Future Trends in Healthcare & Higher Education
2015 APHA Annual Meeting
ICTHP Section / November 3, 2015

John G. Scaringe, DC, EdD
President / CEO
Southern California University of Health Sciences
Session Outline

- Healthcare
  - Frame the Problem
  - Trends
- Higher Education
  - Frame the Problem
  - Trends
  - Challenges for Integrative Professions
  - Implications
    - Practice
    - Integrative Colleges & Universities
- What our University is Doing
TWIN U.S. CRISSES

Healthcare Reform

Healthcare and higher education are both in a state of flux and reform. As a healthcare university, Southern California University of Health Sciences (SCU) must have a heightened awareness of these reforms and begin examining what opportunities these changes will create. 

State by State

Both Face Three Similar Issues

Both face three similar issues: rising costs, diminishing access, inefficiency and waste, and inconsistent outcomes.

Higher Education Reform

Healthcare and higher education are both in a state of flux and reform. As a healthcare university, Southern California University of Health Sciences (SCU) must have a heightened awareness of these reforms and begin examining what opportunities these changes will create. 

odi odignimet offic temporepudam restint lit laut dolorit ea volorit atendipidici ideles et lacepel liquatur, conet
Framing the Problem

Healthcare Reform

Higher Education Reform
Issues Driving Reform

US HEALTHCARE
Rising Costs
Inconsistent Quality
Diminishing Access & Disparities

US HIGHER EDUCATION

Healthcare Reform

Higher Education Reform
Issues Driving Reform

- Waste & redundancy
- ↑ administrative burden
- Aging population
- ↑ Chronic disease
- Defensive medicine
- ↓ Access
- Inconsistent quality
- Fragmentation
- Technology
- Regulatory restraints

Healthcare Reform

Higher Education Reform
United States spends more than any other country on health care
Public and private expenditures on health care spending (as percent of GDP), 2007*

<table>
<thead>
<tr>
<th>Country</th>
<th>Public</th>
<th>Private</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>7.1%</td>
<td>2.4%</td>
<td>8.6%</td>
</tr>
<tr>
<td>France</td>
<td>8.6%</td>
<td>2.4%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>6.3%</td>
<td>4.3%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Germany</td>
<td>8.0%</td>
<td>2.4%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Austria</td>
<td>7.9%</td>
<td>2.4%</td>
<td>10.3%</td>
</tr>
<tr>
<td>Canada</td>
<td>7.1%</td>
<td>3.0%</td>
<td>10.1%</td>
</tr>
<tr>
<td>Belgium</td>
<td>7.4%</td>
<td>2.7%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Denmark</td>
<td>8.2%</td>
<td>1.5%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Sweden</td>
<td>7.4%</td>
<td>1.7%</td>
<td>9.1%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>7.3%</td>
<td>1.8%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Iceland</td>
<td>7.5%</td>
<td>1.6%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Norway</td>
<td>7.5%</td>
<td>1.4%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Italy</td>
<td>6.6%</td>
<td>2.1%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Australia</td>
<td>5.7%</td>
<td>2.8%</td>
<td>8.5%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>6.9%</td>
<td>1.5%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Spain</td>
<td>6.0%</td>
<td>2.4%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Finland</td>
<td>6.1%</td>
<td>2.1%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Japan</td>
<td>6.6%</td>
<td>1.5%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>5.1%</td>
<td>2.6%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Ireland</td>
<td>5.8%</td>
<td>1.7%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Hungary</td>
<td>5.2%</td>
<td>2.2%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>5.8%</td>
<td>1.0%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Poland</td>
<td>4.5%</td>
<td>1.9%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Korea</td>
<td>3.5%</td>
<td>2.8%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Turkey</td>
<td>4.1%</td>
<td>1.9%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Mexico</td>
<td>2.6%</td>
<td>3.2%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

Percent of GDP

17.9% in 2011
~$2.8 T
The Cost of a Long Life

US Health System Ranks Last
(Quality, access, efficiency, equity, & outcomes) Science Daily

