

Cutler, David, *The Quality Cure: How Focusing on Health Care Quality Can Save Your Life and Lower Spending Too*. California, 2014., 214p index afp (Wildavsky Forum series, 9) ISBN 9780520281998, \$65.00; ISBN 9780520282001 pbk, \$24.95

Cutler—Harvard economics professor, Institute of Medicine member, and author of *Your Money or Your Life* (Oxford, 2005)—has impressive credentials for the task, undertaken in this book, of diagnosing problems in U.S. health care and prescribing remedies.

To document what he sees as the chief problems—lack of universal insurance, needlessly high costs, and uneven quality in care—Cutler mines a vast literature but sometimes carelessly. For example, he confuses hospital admissions with readmissions, thus making assertions implying that Medicare could safely cut its readmission costs by 150% (p. 29).

Cutler argues that health care (a) has trailed other industries in adoption of IT and consequently has been a “laggard” in raising its labor productivity growth rate (LPGR), and (b) can become a leader in raising LPGR as it spends more on IT in response to the 2009 HITECH Act (pp. 71, 82–84, 162–64). Yet one of his sources (Oliner et al., *Brookings Papers on Economic Activity*, 1, 2007, pp. 81–137) shows that (1) in 1995–2000 the initial share of IT in capital services was *higher* in health care than in the median industry and that share was positively associated with increases in industries’ LPGRs and (2) in 2001–2005 the initial share of IT in capital services was lower in health care than in the median industry but no statistically significant connection existed between that share and the LPGRs. These patterns are consistent with the possibility that health care’s adoption of IT was well-timed to raise its LPGR even before 2009.

Summing up: Optional for all readers.

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