ALLIANCE FOR HEALTH POLICY
POST ELECTION SYMPOSIUM

WHAT’S THE LONG-TERM VISION FOR HEALTH CARE IN AMERICA?

Recorded November 16, 2020
Thank you to our sponsors!
Upcoming Post-Election Symposium Session

Wednesday, November 18 | 12:00 – 1:00 p.m. ET

Session 4: Carving a Leadership Path Forward: Perspectives from the Ground

- Bob Kocher, M.D., Partner, Venrock
- Mark McClellan, M.D., Ph.D., Robert J. Margolis Professor of Business, Medicine, and Health Policy, Founding Director of the Duke-Margolis Center for Health Policy at Duke University
- Nirav Shah, M.D., MPH, Senior Scholar, Stanford University Clinical Excellence Research Center
- Kaakpema “KP” Yelpaala, MPH, CEO and Founder, Access.mobile International
- Kate Sullivan Hare, Vice President of Policy and Communications, Alliance for Health Policy (moderator)

#AllHealthLive
Keynote Remarks

Ian Morrison, Ph.D.
@seccurve

Author, Consultant, and Futurist
The End of the Game?
Healthcare Transformation in Post Covid America

Ian Morrison PhD
Top 1% Have Seen Greatest Income Gains
Affordability and Out of Pocket Costs
In 1970 Family Health Benefits costs 10% of Federal Minimum Wage
In 2020 they cost 150% of Minimum Wage

Figure 6.5
Average Annual Worker and Employer Contributions to Premiums and Total Premiums for Family Coverage, 1999-2020

Cumulative Increases in Family Coverage Premiums, General Annual Deductibles, Inflation, and Workers’ Earnings, 2010-2020

* Estimate is statistically different from estimate for the previous year shown (p < .05).

NOTE: Average general annual deductibles are for single coverage and are among all covered workers. Workers in plans without a general annual deductible for in-network services are assigned a value of zero.
Ulla Schmidt
German Federal Minister of Health, 2001-2009
Hospital Payment to Cost Ratio

Aggregate Hospital Payment-to-cost Ratios for Private Payers, Medicare, and Medicaid, 1995 - 2016

Source: Analysis of American Hospital Association Annual Survey data, 2016, for community hospitals.
(1) Includes Medicaid Disproportionate Share Hospital payments.
(2) Includes Medicare Disproportionate Share Hospital payments.
Most Employers are Complicit in the Game
Top Ten Trends

1. Increasing focus on commercial prices and financial gotchas
2. Growth of Medicare Advantage
3. Medicaid Expansion and conversion to managed care
4. Consolidation and Market Power
5. Private Equity and Venture Capital Investment and Roll-ups
6. Prospects for Medicare for More
7. Value Based Care: A stalled future
8. Consumer Facing Digital Front Door
9. Realizing the Promise of Artificial Intelligence
10. Physician Burnout
Medicare Advantage and Medicaid Expansion

Total Medicare Advantage Enrollment, 1999 - 2020 (in millions)

Status of State Medicaid Expansion Decisions

Adopted (39 States including DC)
Not Adopting At This Time (12 States)
The Three Big COVID Challenges

Stop the Spread

Serve the Sick

Start the Recovery
Economic Context

MARKETS MAKE A COMEBACK AFTER TUESDAY SELL-OFF – FIVE PROS ON WHAT’S NEXT

About 40 Million Americans Are Now Unemployed—We Desperately Need A Plan Before It’s Too Late

