

Clinic reports big savings from standardized care

Puget Sound Business Journal (Seattle) - September 22, 2006, by [Peter Neurath](#), Contributing Writer

A Spokane cancer clinic figures it avoided more than \$1 million in medical costs last year by requiring doctors to follow a standardized process, or "clinical pathway," when treating patients with lung cancer.

[Cancer Care Northwest](#), a clinic with 20 physicians, believes it's the first oncology clinic in the state to have adopted clinical pathways, but it's part of an emerging trend of severely restricting physician freedom in deciding how to care for patients. The clinic is conducting the program in concert with health insurer [Premera Blue Cross](#).

Standardization of patient care based on the latest scientific research increasingly is seen as one of the best ways to improve care and, as a result, to lower medical costs.

"We have learned that providing quality care and being cost-effective are not mutually exclusive goals," said Dr. Bruce Cutter, president of Cancer Care Northwest.

For instance, said Cutter, there are multiple drugs for treating lung cancer that are similar in effectiveness but vary in cost from \$20,000 to \$80,000 per treatment course. So Cancer Care Northwest created a clinical pathway stipulating drugs that are both clinically effective and cost-effective.

"Providing the right care at the right time not only provides our patients with the gold standard of care but we conserve precious health-care resources," Cutter said.

In just one disease category -- lung cancer, the second-most frequent and costly type of cancer -- Cutter estimated that the clinic avoided up to \$1 million in medical costs over the past year by adhering to the clinical pathways and decreasing variation in drug patterns. The implication is that if doctors were to do this sort of thing generally, the country could save billions in medical costs.

"Doing the right thing ends up with significant savings," Cutter said. "In my mind, that's where medicine needs to go."

The clinical pathway approach takes one step further the widely discussed "practice guidelines" that encourage doctors to base their treatments on the latest scientific evidence about what works best. Clinical pathways, Cutter said, require doctors to follow such procedures unless there are compelling clinical reasons not to do so.

Clinical, also known as critical, pathways, provide detailed guidance for each stage in the management of patient care. They've been around since the 1990s. But according to a statement on the American Heart Association Web site, "As competition in the health care industry has increased, managers have embraced critical pathways as a method to reduce variation in care, decrease resource utilization, and potentially improve health care quality."

Those managers include health insurers. Cancer Care Northwest developed clinical pathways in collaboration with Premera Blue Cross. Premera provided the clinic with "financial incentives to go down this road," said Dr. Dave Johnson, Premera's Spokane-based medical director.

"We paid them dollars" to implement clinical pathways, he said.

Other medical organizations are heading in the same direction, said Dr. Curtis Veal, the new chief of medical staff at Seattle's [Swedish Medical Center](#) and also director of pulmonary medicine at [The Polyclinic](#), also in Seattle.

"We're in the process of doing that same sort of stuff in the Swedish system," he said.

Clinical pathways as such are not new, Veal said. What's unusual right now is using them to replace physician autonomy with standardization.

"This is a huge cultural change for doctors," he said.

Historically, Veal said, doctors have been medical artists, but in the future they may have to give up their freedom in choosing how to treat patients in the interest of improving reliability.

Contact: pneurath@bizjournals.com • 206-447-8505x130