28.6% Americans are Obese (Ranked 1st)
30% doesn’t improve health

2.8 Trillion
14% Care Delivery Failures
5% Fragmented Care
14% Pricing Failure
27% Administrative Complexity
21% Overtreatment
19% Fraud

≈ $911Bil

Bewick & Hackbarth (2012) JAMA
$300 Billion

10% 1950
Annual Health Insurance Premiums

Graham Center (2005) Who will have health insurance in 2025? Am Fam Physician 72(10)
The Cost of Chronic Conditions

Chronic Conditions account for 75% of every healthcare dollar.

Center for Disease Control (2009) The Power to Prevent, The Call to Control: At A Glance
Pareto Principle (80/20 Rule)

20% Patients

80% Spending
Pareto Principle (80/20 Rule)

- 20% patients / spending 80% of money
- Extreme variation of care
  - quality, price, & medical ethics
- Orphaned Pareto Group
  - 8-10% misdiagnosed
  - 10% faulty or incomplete Dx
  - 35-40% poor Tx Plan
You say it’s a sharp, stabbing pain. Hmmm... sharp ... stabbing pain.”
Pain is a significant public health problem accounting for $560-$635 billion annually.

Institute of Medicine
Opioid Abuse & Addiction

U.S. spent $72 Billion annually on opioid analgesics.

Outnumber all other overdose deaths.

Not counting indirect costs from ER, substance tx centers, etc.

Responsible for 60% of overdose deaths.

Economic Impact:

75% Increase in non-medical use of opioids between 2000-2010.

124% Increase in those 50 yrs or older since 2000.

Healthcare Reform
Rates of opioid deaths, opioid sales, and opioid substance abuse treatment admissions, United States, 1999-2010
THINGS ARE LOOKING UP, LOIS. YOU'RE NEXT IN LINE FOR RADIATION THERAPY.

YOU KNOW THAT HEART SURGERY YOU WERE WAITING FOR?

GOOD NEWS, PHIL. A HOSPITAL BED JUST OPENED UP.

MORE EVIDENCE OF A HEALTH CARE SYSTEM IN CRISIS.
Adults Age 18-64 w/o Health Insurance

- Latinos: 42%
- Native Americans: 34%
- African Americans: 22%
- Multi-racial: 20%
- Whites: 15%
- Asians: 14%

Centers for Disease Control & Prevention
Disparities in Quality

- African-Americans and Native Americans received worse care than Whites for \( \approx 40\% \) of quality measures
- Asians received worse care than Whites for 20\% of measures
- Hispanics received worse care for about 60\% of measures
- Poor people received worse care than high-income people for about 80\% of quality measures

US Department of Health & Human Services
Disparities in Access

• African-Americans had worse access to care 1/3 of measures

• Asians and Native Americans had worse access to care 20% of measures

• Hispanics had worse access to care for 5 of every 6 measures

• Poor people had worse access to care than high-income people for all measures

US Department of Health & Human Services
“What is the matter with our patients?”

to

“What matters to our patients”
Integrated Healthcare is...

the practice of healthcare that reaffirms the importance of the relationship between practitioner and patient, focuses on the whole person, is informed by evidence, and makes use of all appropriate therapeutic approaches, healthcare professionals and disciplines to achieve optimal health and healing.

Consortium of Academic Health Centers for Integrative Medicine, 2009
Benefits of Integrated Healthcare

- Improve outcomes
- Improve care for chronic conditions
- Better care coordination
- Limited fragmentation

Healthcare Reform
Trends in Healthcare

- Patient at center of decisions
- Integrated Healthcare Teams
- Moving Away From Private Practices / “Consolidation”
  - Organizational Performance
  - Designing Systems for Care
- Evidence-Based Outcomes
- Population Medicine to ‘Personalized Care’
Trends in Healthcare

- Quality of Life Over Longevity
- Safe Self-Care / Patient Responsibility for Health
- Away From ‘Dx & Tx’ to ‘Predict & Prevent’
- Reimbursement Shifts Away From Fee-For-Service
- Shifts Away From Hospitals to ‘Care Anywhere’

Healthcare Reform

Higher Education Reform
“The Value Problem”

We need to deliver better outcomes at a lower total cost.

