



Academic Medical Centres at Risk of Becoming the Next Kodak



According to a commentary published in *Academic Medicine*, academic medical centres (AMCs) need to embrace the changing healthcare marketplace otherwise they might become the next Kodak, a company that failed to adapt to the shifting technological landscape and soon became obsolete.

Verdi DiSesa, MD, MBA, Chief Operating Officer of the Temple University Health System (TUHS), the author of the commentary says, “AMCs and those who lead them need to recognize that they are in a business that is transitioning from a system of 'sickness' care to one of 'health' care, accountable for the health of defined populations and for the value of the services provided.” The commentary is co-authored by Vice Dean for Clinical Affairs and Professor of Surgery at Temple University School of Medicine (TUSM), and Larry Kaiser, MD, President and CEO of TUHS, Senior Executive Vice President for Health Affairs at Temple University, and Dean and Professor of Surgery at TUSM.

The authors point out that the failure to recognise the importance of this transition can impair AMCs irrevocably and that is why it is important for leaders of academic medicine to understand and respond to the change and to lead the transition toward a new health paradigm. The healthcare sector is moving into an era where value is replacing volume and payors, regulators and patients are demanding a shift from a system of intervention for episodes of illness - 'sickness care' – toward one that focuses on maximising the health of the population by providing “health care.”

The authors write that the pressures driving these changes include value-based purchasing, "observation" status, denial of payments for re-admission, "risk" contracts, "tiering" based on historical costs, accountable care, and payer-mandated medical management. They recommend that academic centres can respond to these challenges by redesigning their delivery mechanism and reorganising them into multidisciplinary systems of care. They also suggest that AMCs should position themselves as the tertiary/quaternary hub in a networked system of lower cost-basis community hospitals and outpatient resources, create new fields of medical specialisation and accelerate the growth of population health and accountable care.

"To survive, AMCs will need to become an integral part of a system in which enhancement of population health is the explicit mission," says Dr. DiSesa. "This transformation presumably must be accomplished while the AMCs still fulfil their traditional missions of advanced patient care, teaching and research. It's likely that some AMCs will need to redefine their mission and not try to be everything for everyone."

Source: [Temple University Health System](#)

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