In a series of newspaper columns and best-selling books,\textsuperscript{1,2} Thomas Friedman has chronicled the advance of globalization and its impact on society. His thesis is that the “democratization” of technology, information, and finance has fundamentally—and irreversibly—changed the shape of the world (hence, the phrase, “the world is flat”). Many in healthcare would be tempted to feel sorry for people in those industries (eg, microchip manufacturing) or positions (eg, customer service) who are seeing their jobs outsourced to other countries, and to be thankful that healthcare is immune from the impact of globalization. But, as Friedman notes, no one is exempt from globalization. There are myriad ways in which globalization could have a major impact on healthcare, with positive and negative implications and possibly unintended consequences.

The most obvious impact of globalization is in the field of radiology. I have worked with radiologists in community hospitals who have been eagerly awaiting the installation of PACS, the Picture Archiving and Communication System that digitizes radiology images and makes them easily available off-site. These radiologists are looking forward to interpreting images at their convenience at home, while providing better service to their colleagues. What they do not realize, but what globalization teaches, is that if the hospital can forward images to its local radiologists’ homes, it can just as easily forward them to radiologists in Indianapolis, Seattle, or Bangalore. And, if radiologists in India can interpret the images as accurately (and less expensively) than US radiologists, the current shortage of radiologists will disappear and radiologists here will see their exclusive contracts with local hospitals evaporate. This situation would not be good for radiologists, but it would be better for treating physicians, who will receive more timely information about their patients; hospitals, which would have more options for 24/7 radiology coverage; and payers, who would have the opportunity to lower compensation to physicians. Overall, the impact of globalization of radiology services will be positive, but the benefits certainly will be distributed unequally.

Lest physicians other than radiologists gloat about their relative good fortune, they should be aware of a potential unintended consequence of the above scenario. For out-of-state radiologists to be able to interpret images, issues of state licensure will need to be resolved. As these issues grow, so will pressure to move to national licensure of physicians, based on the argument that state licensure unnecessarily restricts access of patients to high-quality care.

Much as with radiologists, globalization will give primary care physicians much wider access to consulting specialists. They will no longer be limited to the practitioners in their local areas. As a consequence, local specialists dependent on local referrals will no longer have effective exclusivity in their communities. The “better” specialists (however defined by primary care physicians) will be rewarded by more referrals and a larger market; in turn, their practices will attract the best new physicians out of training. One unintended consequence of the globalization of specialty practice will be that the small area variations in quality and outcomes historically so prevalent in medical care will no longer be tolerated—by payers, hospitals, or referring physicians. This trend certainly will threaten the traditional professional autonomy of some physicians. As Friedman argues, though, those who resist the increased competition through self-serving appeals to regulation and/or attempted exercise of monopoly power will lose; integration and openness will win.

Friedman and others have noted the de-coupling of geography and work fostered by globalization. This trend will increase the mobility of workers, so they can move to less crowded areas of the country. Redistribution of population will induce more physicians to move there as well, with the requisite expansion of healthcare facilities. As an example, the once-distant and agricultural-dependent county of Loudoun, Virginia, outside of Washington, DC, is now the fastest growing county in the United States; physicians are

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being attracted by the more leisurely lifestyle, lower costs, and very favorable patient mix. In addition, HCA and the dominant not-for-profit health system in the region are waging a fierce battle to determine which system will prevail.

One of the more surprising results (at least initially) of globalization described by Friedman is the ability of entrepreneurs in developing countries to build businesses around the sophisticated collection and manipulation of data. If the US healthcare industry continues to lag in investing in information technology (such as the implementation of electronic medical records), I would not be surprised if a company in Singapore or Taiwan devised and marketed data-mining methods or heuristics to measure cost-effective quality of care—and all within Health Insurance Portability and Accountability Act guidelines. I suspect a number of large healthcare payers in the United States (eg, General Motors) would be eager adopters.

Friedman notes 1 very significant downside of globalization that can be particularly pertinent to healthcare: the loss of the “water cooler.” With less and less need for employees in an organization (or physicians in a community) to be in the same location, there will be less opportunity for the informal sharing of information (or “curbside consults”) that strengthen the fabric of communities of practice. Though elaborate, computerized knowledge management systems may compensate for some of this loss, they will not replace the water cooler (or physician lounge). Those organizations (such as hospitals and physician practices) that can create ways to facilitate casual professional encounters will be able to sustain their institutional memory and have a competitive advantage over those who do not.

In closing, my argument is not that globalization will yield unlimited bounty to the healthcare sector, nor that the trend will generate apocalyptic results for some physicians. Rather, it is that globalization is one of those few, but powerful, forces that can transform a society in nonlinear ways. It is imperative that healthcare leaders ponder the consequences of a world that is becoming flat.

References