Foreword

This, the 11th edition of *Health Care Delivery in the United States*, appears at an unprecedented moment in the evolution of the U.S. health care system. After decades of relentless increases in the number of uninsured residents, more Americans today hold health insurance coverage than at any time in the past. In the wake of the Affordable Care Act coverage expansion, which began in January 2014, the share of the population uninsured has fallen to levels last seen more than 30 years ago. On the cost front, real per capita spending over the past 4 years has grown at the slowest rate on record. For the 8th year in a row, the Congressional Budget Office has revised downward its projections of Medicare cost growth. Although the exceptional slowdown of overall health spending is largely due to the effects of the Great Recession, changes to payment policies and levels enacted in the health reform law may claim credit for some of the good Medicare news.

The new law, as well as changes in private insurer practices, also seems to have encouraged the proliferation of novel forms of health care delivery that seek to generate the quality and cost benefits long associated with high-performing vertically integrated health care institutions. Some evidence suggests that these incentives have contributed to reductions in readmission rates and health care-acquired infections.

On the public health front, decades of educational efforts, incentives, and interventions, often based on academic evidence, have also led to significant improvements. Teen and adult smoking rates are at all-time lows, and the teen birth rate has fallen almost continuously over the past 20 years. These improvements are testimony to vibrant and creative efforts in health financing, delivery, and public health.

It is comforting and reassuring to imagine that the U.S. health system has settled into a more sustainable, equitable, and effective path. But that sanguine image belies both the condition of our health system and the history of health reform elsewhere. It is true that uninsurance rates have dropped dramatically in some states—but many others have rejected the coverage expansions. A concerted effort in the courts and in Congress seeks to roll back the gains that have already been made. Slower cost growth offers the system some breathing room, but almost all analysts predict that the changes in payments and organizations will not be sufficient to hold spending at supportable levels. Even under the most optimistic scenarios, as the baby boom generation ages, health care will consume a growing share of the gross domestic product and of the federal budget. Health reform and insurer ingenuity have brought an abundance of new organizational forms, but the jury is out on whether these will actually improve quality and reduce costs. U.S. health outcomes, especially for the most vulnerable populations, remain abysmally low in a comparative perspective, and the evidence suggests that inequality in health outcomes is growing.

Students of health care policy and delivery need to chart a middle course: neither complacently optimistic about the promise of a new regime, nor overly discouraged by the still-dismal U.S. context. Instead, as the experience of other countries suggests, we should recognize that health care system reform is a never-ending task. After all, Chancellor Otto von Bismarck initiated the German health insurance system in 1883—and Chancellor Angela Merkel completed the most recent German health insurance reform, building on Bismarck's model, in 2011. Similarly, even though much

has changed, our health care system continues to resemble (quite closely) the system described in the first edition of *Health Care Delivery in the United States*, published in 1977. No doubt a student of the future, scanning this 11th edition in 2050, will recognize many similarities to the health system he or she knows and will also see evidence of the decades of reform that will consume policymakers and delivery system managers between now and then.

Health care managers, practitioners, and students must both operate as effectively as they can the daunting and continually evolving system at hand and identify opportunities for reform advances. For nearly 40 years—27 of them at least in part under the stewardship of Tony Kovner—*Health Care Delivery in the United States* has been an indispensable companion to those preparing to manage this balance. The present edition demonstrates once again why this volume has come to be so prized. It takes the long view—charting recent developments in health policy and putting them side-by-side with descriptions and analysis of existing programs in the United States and abroad. Novelty gets its due, but so does context. The text recognizes that health is, after all, the ultimate object of health care delivery, and so provides a thorough assessment of population health. It explores the key elements of the health care delivery system, from both the supply and the demand sides. In addition, it recognizes that the delivery system doesn't stand alone and examines the structures and processes—technological, governmental, and organizational—that underpin the system.

Health Care Delivery in the United States profits from the editorship of two highly experienced observers of the health care system: James Knickman and Anthony Kovner. Jim, once a faculty member at Wagner, is now president and CEO of the New York State Health Foundation, which, under his stewardship, has been an important contributor to reform of the New York state health system. Tony is, to my delight, my colleague at the Wagner School. He has been a mentor and guide to generations of health care managers and policymakers, both at a distance, as contributor and editor to this text, and as a classroom teacher and adviser. He has transformed the lives of his students, and they, as leaders in health care institutions around the country, have transformed their institutions and the lives of their patients. Tony inculcates in his students—as he has in me—a conviction that policy and management can, should, and must be founded on the best possible evidence. Founding decisions on evidence is not just a mantra—it means asking the right questions, identifying the appropriate literature, and assessing the applicability and quality of this research. In this volume, Tony and Jim have put that system to work, and it is this foundation in rigorous evidence that allows the text to stand the test of time and to be responsive and useful in addressing current developments.

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