

I.Q. -- Interesting Quote

Editorial Staff

Transforming the Hospital Industry?

As you become acclimated to the many changes in health care, it can sometimes be comforting to see how others in the industry are handling the same changes. Consider these excerpts from the January 1996 issue of Washington CEO:¹

The hour is early, the audience is well-educated and well-dressed, and Phil Nudelman is talking about frogs. The president and CEO of Group Health Cooperative of Puget Sound informs about 50 health-care professionals at a Seattle seminar that: "If you drop a frog into a pot of boiling water, it'll leap right out to save its skin. But if you put a frog in a pot of lukewarm water, and gradually turn up the heat to the boiling point, the frog won't realize what's being done to him -- until it's too late to escape." The result? "Dead frog."

The lesson here is that the heat is now being turned up on members of the nation's hospital industry, from administrators to physicians and nurses to pharmacists and support staff. A massive shakeout is underway to determine which hospitals in Washington state and elsewhere will survive past the year 2000.

The Pew Health Professions Commission, an independent panel of national health care experts, put it succinctly recently when it predicted that market pressures will force the closure of up to half of the nation's hospitals by 2000. Not everyone agrees with that scenario. Still, those ignoring the wake-up calls or trying to cling to the status quo will become the equivalent of boiled frogs.

"My advice is, check the temperature. It continues to rise," Nudelman offered.

Reference

1. Transforming the Hospital Industry. Washington CEO, January 1996.

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