

UC Irvine Internal Medicine Residency Training Program

DSR 2 Medical Economics Exercises and Prompts

I. Introduction

The cost of health care is growing at a staggering rate. President Obama and many others have said that these costs and issues of access are the single biggest challenge facing our economy and perhaps our country. Physicians must understand the language of medical economics and the implications of health care reform, including efforts at cost control. These exercises are meant to enhance your health care economics vocabulary and push forward the discussion on the rapidly evolving state of provision of medical services in the US. [To stay abreast of further developments in this area, subscribe to the online version of the New England Journal of Medicine which regularly publishes insightful essays on this topic. If you are a member of the ACP (which you should be) make sure you receive their regular online newsletter on the politics of health.]

II. Agenda for the Medical Economics Curriculum in DSR 2

a. Session 1, Day One

- i. In preparation, you should have skimmed “The Cost Conundrum” article by Atul Gawande and complete the pre-test prior to the lecture and based on current knowledge. The questions and answers will be discussed at the Business of Medicine lecture.
- ii. Seminar on Medical Economics & Introduction of the Project
- iii. Discussion of Possible Topics for the Cost-Consciousness Assignment & Essay
- iv. View video of Dr. Paul Weygandt’s presentation at:
<https://intranet2.ha.uci.edu/guest-presenters> . It is the first video on the page, titled “April 2012”.

[] Complete the Pre & Post-Test. Save it to turn in at the end of the rotation.

[] Review the assignment & clarify questions about the assignments.

b. The Project

- i. Step 1 – Your objective in this assignment is to identify an area where you feel you could find some cost-savings. The project can occur at any clinical site. You can look at any questions. Some examples might include:
 1. Review the attached article, “Appropriate Use of Screening and Diagnostic Tests to Foster High-Value, Cost-Conscious Care” & evaluate one of the situations identified in the Table.
 2. Analyze daily labs to look for unnecessary labs or unjustified labs.

3. Look at records of echocardiograms to review recent and possible redundant exams.
 4. Look at new admissions where tests were repeated or scans ordered even though there were recent relevant exams.
 5. See how many patients had head MRIs that were immediately preceded by head CTs.
 6. Sit in on rounds with a ward team once or twice during rounds and ask them why they obtained the labs they did or just observe for test ordering behavior.
 7. Look at outpatient charts for redundant lab ordering or testing.
- ii. Step 2 – Write up your project and describe what you found. You will present this project at the final session. IT does not need to be elaborate, but you should have a document or PowerPoint to turn in at the final session.
 - iii. Step 3 – Write a brief essay of 300 words or less on cost containment or health care reform. You can write on any of the prompts listed in section III or on your own topic. However, whatever you write must be about cost containment or health care reform or the education of medical students or residents on health care economics.

III. Essay Prompts

- a. The US spends several times more *per capita* on health care than any other country but does not achieve outstanding outcomes. This excessive spending is a significant challenge to the economy. What do you feel are the main barriers to cost-containment in US Health Care?
- b. The US spends several times more on health care than any other country but does not achieve outstanding outcomes. This excessive spending is a significant challenge to the economy. Why do you feel our US healthcare outcomes do not match the expenditures?
- c. If you were king, how would you reform US health care?
- d. If you were dean, would you reform medical education to control costs in health care? If so, how?
- e. If you were dean, would you include more education on medical economics in the medical school curriculum? If so, why and how?
- f. What should the US do to fulfill the need for primary care **providers**?
- g. Why did the experiment with HMOs ultimately not cause the health care spending curve to bend down long-term?
- h. Should cardiologists make more money than general internists? If so, how much more?
- i. Should undocumented residents have access to health care?
- j. Should Medicare be an option for all US citizens?
- k. Should smokers pay more for health insurance coverage than non-smokers?
- l. What will happen to safety-net hospitals after the PPACA goes fully into effect in 2014?
- m. All western countries, including our own, have “death committees”. For instance, in the US, a defined process exists for the allocation of spare organs for transplant. Some live. Some die. However, in general, the US has been reluctant to control allocation of

anything but the most scarce resources (organs) and avoids allocation decisions on investment (like who owns a PET scanner or how many outpatient surgical centers to build) or decisions (like when to withdraw care from cancer or dialysis patients). Should the US develop a more robust mechanism for the allocation of scarce resources?