Healthcare Reform
Framing the Problem

Healthcare Reform

Higher Education Reform
What are the issues driving reform?

US HEALTHCARE
- Rising Costs
- Inconsistent Quality
- Diminishing Access & Disparities

US HIGHER EDUCATION
- Rising Costs
- Inconsistent Quality
- Diminishing Access & Disparities

Healthcare Reform

Higher Education Reform
Forces of Change

THE ENVIRONMENT OF HIGHER EDUCATION
KEY ENVIRONMENTAL CONDITIONS

- Tenure Policies
- Competency Assessment
- Technological Innovation
- Enrollment Challenges
- Increased Competition
- Knowledge Society
- Information Ubiquity
- Declining Affordability
- Financial Pressures

University of Denver (2014) Unsettling Times: Higher education in an era of change
“Negative to Stable”
2015

“Negative Outlook on Higher Education”

Moody’s Investors Service (January 2014)
“Only 500 or so of the 4,000-plus colleges & universities in the US seem to have stable enough finances to be truly safe”

NY Times (2013)
Sustainable Revenue Growth Will Elude Most Public and Many Private Universities

Weak revenue trends for most public universities

Revenue trends of most private universities are leveling off

- 25th percentile
- 50th percentile
- 75th percentile
- Proxy for Sustainability
34% of Colleges & Universities Missed Enrollment Goals in 2014
Tuition vs Other Price Indices

CPI, cumulative % change since 1990

Sources: BLS Moody’s Analytics
Maxed Out

Total debt held by borrowers

Source: Federal Reserve Bank of New York
College Costs

It's a bill!
Changing Demographics

- Modest decline in high school graduates
- More ethnically and racially diverse
- Increase in first generation
- Fewer traditional
- Increase in underprepared
# Differentiated University

<table>
<thead>
<tr>
<th>Category</th>
<th>Academic Offering</th>
<th>Student Supports</th>
<th>Services/Experiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aspiring Academics</td>
<td>4-Year Experience; Research Opportunities</td>
<td>Academic Advising; Opportunities to Build Graduate School Resume</td>
<td>Research Assistant; Teaching Assistant Positions</td>
</tr>
<tr>
<td>Coming of Age</td>
<td>4-Year; Residential Experience</td>
<td>Wide Range Academic Options and Extracurricular Activities</td>
<td>Social Culture; Sports Teams</td>
</tr>
<tr>
<td>Career Starters</td>
<td>3-Year Degree Program; Experiential Learning Opportunities</td>
<td>Job Placement Assistance</td>
<td>Co-op Program</td>
</tr>
<tr>
<td>Career Accelerators</td>
<td>Competency-Based Credit</td>
<td>Success Coaching</td>
<td>Experiential Learning Opportunities</td>
</tr>
<tr>
<td>Industry Switchers</td>
<td>Online/Hybrid Programs</td>
<td>Career Counseling</td>
<td>Industry Relationships</td>
</tr>
<tr>
<td>Academic Wanderers</td>
<td>Weekend and Evening Schedules</td>
<td>Academic Advising</td>
<td>Job Placement Assistance</td>
</tr>
</tbody>
</table>

High School Graduates By Region

- South
- West
- Midwest
- Northwest

# of Graduates

Year

### "Administrative Bloat" 2000-2010

<table>
<thead>
<tr>
<th></th>
<th>Public</th>
<th>Private</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presidents</td>
<td>+ 75%</td>
<td>+ 171%</td>
</tr>
<tr>
<td>Administration</td>
<td>+ 39%</td>
<td>+ 97%</td>
</tr>
<tr>
<td>FT Faculty</td>
<td>+ 19%</td>
<td>+ 50%</td>
</tr>
</tbody>
</table>