CONSUMER SPENDING FELL A RECORD 13.6% IN APRIL

U.S. Jobless Claims Pass 40 Million: Live Business Updates

SECOND-QUARTER GDP PLUNGED BY WORST-EVER 32.9% AMID VIRUS-INDUCED SHUTDOWN

COVINCID-19 RECESSION IS FORCING GROWN KIDS TO MOVE HOME, MONEY REPORT

'NOBODY WANTS TO MOVE BACK IN WITH THEIR PARENTS': COVID-19 RECESSION IS FORCING GROWN KIDS TO MOVE HOME, MONEY REPORT

ALPHABET SOUP: UNDERSTANDING THE SHAPE OF A COVID-19 RECESSION

EQUITY MARKETS DECLINE 30 PERCENT—PERSPECTIVE

A V-SHAPED ECONOMIC RECOVERY IS STILL ‘PERFECTLY POSSIBLE,’ JIM O’NEILL SAYS

CORONAVIRUS: CAN CALIFORNIA’S ECONOMY SURVIVE THE LATEST SURGE?

RESTAURANT INDUSTRY WARNS FUTURE AT RISK WITHOUT RELIEF
Massive and Immediate in Spring
Cumulative monthly change in jobs since September 2010

Job losses in March and April nearly wiped out the previous 113 months of job gains, but May showed a partial comeback.

Impact on Jobs

Massive and Immediate in Spring
10 Million Job Loss, 6.9% Unemployment

Impact on Jobs

- 10 million job loss
- 6.9% unemployment

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**Job growth has slowed in recent months**
Cumulative change in all jobs since October 2016

**Unemployment rate**

**Share of unemployed who have been out of work 27 weeks or longer**

By Ella Koeze - Source: Bureau of Labor Statistics

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Will Employer Sponsored Coverage Come back as Before?
Folks who Take the Early Bus Hit Hardest

Recession has Nearly Ended for High-Wage Workers, but Job Losses Persist for Low-Wage Workers

While employment rates have rebounded to pre-COVID-19 levels for high-wage workers, they remain significantly lower for low-wage workers.

Source: TracktheRecovery.org, September 2020
COVID-19 Mortality Rates by Race/Ethnicity

Inequity Exposed by Covid

Figure 1

COVID-19 Mortality Rates by Race/Ethnicity, as of August 4, 2020

Per 100,000 people:

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>36</td>
</tr>
<tr>
<td>Black</td>
<td>80</td>
</tr>
<tr>
<td>Hispanic</td>
<td>46</td>
</tr>
<tr>
<td>Asian</td>
<td>33</td>
</tr>
<tr>
<td>American Indian or Alaska Native</td>
<td>67</td>
</tr>
<tr>
<td>Native Hawaiian or Other Pacific Islander</td>
<td>59</td>
</tr>
</tbody>
</table>

NOTE: Persons of Hispanic origin may be of any race, but are categorized as Hispanic; other groups are non-Hispanic.
https://www.apmresearchlab.org/covid/deaths-by-race
Post-COVID Healthcare Scenarios 2020-2022

Scenario 1: Big Bounce Back
Scenario 2: Social Insecurity
Scenario 3: The New Normal
Scenario 4: Fiscal Failure
Scenario 5: Start Stop
Scenario 6: Science Will Save Us
Scenario 7: Armageddon
No Matter What

Science will save us we just don’t know when

Unemployment will likely be up for some considerable time

January 2020 privately insured may be the all time high of private coverage and conversely public payment will grow relatively

Medicaid coverage likely to grow in any scenario with possible expansions in more states

Exposes the financial hydraulics of American healthcare and the economic dependency on surgery and other procedures

High anxiety among patients, families and care givers (both formal and informal) until it is “safe” at home, at work, at school, at college or in the hospital

Hybridization of practices absorbing telehealth into clinical workflows rather than teleconsult only

Rise of virtual care capabilities and competitors
Longer Term Making the Case for Change

• Value Based Payment Models and Principles

• Enablement of TeleHealth and Virtual Care Innovation

• Tight integration and funding of public health, behavioral health, social services, and healthcare

• Medicare Advantage for All?
Discussion

Ian Morrison, Ph.D.
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Sarah Dash, MPH
President and CEO, Alliance for Health Policy
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We value your input!

Please fill out the evaluation survey you will receive immediately after this presentation and by email this afternoon!