Trends in the Healthcare Economy

Exploring What the Future Holds

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Session Agenda

• The Nature of Forecasting
• The Big Trends in Health Care – Why Health Care Reform?
• Detailed Forecasts
• Patient Protection and Affordable Care Act (PPACA) and Federal Reform Attempts
• Concluding Thoughts
The Big Trends – Why Health Care Reform?

- **Rising Costs**: Health care costs are increasing.
- **Poor Financial Access**: The number of uninsured/underinsured are increasing.
- **Unaffordable Coverage**: The cost of health care coverage is increasing.
- **Poor Outcomes**: Health care is not adequately achieving treatment outcomes or improving health.
- **Shortages of Workforce**: Health workforce supply and distribution is inadequate.
Everyone Will Have Flying Saucers!

AMAZING MARVELS OF TOMORROW

FLYING SAUCERS FOR EVERYBODY!

Within ten years you may be commuting by plastic saucer, flying from your backyard.

By Frank Tinsley

SAUCER rises vertically, flies conventionally.
Lunar Agriculture Will Eliminate Hunger!

Moon Farms to Banish Starvation

By James Nevin Miller

IMPTY years from now much of the world’s food may be grown high in the sky! Tomorrow’s farmers may raise their crops on artificial “moons” that have been launched into space and move in orbits around the earth. And the successful agriculturist will probably be a combination chemist, biologist and engineer.

Fantastic as it may sound, this revolutionary farming is more than possible. Five years of intensive research in this country and 60 years of study by five other nations have explored its possibilities. This news comes from the very conservative Carnegie Institution of Washington which has released a 517 page report on the almost unbelievable new science of “agal culture.”

The revelation of special emphasis to plants known as “agalae,” especially the type called Chlorella which are green in color, microscopic in size and have cell walls composed of cellulose and pectin. In case these rarely mentioned growing things are unfamiliar to you, they are the ex-
Cities Will Have Rooftop Airports!

Proposes Orientable Roof-Top Airports For Cities

PROPOSED as a solution to the problem of locating an airport in the heart of any big city, a design for a long orientable runway, which would be mounted on circular tracks atop tall buildings, as sketched above, has been conceived by a French engineer.
You Will Make Meals from Food Pills!
Harvey’s Fearless Forecast: Health Care Coverage

- **Decrease in Uninsured**: Number and percentage of insured patients will increase. [*]
- **Increase in Medicaid**: Number of Medicaid enrollees will increase. [*]
- **Increase in Subsidized Coverage**: Number of covered individuals with subsidized premiums will increase. [*]
- **Uninsured Foreign Nationals**: Foreign nationals covered by health insurance will not increase and may decrease. [*]
Harvey’s Fearless Forecast: Health Plans and Payers

- **Proliferation of Plans**: Number of Insurance Plans will increase. [*]
- **Increase in Nationwide Offerings**: Number of non-local plans will increase. [*]
- **Increase in Intermediaries**: Number of intermediary structures will increase. [* - see below]
Payment levels from all payers will change:

- Never/never events. [*]
- EMR meaningful use. [*]
- Outcome-based payment. [*]
- Preventive care incentives. [*]
- Rural differentials. [*]
- Primary care payment restructuring. [*]
- Increased cost sharing – exclusions, co-pays, deductibles.
Harvey’s Fearless Forecast: Health Workforce

- **Shortages**: There will be a shortage of trained health professionals (medical, dental, behavioral health, nursing, support professions).
- **Education Cost**: The cost of health professional education will increase.
- **Education Debt**: The educational indebtedness of graduating health professionals will increase.
- **Incentives**: The number of health professionals looking for placement incentives will increase. [*]
- **Training**: The number of community-based health workforce training programs will increase. [*]
Patient Protection and Affordable Care Act [PPACA] Provisions

• **Health Care Coverage Provisions**
  • Increases in the subsidized coverage of uninsured.
  • Establishment of state-based competitive markets for comparable coverage plans.
  • Mandates/Incentives for coverage.

• **Payment Provisions**

• **Health System Innovation Provisions** [not restructuring]
  • Demonstration efforts to reduce costs.
  • Demonstration efforts to improve health outcomes.
• Public Health Provisions
  • Increased funding for key prevention initiatives.
  • Community transformation grants.

• Health Workforce Provisions
  • Authorization of integrated State/Local/Federal health workforce planning and development.
  • Authorization of multiple workforce training initiatives.
  • Funding for expansion of National Health Service Corps.

• Health Safety Net Provisions
  • Authorization of new safety net agencies/initiatives.
  • Funding for expansion of Community Health Centers.
Quotes on Forecasting from Lawrence Peter Berra

- **On forecasting techniques:**
  - *It's like deja-vu, all over again.*
  - *The future ain't what it used to be.*

- **On strategic planning for the future:**
  - *You've got to be very careful if you don't know where you are going, because you might not get there.*
  - *In theory there is no difference between theory and practice. In practice there is.*
  - *When you arrive at a fork in the road, take it.*

- **On working for others as a forecaster:**
  - *There are some people who, if they don't already know, you can't tell 'em.*
  - *I wish I had an answer to that because I'm tired of answering that question.*

- **On the forecaster’s most important credo:**
  - *I never said most of the things I said.*