Effectively Reducing Waste in Health Care

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Abstract

Many medical services are being overused or used in place of less expensive, equally effective alternatives. Provider training, practice patterns, methods of billing and reimbursement, patient preferences, and lack of comparative evidence are some of the contributing factors to this complex issue. The United States spends substantially more money per capita, has higher infant mortality and lower life expectancy than many other industrialized nations.

The Institute of Medicine defines comparative effectiveness research as “the generation and synthesis of evidence that compares the benefits and harms of alternative methods to prevent, diagnose, treat, and monitor a clinical condition or to improve the delivery of care” with the objective to “assist consumers, clinicians, purchasers, and policy makers to make informed decisions that will improve health care at both the individual and population levels.”

Agency for Health Care Research and Quality, the Department of Veterans Affairs, and the National Institutes of Health, have been performing comparative effectiveness research since the 1970s. The Patient Protection and Affordable Care Act designates billions of dollars to be used for continuing this research but limits its application to clinical practice.

The research has overwhelming support from medical, business and consumer organizations as application would increase the quality of care given. Cost savings may also be seen due to exclusion of unproven treatments or tests and the more efficient diagnosis and treatment of disease. This would lead to a greater number of individuals having access to care due to the potential cost reduction and streamlining of the healthcare system.