will require new levels of accountability, tough decisions, and collaborative hard work on the part of all stakeholders.

It has been identified that *Healthcare providers* must expand their current focus on episodic, acute care to encompass the enhanced management of chronic diseases and the life-long prediction and prevention of illness. O&P provides that chronic management and we must align ourselves with those episodic, acute providers to fill this niche.

There are fundamentally many stakeholders that have a responsibility to shift their focus to meet the changing demands of healthcare systems.

Specifically, *Consumers* must assume personal responsibility for their health and for maximizing the value they receive from a transformed healthcare system. Increasingly society will demand that more and more of the costs will be shifted to the patient through increased premiums, decreased coverage or both.

Payers and health plans must help consumers remain healthy and get more value from the healthcare system and assist care delivery organizations and clinicians in delivering higher value healthcare. They must become partners in healthcare rather than adversaries or risk losing insured lives as has recently been seen by WellPoint.

Increasingly consumers will use “infomediaries” to help guide their healthcare choices based on evidence, cost and quality.

Suppliers must work collaboratively with care delivery organizations, clinicians, and patients to produce products that can show improved outcomes based on quality of life days added or provide equivalent outcomes at lower costs.

Societies must make realistic, rational decisions regarding lifestyle expectations, acceptable behaviors, and how much healthcare will be a societal right versus a market service.

Governments must address the unsustainability of the current system by providing the leadership and political will power needed to remove obstacles, encourage innovation, and guide their nations to sustainable solutions.

So how does O&P fit into this complex matrix of healthcare as it struggles to find new ways to deliver sustainable services?

We must transform ourselves into the era of action and accountability. Action and accountability are the basic ingredients of change. The days of waiting, watching, pondering, studying or pontificating are over and need to be replaced with clear definable actions resulting in outcomes in a deliverable format.

To successfully transform our care delivery model I believe we must undertake the following actions: We must **focus on value** – Consumers, providers, and payers will need to agree upon the definition and measures of healthcare value and then direct the delivery of healthcare services and reimbursement accordingly.

Our current prosthetic foot project is setting a worldwide standard for terminology definitions and testing protocols that will allow the consumer (payer and user) to know that they are receiving the appropriate function for the price paid. In addition the creation of the “Ideal Office of Tomorrow” will lead to reduced error rates and less time from initial evaluation to completion of services while increasing the quality of the patient experience.

Technology will allow for more time to be spent with the patient developing care plans and providing that personal touch which is lost in today's hurry up episodic care environment.

This same technology will allow for the capture of critical information during the continuum of care to produce best practice protocols; thereby removing the human bias that creates outcome differentials between care providers creating further efficiencies in the ever shrinking reimbursement environment. In a value based healthcare system we need to know what works, why it works and then apply that knowledge appropriately and repeatedly. Our "Outcome Initiative" has already produced two evidence papers on AFO's in stroke patient management and on microprocessor knee control mechanisms. It is now time to take that evidence and derive outcome information; changing the clinical protocols if necessary to improve the outcomes to achieve acceptable levels of cost and quality.

Status quo is not an option for healthcare systems in many countries and thus the status quo cannot exist within O&P either. Increasingly, value focused healthcare systems will emphasize new value dimensions – for example, the ability to activate citizens and the ability to continuously improve and innovate. They also will likely redefine existing dimensions – for example, quality metrics may increasingly emphasize prediction; prevention; early detection and treatment; time and resources expended for a correct and complete diagnosis; and care coordination. O&P will need to develop new business models that will fit into these dimensions.

Care Delivery Organizations and clinicians are at the epicenter of efforts to create more value-focused healthcare, in which health promotion and care delivery decisions provide evidence-based and increasingly personalized healthcare, appropriately based on patient preferences across preventive, diagnostic, therapeutic, and rehabilitative, end-of-life and palliative services. However, no single stakeholder created the current challenges and no single stakeholder can solve the problems. Active participation, collaboration and change will be required on the part of all stakeholders. Change will not come easy for O&P or for other key healthcare stakeholders. O&P must develop new or redefined service delivery models and develop new competencies to implement those models, which could require a new leadership, culture, business models, organizational structures, sourcing strategies, skills, processes and technologies. O&P must also work collaboratively with other stakeholders to develop rational coverage decisions and appropriately align incentives in an open, transparent atmosphere where comprehensible information about costs, quality and evidence prevail, and in many countries, a much more robust information infrastructure will be needed to facilitate transformation. Adding to the challenge, these changes must be implemented within constraints such as sustainable cost boundaries.

Ultimately, the transformation of health systems will require commitment and follow-through on coordinated, collaborative efforts among key stakeholders, AOPA has been and will continue to drive the future of O&P.

Thank you for your attention and it is indeed an honor to guide you through what will surely be one hell of a ride in 2009.