Compliance: 15-25%

Instruction: 30-35%
Total Enrollment by Race and Ethnicity, Fall 2011

- **Asian**: Public 6%, Private 6%
- **Black or African American**: Public 12%, Private 12%
- **Hispanic**: Public 12%, Private 12%
- **White**: Public 62%, Private 65%
- **Multi-Racial**: Public 2%, Private 2%
- **Other**: Public 6%, Private 7%

Source: U.S. Department of Education, Condition of Education: 2013, Table 268
Students of Color Graduation Rates

- **Black**
  - Public Four-Year: 40%
  - Independant Four-Year: 45%
  - For-Profit 4-Year: 21%

- **Hispanic**
  - Public Four-Year: 50%
  - Independant Four-Year: 62%
  - For-Profit 4-Year: 34%

Note: Percentage of 2006 starting cohort who completed a bachelor’s degree within 6 years

The Parthenon Group (2014) *Differentiated University*
Rating College
Good/Excellent

40%: Public
31%: Faculty
76%: Presidents

Value Gap
ACCESS DENIED

Higher Education Reform

Healthcare Reform
trends
Trends in Higher Education

- Online & Blended Learning
- Shift to Learning Outcomes
- Modular & Flexible Curricula
- Competency-Based Curricula
- Mass Open Online Courses (MOOC)
Trends in Higher Education

- Universities as ‘Clearinghouse’ for Degrees
- Rise in Partnerships & Affiliations
- Shift from Traditional Campus to ‘Learn Anywhere’
- Changing Student Demographics
- Unbundling of Services
- Different Metrics for Success
Institutions at Risk

- Tuition discounting more than 35%
- Majority of faculty do not hold terminal degrees
- Student default rate above 5%
- Debt service over 10% of operating budget
- Financial sanction with accreditor
- Ave tuition increase greater than 8% for 5 years
- Enrollment under 1000
- Tuition dependency greater than 85%
- Less than 10% operating budget to technology
- No complete online program has been developed

Martin & Samels (2009)
TIME FOR CHANGE
TIME FOR CHANGE
25% of Institutions will Close or Merge in 10-15 yrs

Christensen & Horn, 2013
Mergers to Double
6 per yr

↑ to 15
Annually

“Small College Closures
to Triple by 2017”

Small College
Revenue ↓ $100

10-yr Ave
5 per yr

Moody’s Investors Service (2015)
Rising Cost
- Resort-like Amenities
- Increased Regulations
- Athletics
- Latest Technologies
- Resource Rigidity
- Compensation
- Public Support & Control

Inconsistent Quality
- Teaching Assistants
- Antiquated Curricula & Delivery
- Low Teaching Loads for Research

Diminishing Access & Disparities
- Student Indebtedness
- Return on Investment
- Affordability

Public Support & Control

Diminishing Access & Disparities
Rising Cost
- Resort-like Amenities
- Increased Regulations
- Athletics
- Latest Technologies
- Resource Rigidity
- Compensation

Inconsistent Quality
- Teaching Assistants
- Antiquated Curricula & Delivery
- Low Teaching Loads for Research

Diminishing Access & Disparities
- Student Indebtedness
- Return on Investment
- Affordability

Public Support & Control
- Resource Rigidity
- Low Teaching Loads for Research
- Antiquated Curricula & Delivery
We are not “encumbered” like many traditional Universities.

