

President's Message



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THE ROBERT WOOD JOHNSON FOUNDATION has energized and inspired me for more than three years now. It has been the most noble, challenging and satisfying work I've ever known—with one exception. Deep in my heart I am still a physician, a geriatrician, and few things fulfill me more than pulling on my old white lab coat, picking up my stethoscope, sitting down in front of a real patient and asking, "OK, tell me what's bothering you."

This past summer I returned to the front lines of patient care at a community health clinic in downtown New Brunswick, about 25 hectic minutes up Route 1 from RWJF's peaceful campus outside Princeton. The clinic provides health care for thousands of our area's most vulnerable low-income or uninsured families who turn to the clinic's doctors and nurses for a full life cycle of medical help, from prenatal to elder care.

These patients present a daunting array of cultural and social problems that, taken together, relentlessly conspire against their own good health. Many are poor, illiterate, living in terrible housing or no housing at all.

Their illnesses are chronic and multiple. They advocate fiercely for their own individual care, but in languages many in the health care system do not comprehend. This is a world of medicine that is gritty, intense and intimidating—the kind of medicine I was trained in while in Boston. If what you want to do is help and to heal, this is where you belong.



Sometimes on Wednesday afternoons at the clinic I supervise medical residents who take my breath away because of their wonderful qualities: young, eager, hungry for answers, and totally immersed in the flow of patients streaming in the door. The residents' experience is mixed. Their hands-on clinical education is as valuable as it gets, but

the obstacles thrown in their way by our fractured health care system are frustrating and infuriating.

Here's an example. My very first day, I discovered that the clinic follows the same chronic illness care model for treating diabetes patients that Ed Wagner, M.D., developed at Seattle's MacColl Institute for Healthcare Innovation through our national program *Improving Chronic Illness Care*. I thought, "This is great!"

The clinic's doctors have the model down cold: they cluster diabetes patients in a special registry, they track real-time key indicators and they proactively manage each patient's care, one-on-one.

Working as a team, getting up-to-the-minute hard data, focusing on the patient—what these residents and attending physicians do *inside* the clinic's self-contained world is how our entire health care system should work. But when these same doctors reach *outside* the clinic, too often there is no matching place to plug into. And the outcome? Much of the clinic's good work is stymied because there are too few health care professionals responding to patients' needs the way that the clinic does.

After watching one resident spend a half-hour on the phone trying to get just one patient one appointment with one specialist, I thought: "Nothing's changed in all these years. How in the world can these doctors take care of patients if so much of their time and energy is chewed up fighting a system that seems hell-bent on making their job harder, not easier?"

Irritated, I got in my car and drove back down Route 1 more committed than ever to the bedrock principle that guides everything the Robert Wood Johnson Foundation does. This principle tells us that we are the

stewards of private resources that must be used in the public's interest—particularly to help the most vulnerable in our society. This is our moral compass; it helps keep our mission, our ethics and our passions on True North.

Nothing exemplifies the Foundation's powerful commitment to the public's interest more than how we invest our resources to change America's troubled health care system until it finally—and reliably—delivers a level of quality care that meets the public's expectations of what they need and deserve.

In other words, the next time that resident picks up the phone, someone will answer who actually knows what to do and how to do it, and together they can improve the health of that patient by delivering the right health care at the right time in the right way.

For the doctors, nurses and patients at the clinic in New Brunswick—and for me—that would be a pretty good definition of "quality" health care that most certainly would stand the test of time.

But how do we get there? How do we move from the system we have to the system we need? What obstacles stand in the way? How do we overcome them? And what will health care look like when we remove them?

President's Message

THE BARRIERS TO CHANGE are as formidable as they are familiar. They are systemic, mostly of our own making, and have long blocked serious attempts to bring about needed change. In fact, we have become so used to them we act as if they are normal. But when you pile the barriers all in one place it is easy to see just how imposing a roadblock they make. When we talk about “quality,” this is the context from 30,000 feet above the roadway:

- **The system is unequal.** Racial and ethnic minorities tend to receive lower-quality health care than whites do, even when insurance, income, age and medical conditions are comparable.

