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

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