Nimble
Integrative Medicine brings together science and nature
Challenges

- Medical Internships & Residencies
  - Privately funded / Limited number
- Policy
  - Limited to modality / Reducing scope
  - Diminishes whole-person care
- Research
  - Limited $ / RCT / Efficacy Studies
  - Whole-systems research
Challenges

- Health Plan Coverage
  - Annual limits on visits or $
  - Limited Exam & Management codes
- Regulatory Practice Constraints
  - Not in all states / Scope restrictions
- Language
  - Specific to profession
  - Communication limitations for team

Healthcare

Higher Education
Challenges

- Small Independent Colleges
  - Many single focused
  - Inherent risk of the ‘business’
- Compliance
  - Increasing cost
  - Poor benchmarking data
- Fundraising
  - Poor infrastructure / little experience

Healthcare

Higher Education
Implications for Practice & Education
Practice Implications

- Focus on Value Agenda
- Expand an Integrated Practice Units Strategy
- Codify evidence-based algorithms
- Early and continued participation in innovative payment models
Practice Implications

- Build partnerships and affiliations
- Integrate seamlessly with Health System
  - Preventive low risk care / Pain
- Reach out to industry
- Join and support “Integrative Healthcare” Organizations
- Consider specialty boards &/or residencies

Healthcare
Education Implications

- Adjust quickly to the changing environment
- Innovative programming
- Build curricula/delivery around the “science of learning”
- Curricula that are module, flexible, & competency based
Education Implications

• Shift to more experiential learning
  • Certify/Acknowledge student experiences

• Less seat time / More applied learning

• Blended learning (flip classroom)
  • High tech / High touch
Education Implications

• Facilitate more collaborative practice experiences
• Interprofessional education (IPE)
• Consider partners, consortiums, university systems, or mergers
• Shift fundraising away from institution towards tuition relief
Education Implications

- Need support from regulators
  - Federal
  - State
  - Accrediting & testing agencies
Los Angeles College of Chiropractic
College of Eastern Medicine
College of Science and Integrative Health
SCU Health System
SCU will be recognized as the premier evidence-based integrative healthcare university.
What do we do at SCU?

We deliver patient-focused integrative healthcare

Provide student-centered interprofessional education
THE VALUE AGENDA

- Organize into Integrated Practice Units
- Measure Outcomes & Costs for Every Patient
- Move to Bundled Payments for Care Cycles
- Integrate Care Delivery Across Facilities
- Expand Excellent Services Across Geography
- Build an Enabling Information Technology Platform

An Integrated Clinical Experience

Oriental Medicine
Chiropractic
Nutrition
Functional Medicine
Diagnostic Imaging
Ayurvedic Medicine
Naturopathic Medicine
Massage Therapy

Sports Medicine & Human Performance
Spine Care
Healthy Living
Quality Aging
Community Care
Non-Traditional Holistic & Natural Health Professions

Traditional Medical & Allied Health Professions

DAOM  DC  PhD  ND  Ayur.  Nutr.  MD  DO  DNP  PhD  DDS  PT  OT  PA

Emerging Professions
Doctor of Naturopathic Medicine

Core Curriculum
- Basic Sciences
- Diagnosis
- Core Nutrition
- Ethics
- Information Literacy
- Environmental Medicine
- Collaborative Internships

Doctor of Chiropractic

Competencies for Integrative Practice
1. Values & Ethics for IP Practice
2. Roles & Responsibilities
3. Interprofessional Communication
4. Teams & Teamwork
5. Evidenced-Based Healthcare
6. Institutional Culture & Practice

Doctor of Acupuncture & Oriental Medicine

Master’s of Physician Assistant
...are healing-oriented practitioners that account for the whole person (Mind & Body), including all aspects of lifestyle. They emphasize therapeutic relationships & make use of all appropriate therapies, both conventional & complementary (1).

Integrative Healthcare Programs at SCU

1. Modified from Andrew Weil, MD
Additional SCU Strategies

• Aligning and supporting ACIM (ACCAHC) & AIHM
• Deploring resources towards whole-system and policy research
• Cultivating partnerships & affiliations
• Engaging in local, state, and national policy advocacy movements
Additional SCU Strategies

- Meeting the needs of the future student demographics
- Creating curricula that are module, flexible, & competency-based
- Shifting to more internships & experiential learning opportunities
- Providing students choices in curriculum
Thank You!