

KEY CHALLENGES IN HEALTH CARE

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PEOPLE

- Multigenerational Workforce-Millennials make up the largest segment of the US workforce
- Multicultural Patient Population-Culturally competent care is important and impacts patient outcomes
- Future supply and demand for physicians suggests a shortfall-Projections of 46,000-90,400 physicians, 12,500-31,000 PCPs, and 28,000-63,700 non-PCPs by 2025
- Physician Engagement-Physician leadership and engagement are crucial to clinical transformation



GROWTH

- Growth in ACOs established by hospitals and systems has been continual since 2011
- Traditional mergers and acquisitions continue- From 2010-2015, the number of announced hospital M & As increased by 70%
- Community partnerships and health beyond hospital walls-Alternative payment models require us to address health more broadly
- Use of big data-Increased availability of data, cloud adoption, and increased analytics sophistication



SERVICE

- Consumers want the same qualities in health care companies that they value in non-healthcare settings
- Virtual healthcare-Use of technology to conduct virtual visits directly with patients. Behavioral health is leading the way in telemedicine
- Consumer-driven competition-More competitive to maintain and grow market share
- Almost 2,000 retail clinics in the US-More than 2,800 retail clinics by 2018



QUALITY & PATIENT SAFETY

- There are more than 500 different state and regional quality measures-Measure proliferation leads to “measurement fatigue”
- New chronic disease management models-Focused on care coordination among all providers
- Over 20,000 deaths due to overdose of prescription opioids occurred in the US-Sales of opioids quadrupled between 1999 and 2010, with enough opioids prescribed in 2015 to medicate every American with 5 mg of hydrocodone every 4 hours for 30 days



FINANCIAL

- Insurer mega-mergers-May empower them to leverage lower prices from providers
- High prescription drug prices-In 2015, US spending on drugs grew to \$298 billion.
- Bundled Payment Model-Concerted efforts to control costs and provide the best, coordinated care possible (CMS' CCJR model)
- Looming "Cadillac tax" accelerated cost-shifting-40% excise tax on high-cost employer-based health plans set to begin in 2020



THE GREAT DISRUPTION: REPEAL AND REPLACE ACA

- HHS and CMS leadership in place now so we will begin to see actions taken on the executive order
- States and agencies are authorized to make changes “to the maximum extent permitted by law”
- Medicaid waivers may be expanded under the ACA, giving states more flexibility in how they administer the law
- Creation of interstate insurance markets-Allowing the sale of insurance across state lines
- Taxes could be eliminated for health insurers and pharmaceutical companies
- **STAY TUNED...**

