## **An Oregon Health Care Fable**

Most of the four-hour flight from Singapore to Portland had been occupied with the video-conference. But now Fran had settled back in her seat and was using the last 30 minutes thinking about the situation. Since the UN vote, life had become pretty complicated for several Oregon health care executives, but the Ephcot-Malaysia seemed the most complicated. Sometimes life with the world's leading health care enterprise was a bit too exciting.

Fran had joined the mother-ship, Ephcot-Oregon, twenty years ago, back in 2020. Her first job was as a manager with the Kaiser Permanente node of the Ephcot network. In 2025 she was named to manage the network's Central Services Unit. Under Fran's leadership the CSU grew beyond the responsibility for the efficient provision of medical care services shared among the four integrated health care systems comprising Ephcot-Oregon.

The fabled research and development activity and the network's community services functions eventually came under her purview on her way to becoming the network's CEO. Fran was extraordinarily effective at creating the links between the Ephcot network and philanthropic, governmental, and industrial organizations that were necessary for the success of the enterprise.

When the Ephcot was first proposed it was necessary to imagine a network of vertically integrated, nonprofit, health care systems working together, collaboratively to produce readily accessible, community-wide, high quality services at the lowest possible cost. The concept of an Experimental, Prototype, Health Care of Tomorrow system was so radical, so pie in the sky when it was first proposed. But the concept seemed so obvious to Fran as she pondered her life over the past 20 years.

Back in the day, Oregon's health care system, while marginally better then many other states' systems, was frankly a mess. A massive transformation of Oregon's Medicaid delivery system dramatically improved the care provided for the one million Oregon Health Plan members. But the hope that it would provide a basis for transforming health care for all Oregonians had died a sad death.

The notion of experimental and prototypical meant innovations, gathered assiduously from the best minds around the world, could be systematically tested within the network. The successful innovations could be rapidly implemented throughout the network. The underlying philosophy driving this pre-utopian model was an adaptation of Moore's Law that fueled Intel's early successes. According to Moore's Law, Intel was to, year-over-year, produce chips that were twice as fast and half as expensive as those produced the year before. Ephcot was based on the recognition that the cost of health care in the United States was obscenely too high. And the Ephcot's objective, after a run-in period, was to implement sufficient improvements in care delivery to <u>completely</u> offset increases in cost over long periods of time.

What made Ephcot-Oregon sufficiently feasible to discuss at that time was a unique characteristic of health care in Oregon, that the delivery system was dominated by non-profit organizations. It turned out to be possible to think of alternative ways to maximize their social mission than engaging in competitive battle with other social mission organizations. Collaboration trumped competition.

Fran couldn't help comparing the medical care infrastructure in the parts of North America with Ephcot networks to that of the rest of the world. Such basic necessities of health care as the HealthSat system, that Ephcot had helped pioneer with EuroComm and NACommSat, were not a part of other health care systems, such as in Africa. And the most basic in-home monitoring systems weren't available in so many places. Fran was already making plans to change that situation, especially in North America, but so much was left to be done.

At least the Walker-Hyguchi clinical methodologies, were being easily integrated into the medical care of members Ephcot-Singapore. Because the Ephcot-Oregon R&D stars, Drs. Walker and Hyguchi had won the Nobel Prize in medicine for developing their integrated approach to patient care, physicians all over the world were easily convinced that the approach made total sense. And, of course, the transition in Ephcot-Maylasia was made easier, because experienced Ephcot medical staff, carrying UN credentials, could be moved into Ephcot facilities anywhere in the world. While this was only a temporary measure in most situations, it certainly helped Ephcot start-ups.

Fran wasn't looking forward to the upcoming meeting. The split in the Ephcot International Executive Leadership Team was so distressing. It always seemed to Fran's colleagues from the third world, that folks from North America just didn't understand their problems.

While many of the North Americans seemed defensive that they couldn't raise their market penetration above 75%, life wasn't all that easy when an Ephcot network had to care for the total population of a country under a UN contract. Oh well, Fran thought, maybe the McKensie folks can sort it out this time.

NOTE: The term EPHCOT owes its origin to Walt Disney's original concept for the EPCOT Center. He envisioned the EPCOT (Experimental, Prototype, City of Tomorrow) as a real, living city populated by ordinary people. It would be a site where the most advanced ideas on urban planning and technology could be implemented in a living laboratory, where the ideas could be systematically tested and if successful easily brought to scale. His dream was never brought to fruition.