



## Let dollars move with the patient

**Written by Heather Douglas, President & CEO**  
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If the wildly popular TV series, *House, M.D.*, was set in Calgary, rather than New Jersey's Princeton-Plainsboro Teaching Hospital, the central character would be stymied by long lineups in the emergency department or forced to "diagnose the undiagnosable" patients lying on gurneys in hallways.

Dr. Gregory House, a maverick genius, is modelled after Sherlock Holmes. He solves medical mysteries through inductive reasoning and saves peoples' lives by deciphering their "secrets and lies."

In House's world, hospitals are not constrained by budgets and patients always present interesting ailments.

The concept of patient-focused funding would probably erupt into war between his administrators and specialists (or so we think).

Yet the business community has successfully used a form of activity-based funding for years. Boards offer incentive pay to encourage productivity gains, better financial returns, outstanding customer service and top brand recognition.

Many countries have applied these principles to hospitals and health funding. This has led to better care and reduced wait times, regardless if the costs are paid for by tax dollars or private insurance.

When patients, family or employers are not satisfied with the physician, diagnosis or prescribed therapy, they can seek a second opinion or be treated at another facility.

Rotten performers with bad attitudes who deliver shoddy analysis and shabby treatments are held accountable.

The dollars move with the patient to excellent doctors and clinics. Poorly managed hospitals lose income.

The money follows the patient. The winner is patient care.

Alberta, unfortunately, still clings to the old funding model. Hospital administrators are given lump sums to provide a basket of services. These fixed budgets offer no incentives for productivity or efficiency improvements -- the number of sick people seen and treated in a timely fashion. Nothing changes or improves. Sound familiar?

Anyone who has been a patient has experienced this.

Lineups for tests, delays to see specialists compounded by months queued for surgery adds to the stress of illness. Some very sick people lie in corridors waiting for beds.

Every poll shows Albertans are tired of waiting.



Ken Hughes, chair of Alberta Health Services, has announced the province will implement an activity-based funding model to improve medical attention in nursing homes next month.

In April 2011, the hospital and outpatient delivery system will undergo the same transformation. Each patient will be seen as a potential revenue source, rather than a cost within a fixed budget.

At the same time, AHS plans to establish quality standards. It will publish a Quality and Patient Safety Dashboard so the public knows how the system is performing on indicators like post-surgery infection rates, numbers of stroke survivors and length of stay in emergency departments.

Eventually, we hope they will circulate information on physicians, hospitals and clinics so patients can make informed decisions where they should go for great care.

While the devil is in the details, the good news is activity-based funding works and the person at the helm of AHS has implemented these types of reforms (and witnessed their positive outcomes).

The Calgary Chamber of Commerce applauds activity-based funding.

Our member companies need their employees to receive timely treatment and return to work as quickly as possible. We also want their children, parents, friends and neighbours to get the attention they need and deserve.

Now, if we could just attract a Dr. House to bring his diagnostic skills to Calgary. The city needs an unconventional medical and management genius to decipher more of our neurology, oncology and cardiac conundrums -- and staunch our fiscal bleeding.