- **The system isn't fair or equitable.**

More than 44 million people go without any health insurance coverage at all—and then some providers charge the uninsured more than they charge anyone else.

- **The system isn't safe.** Remember when the Institute of Medicine estimated that as many as 98,000 patients a year die from medical errors? Recent studies¹ suggest the actual number of fatalities is so much higher that medical mistakes may now rank as the third leading cause of death, next to heart disease and cancer.

- **The system isn't trusted.** Public confidence in the leaders of health care institutions has fallen drastically in the past generation—from nearly 80 percent in 1966 to less than 30 percent in 2004.² A majority of Americans now say they are afraid something bad will happen to them if they have to be admitted to the hospital. In a national poll,³ more than 55 percent said they worried about getting the wrong treatment or a serious infection. And 62 percent say they believe the health care system will get worse in coming years.⁴

- **The system doesn't know what it knows.** Despite all our sophisticated scientific and diagnostic technology, health care doesn't have its own integrated IT system.



For instance, do you consistently get a postcard from your doctor reminding you to come in for a mammogram or colonoscopy? Jiffy Lube does a better job of managing its customer information.

- **The system doesn't teach the right things.** Medical education reinforces process and procedure with more vigor than it promotes cutting-edge quality of care, teamwork and demonstrably positive patient outcomes.

- **The system's costs keep rising.** Although the rate of health care spending finally slowed in 2003,⁵ overall costs in the health care system have steadily increased over time.

Health insurance premiums have jumped 10 to 20 percent each year. The cost of prescription drugs is up nearly 30 percent over three years, five and six times the annual rate of inflation. At least 25 percent of hospital spending is on administrative costs, more than twice that of Canadian hospitals.⁶

- **The system is voracious.** Overshadowing all else, health care's share of our gross domestic product—now about 15 percent—will push to at least 18 percent by 2012 if nothing changes.

With deepening federal deficits and an inconsistent economy, the burden already falls heavily on families and employers.

COMPOUNDING THE CHALLENGE: Major public and private sector players over the past decade have failed to fulfill the country's hopes for meaningful change. Instead, they have settled into a no-fault zone in which everyone is responsible and no one is accountable. This is the quality context much closer to the ground:

- **The purchasers of health care** in government and business are confounded by a payment system that fixates on curtailing care and saving money. The high price of such shortsightedness: the big health purchasers fail to recognize and reward what it takes to improve the health industry itself—superior safety and overall value for the care that is delivered.

15

Percentage of America's gross domestic product spent on health care

44,000,000

Americans who have no health insurance coverage

The
Barriers
to Change

98,000

Patients who die each year from medical errors

30

Percentage of increase in the cost of prescription drugs over three years, well above the annual rate of inflation

62

Percentage of Americans who believe the health care system will get worse in coming years⁴

Transforming our health care system to benefit *all* participants—patients as well as those who deliver care—is a significant challenge. Systemic problems encompassing everything from safety issues to cost pressures require a far-reaching, long-term commitment to improvement.

30 Percentage of kids with ear infections who are given excessive antibiotics⁷

20-50 Percentage of surgeries that are unnecessary⁸

Percentage of health care costs attributable to poor patient care¹⁴

30

Overuse,
Underuse,
Misuse

40

Percentage of people with chronic illnesses like diabetes or hypertension who don't get the recommended care

1 out of 1,000

Encounters with the U.S. health care system that are fatal¹³

Despite remarkable advances in medicine over the past half-century, our health care system doesn't always allow for the full or appropriate use of opportunities for improved care. The wrong procedures may be performed, or the wrong medications prescribed. Sometimes, no care at all is delivered, despite urgent need.

President's Message

- **The providers of health care** prize their own autonomy and reimbursement rates more highly than the need to consistently deliver high-quality care to a wide range of populations and individuals. They seem blind to the case for re-engineering the system and reluctant to collaborate in a search for common ground.
- **The payers of health care** are captive to an ever-urgent business model that encourages both purchasers and providers of care to be more cost-conscious than caring. Lost along the way are better patient outcomes, improved community health and the trust of the public.
- **The consumers of health care** do not distinguish between the quantity and the quality of their own care. More is always better, so long as the co-pay is no more than 20 percent.

