# Health IT Will Dictate How Health Is Provided In The Future

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Health IT is booming, or so they say. The hotly debated and highly politicized health care reform, a.k.a. Obamacare, has been shining bright lights on a segment of our economy that is quickly approaching $3 trillion per year, and is in dire need of improvement, or so they say. Depending on who you ask, some say that health care resources must be redistributed in a more equitable manner, while others contend that health care must be made more parsimonious, or both. But regardless of nuances and variations, all seem to agree that healthcare must cost less in aggregate.

Somewhere around the turn of the 19th century, give or take a few decades, we figured out how to make things cost less in aggregate, and we have been applying the same principles to an ever increasing array of things that went from being luxuries reserved for kings and magnates, to being household items taken for granted by every pauper. And we're not done yet, not by a longshot, but our cost reducing tools have changed from the chemical fumes and big iron of the early 19th century to the clean and minuscule silicon chip. Computers will make health care cost less in aggregate. We just need to figure out how.

Fortunately, the cost of making people is pretty much zero, because people are a renewable resource. Unfortunately, we have very little ability at this point in time to enforce some sort of quality control on an entirely spontaneous production system, so we are stuck for now with high variability in our inputs. Healthcare is the part that deals with maintenance for all these non-standard people, and hence the high aggregate costs.

Exacerbating the problem is that in a fragmented system, those who provide health

maintenance services and products are on an innovation spree of their own, with new and expensive products coming to market every day. We could tinker with controlling prices of health maintenance providers, like other developed countries are doing, but frankly that's just a band aid on the fundamental problem of aggregate costs of healthcare, which are growing by leaps and bounds all over the world.

To reduce maintenance costs, we need to reduce the need for expensive services, and we need to devise service paradigms that are cheaper to deliver. Since the factory floor is the entire planet, or at least the entire nation, the former requires incredible amounts of computable data, and the latter requires ability to control all aspects of service delivery under one roof.

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