

THE FUTURE OF HEALTHCARE

HOW DO YOU FIT IN?



LEARNING OBJECTIVES

- Global and US Trends Driving Health Care Ecosystem
- The Industry in Transition
- The Physician's Role in the New Health Care Paradigm

GLOBAL AND US TRENDS

GLOBAL AND US TRENDS

Drivers of the Health Care Ecosystem

- Cost -The basis for all Other Trends
 - 18% of US GDP
 - Poor outcomes
 - Millions lack health insurance
 - *Affordable Care Act*
 - Unsustainable path
 - Change is inevitable

GLOBAL AND US TRENDS

Cost is the basis of all other trends

- ACA
 - Cadillac Tax
 - *Delayed until 2020*
 - *Most employers have yet to prepare by reducing benefit packages*
 - *Expect continued growth of high deductible health plans*
- MACRA
 - Accelerating adoption of value based payment models
 - Accelerating consolidation



THE INDUSTRY IN TRANSITION



THE INDUSTRY IS IN TRANSITION

Cost driving transition

- Cost Drivers
 - Demographics
 - Financial
 - Operational
 - Innovation
 - Regulatory

THE INDUSTRY IN TRANSITION

Shift to Value-Based Reimbursement Models

- **MACRA**
 - Medicare Physician Fee Schedule updates set for all future years
 - *2015-2018 – 5%*
 - *2019-2025 – Flat*
 - MIPS adjustments & APM participant incentives begin
 - *2026 & annually thereafter:*
 - .75% for all providers in eligible APMs
 - .25% for all others
 - *How will this compare to CPI?*
 - **APMs and PFPMs and MIPS – OH MY!!**
 - *APM – Alternative Payment Model*
 - *PFFPM – Physician Focused Payment Model*
 - Expands APM options available to physicians, particularly specialists
 - Proposed models to be approved by Technical Advisory Committee
 - *MIPS – Merit-Based Incentive Payment System*
 - Replaces current incentive models
 - Quality; Resource Use; Clinical Practice Improvement Activities; and MU

THE INDUSTRY IN TRANSITION

Shift to Value-Based Reimbursement Models

- ACOs
- Bundled Payments
- Others

THE INDUSTRY IN TRANSITION

Shift to Value-Based Reimbursement Models

- Value-Based Reimbursement Models Driving Change
 - Consolidation
 - Referral relationships
 - Compensation plans

THE INDUSTRY IN TRANSITION

Shift to Value-Based Reimbursement Models

- Value-Based Reimbursement Models Driving Innovation
 - Care delivery
 - Technology
 - Connected health



QUESTIONS?



The background of the slide is composed of several overlapping, semi-transparent teal and blue geometric shapes, primarily triangles and polygons, creating a modern, abstract pattern. The colors range from a deep, dark teal to a lighter, more vibrant turquoise. The shapes are arranged in a way that they seem to radiate from the center, creating a sense of depth and movement.

WHAT ABOUT ME?

HOW DO I FIT IN?

**The physician's role
in the new
health care paradigm**



HOW DO I FIT IN?

The physician's role in the new health care paradigm

- Examine motivators and risk factors
- Embrace new partnerships and competitive strategies
- Explore opportunities for vertical and horizontal consolidation
- Know your numbers
- Know your friends' numbers

HOW DO I FIT IN?

The physician's role in the new health care paradigm

- Strategies for survival
 - Listen to your patients
 - Embrace value-based care
 - Embrace new technology
 - Get involved in professional associations
 - Get involved in your local peer network



QUESTIONS?



Kathleen A. McCarry
kmccarry@anderscpa.com
(314)655-5553

Brian M. McCook, CPA
bmccook@anderscpa.com
(314) 655-5564

THANK YOU!