Closer to home is where the quality context becomes most real for patients and their families—when they go to the doctor, the hospital, the pharmacy. Here, the system is most puzzling, most disturbing and most harmful to the most people. Why? Because this is where our quality deficit is on full display and often obscures much of the actual good performed by the system and the people working in it. I'm sure each of our own families has experienced symptoms of this quality deficit.

For example, we provide too much care that is *not* necessary: 30 percent of kids with ear infections are given excessive antibiotics;⁷ 20 to 50 percent of surgeries are not needed;⁸ 50 percent of X-rays for back pain are unnecessary.⁹ Or we provide too little of the care that is necessary: 45 percent of patients do not get the recommended care;¹⁰ 40 percent who need care for chronic illnesses like diabetes or hypertension don't get it; 50 percent of the elderly fail to receive the pneumococcal vaccine; 50 percent of heart attack victims fail to receive beta-blockers.¹¹ And too much health care is misused: 7 percent of hospital patients experience a serious medication error;¹² 1 of every 1,000 health system encounters is fatal—more

than in driving or flying;¹³ poor care accounts for 30 percent of all health care costs.¹⁴

The data confirm what patients already know—that few important things in their lives seem to go so wrong so often as health care. I see it at the clinic in New Brunswick where our patients are as worried about what the system is going to do to them as what it is going to do for them.

Independent national public opinion polls show the rest of the country shares their concerns. For the first time in more than a decade a majority of Americans question the system's overall quality.¹⁵ The numbers who believe the health system is meeting

their needs declined 28 percent over the past five years.¹⁶ In 2004 nearly 60 percent questioned if their hospital would do the right thing for patients. Just as many said they worry that if admitted to the hospital they will receive the wrong treatment or get a serious infection.¹⁷



HERE IS WHAT ALL THIS SUGGESTS TO ME: The public is worried about the true *value* of health care and whether the

system that delivers it reflects their *personal values*. In the patient's world, quality is not a policy or a product but an individual and social value. We agree.

Our own research makes it clear that people want the peace of mind that comes from knowing that they and their loved ones are well cared for. They want a sense of confidence in their own financial security and that they have some control over how health care affects their lives. They want evidence that those making health care decisions know what they are doing. And they want to see the people running the system working tenaciously for good outcomes that serve the health and well-being of all of us.

Americans clearly expect to be served by an interdependent health care system that connects all of us through shared values—equality, compassion, shared obligations, social responsibility and accountability. This potent mix of common sense interdependence and shared values is the glue the public expects to be used to bind the system together. This is where we come in.

President's Message

THE INSTITUTE OF MEDICINE not long ago laid out what has become a manifesto for reform of the American health care delivery system. The IOM told us:

The current system cannot do the job.

Trying harder will not work.

Changing systems will.

At the Robert Wood Johnson Foundation, we translate this into our own vision of what is necessary to change health care's multiple and entrenched "systems:"

- **First, we the patients** at long last will be in control of our own care, in a system that respects our individuality, values, ethnicities, and, yes, even our sense of social justice.
- **Second, the treatment we receive** will be based on the best and most up-to-the-minute scientific and clinical evidence.
- **Third, the new system** will dissolve the old system's hardened silos so that paramount *value* can attach to cooperation, interconnection and putting the patient first.



Our vision validates the IOM blueprint and informs our stewardship of the private resources we dedicate to the public's interest. Our vision is patient-centered, knowledge-based, systems-minded. Translating it into reality is a tall order that makes demands across political, economic, education and provider spectrums. Each player has a role: hospitals and health systems; physicians, nurses, all the health professions; the payers, public and private; employers and government purchasers; educators. And, we as patients, because in the new health care reality each of us will bear more responsibility for managing our own care.

