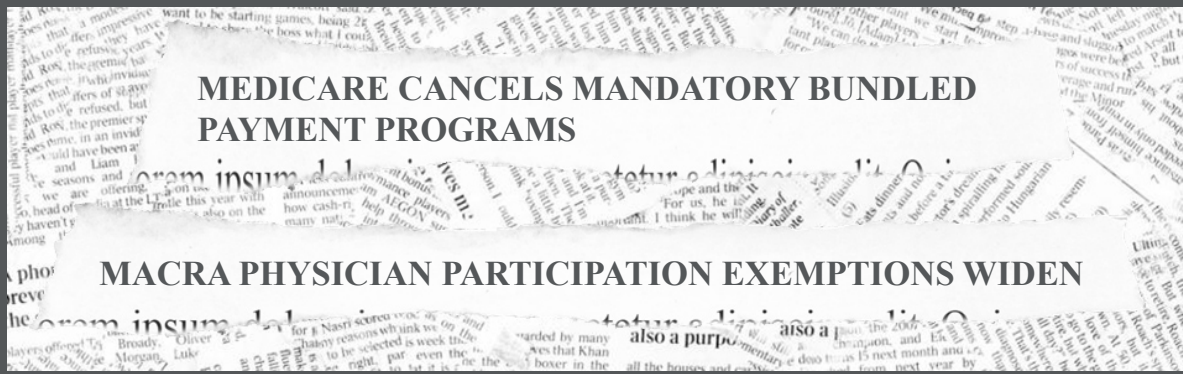


2018 HEALTHCARE OUTLOOK

TREND #1: RE-EVALUATING VALUE-BASED INVESTMENTS

While the future of value-based **contracting** is murky, providers should stay the course on their value-based **care** journey. Here's why.

Medicare publicly expressed support¹ for value-based models, but the endorsement is subject to interpretation.



It's a tough pill to swallow for providers that have invested in

- IT
- staff
- physician practices

to prepare for Medicare's value-based journey.



But these investments aren't for naught...

Many providers, private payers, and even Medicare remain committed to the value-based care concept.

Nation's largest private insurers paying

~50%
OF REIMBURSEMENTS

via value-based models²

Patients now covered by ACOs

• **32M**

~50%

of ACOs considering future risk-based contract participation³

WHAT PROVIDERS NEED TO DO

GET FURTHER VALUE FROM VALUE-BASED INFRASTRUCTURE



Use investments to reduce unnecessary ER use and hospitalizations for Medicaid patients, uninsured⁴



Strategy squarely rooted in population health pillars



LEVERAGE PRIMARY CARE for preventive measures (risk profiling, patient education)



DEVELOP PARTNERSHIPS outside care delivery continuum (community health organizations, congregations) to help people navigate care system, be proactive in their health



Utilize value-based experience as a stepping stone to transition to such programs as Medicare Advantage.
See 2018 Healthcare Outlook Trend #2 (coming soon)

1. Medicare and Medicaid Need Innovation; The Wall Street Journal; 9.19.17. <https://www.wsj.com/articles/medicare-and-medicare-need-innovation-1505862017>
 2. UnitedHealth, Aetna, Anthem Near 50% Value-Based Care Spending; Forbes; 2.2.17. <https://www.forbes.com/sites/brucejapsen/2017/02/02/unitedhealth-aetna-anthem-near-50-value-based-care-spending/#72bd11cb1d4e>
 3. The 2017 ACO Survey; Health Affairs; 10.4.17. <https://www.healthaffairs.org/doi/10.1377/hblog20171021.165999/full/%C2%A0>
 4. Protecting your patients from Medicaid cuts: The highest and best use of your population health tools; Becker's Hospital Review; 8.20.17. <https://www.beckershospitalreview.com/legal-regulatory-issues/protecting-your-patients-from-medicare-cuts-the-highest-and-best-use-of-your-population-health-tools.html>