VISION, OF COURSE, IS AN IDLE EXERCISE WITHOUT ACTION. One of my heroes, Eleanor Roosevelt, cautioned: "The things you refuse to meet today always come back to you later on, usually under circumstances which make the

decision twice as difficult as it originally was."¹⁸ So, we are acting now, strategically investing to raise the quality of the country's health care by (1) inspiring revolutionary and innovative approaches to health care excellence, (2) supporting a matrix of high-impact, systems-changing portfolios, and (3) turning what works into models for others to follow.

How our programs and grantees perform two jobs is what ultimately will determine how well we meet our goals:

- **Job One** is to reduce continually the affliction of illness, the suffering from injury and the burden of disability experienced by patients, their families, friends, co-workers and neighbors.

- **Job Two** is to improve continually the health status and function of all our people, no matter who they are or how much they make or where they live.

Tough jobs? Yes. Worth tackling? Absolutely. Attainable? They're already being done. Programs we sponsor across the country right now are achieving strong, transforming outcomes, making us increasingly—and realistically—optimistic that the system can

indeed become more patient-centered and knowledge-based, with leaders who are willing and able to spearhead wide-scale transforming change. Their results are verifiable and are making a positive difference not only in patient care but in systemic effectiveness and efficiency. For example:

Pursuing Perfection®, our national program to pioneer how provider organizations can successfully reinvent their major care processes, is directed by Donald M. Berwick, M.D., of Boston's Institute for Healthcare Improvement. After only two years, sample results include a medical center in New Jersey reducing its adverse drug events by 75 percent; a public care health system in Boston cutting in half the number of emergency department visits for children with implemented asthma action plans; and a medical center in South Carolina driving down its mortality rates for acute myocardial infarction to less than half the national average.¹⁹

1

We the patients will be in control of our own care, in a system that respects our individuality, values, ethnicities, and sense of social justice.

2

The treatment we receive will be based on the best and most up-to-the-minute scientific and clinical evidence.

Our
Vision for
the Future

3

The new system will dissolve the old system's hardened silos so that paramount value can attach to cooperation, interconnection and putting the patient first.

The Institute of Medicine laid out what has become a manifesto for reforming our health care delivery system: "The current system cannot do the job. Trying harder will not work. Changing systems will." We have translated this into a three-tiered vision.

75 90

Percentage of increase in palliative care programs in the past five years, many inspired by *The Center to Advance Palliative Care* at Manhattan's Mount Sinai School of Medicine²¹

Percentage of reduction in adverse drug events at a New Jersey medical center participating in our *Pursuing Perfection* national program¹⁹

Achieving Success

4

Dollars saved for every dollar invested in the program—a measure of success for the *Nurse-Family Partnership* in setting up home nurse visitation programs for low-income mothers and their children²⁰

420,000

Dollars saved from one nursing procedural change at a single medical center—the type of innovation facilitated by our *Transforming Care at the Bedside* national program²⁴

The activities of the Foundation and the organizations we support have made a positive difference in improving patient care and in making our health care system more effective and efficient. These transformations are verifiable and in many cases quantifiable, underscoring the importance of our mission and the dedication of our colleagues and partners.

President's Message

The Nurse-Family Partnership at the University of Colorado's National Center for Children, Families and Communities shows communities across the country how to set up a home nurse visitation program for low-income mothers and their children. Long-term trials by Director David Olds, Ph.D., and his staff show that families in the program benefit from remarkable reductions in child abuse and neglect and in mothers' use of alcohol and other drugs, plus lower rates of arrests and convictions among both mothers and adolescents—and \$4 saved for every \$1 invested in the program.²⁰

The Center to Advance Palliative Care at the Mount Sinai School of Medicine in Manhattan is teaching academic, community and faith-based hospitals how to establish palliative care programs to relieve suffering and improve the quality of life for patients with advanced illness and their families. As a result, the American Hospital Association reports a 90 percent increase in palliative care programs in the past five years;²¹ today one in five hospitals has a program.²² *U.S. News & World Report* now considers palliative care as a criterion in its annual ranking of the country's top hospitals.²³ These are significant outcomes for Director Diane E. Meier, M.D., and the Center's partners.

Transforming Care at the Bedside, managed by the Institute for Healthcare Improvement, is redesigning how hospitals can better meet the expectations of their patients. For example, when a nurse arrives for work at the University of Pittsburgh Medical Center's Shadyside hospital, the first thing she does is pick up her noncellular, personal phone. Until recently, the prime communications device available to a nurse was her own footpower, as she raced up and down halls to fulfill her job duties. According to the hospital, the use of a personal phone saved each nurse 20 minutes each shift by allowing him or her to immediately respond to issues as they came up. Hospital-wide, this provided \$420,000 worth of time that could be diverted back to patient care.²⁴



Such successes signal us that enlightened leadership and inspired organizations are discovering new ways to serve patients better, and improve health outcomes and the well-being of entire communities. Now the question is: How will we know when the new ways of doing business are really working? The answer: We will know because tomorrow will be profoundly different from today. We'll see the differences in both big and little ways.

For example, today, our care is based on office visits. Tomorrow, our care will be determined by what kind of care we need, when we need it and how we need it—in the office, on the phone or over the Internet.

Today, the autonomy of the professionals rules our care. Tomorrow, it will be our needs, values and choices as patients that predominate. And we will have all the information necessary as patients to make the right choices.

Today, our medical and health care information is for others to know and for us to wonder about. “Knowledge is power” and much of the knowledge about us is kept secret from us. Tomorrow, no more secrets; knowledge will be a power tool that is shared freely. We're finally going to know as much about our health care as the system knows so we'll be able to make informed health care decisions for ourselves and our families.

Today, the ancient Hippocratic admonition to “do no harm” is left up to the individual practitioner. Tomorrow, the safety of each patient will be the responsibility of the entire system. This is as basic a patient right as there can be. It will be the job of each component of the system, in tandem with the others, to ensure that we are safe from harm.

Today, cost reduction is the mantra—cut jobs, services, care. Tomorrow, it will be the tremendous waste of time and material that is cut, freeing valuable resources for what is truly important.

Today's system reacts too often with a knee jerk and only after an avoidable crisis. Tomorrow's system will anticipate what

President's Message

we need before we need it. We will be proactive, tracking what works and what doesn't, heading off crises before they occur.

OBVIOUSLY, OUR AMBITIONS ARE HIGH, as they must be; our goals are grand, as they should be; and we are absolutely certain, as we must be, that we will meet them—because patients themselves tell us that we will. We asked one patient, why pursue perfection?

*“Because,” he said, “that way you will achieve as much as you possibly can. If you aim for the top and get halfway there, you’ve got something which will still make an enormous difference to patients. If you only aim halfway and don’t get there, patients are going to lose out.”*²⁵

These words echo the Foundation's pledge to use its resources in the public's interest. This principle tells us who we are and what we stand for. For myself and my colleagues at the Foundation, these are words to live for and words to live up to. After all, delivering on the promise of better health and better health care for all Americans is what we devote our skills and energies to every day.

Yet, we realize there is more to it than merely showing up for work. Fidelity to principle requires perspective, conduct and action. As our purpose and mission are more evident to us—as we, in fact, pursue our own perfection—we continually learn in

new ways how principle shapes our strategies and informs our decisions. It demands persistence and perseverance. And it presents a pathway to a better future. To follow that pathway, this is what we pledge to do:

- *We will step forward.*
- *We will be faithful to our common cause.*
- *We will seek out diverse partners with the expertise and the will to forge sound new solutions.*
- *We will not shy away from the difficult or the controversial.*
- *We will stay on mission until solutions are clear, momentum is generated and progress is secured.*

And, finally, we pledge that we will make a difference in our lifetime and yours. This is the Robert Wood Johnson Foundation's promise. It graces our work, just like the young doctors in that clinic up Route 1. Helping and healing; this too, is what fires the hearts and minds of our staff, our grantees, our funding partners and our family of stakeholders. The reason is as simple as one of my favorite African proverbs:

*“Disease and disasters come and go like rain,
but health is like the sun
that illuminates the entire village.”*

We are blessed, indeed, to be following that sun.



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