



ALLIANCE FOR HEALTH POLICY POST ELECTION SYMPOSIUM

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

Recorded November 16, 2020



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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” Yelapaala, MPH**, CEO and Founder, Access.mobile International
- **Kate Sullivan Hare**, Vice President of Policy and Communications, Alliance for Health Policy (moderator)



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Keynote Remarks

Ian Morrison, Ph.D.

@seccurve

Author, Consultant, and Futurist



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The End of the Game?

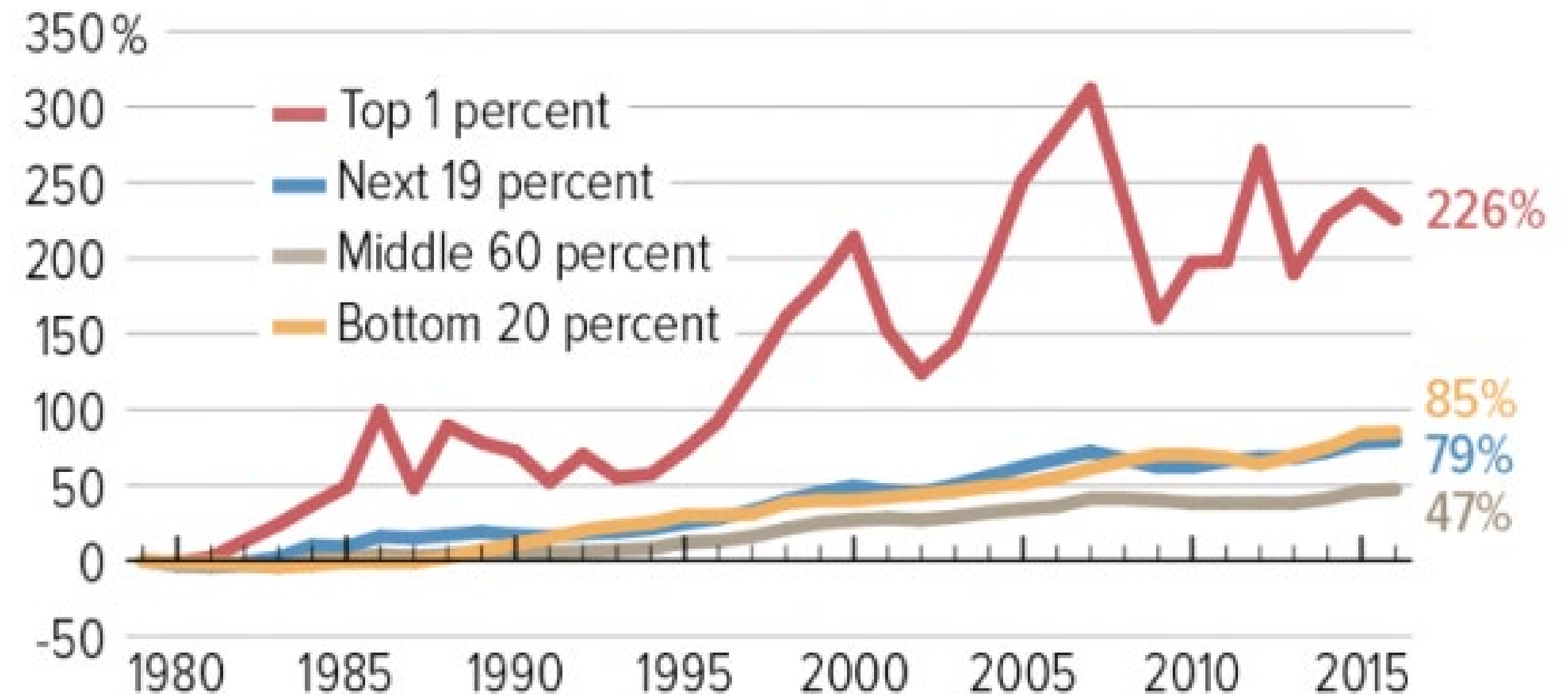
Healthcare Transformation in Post Covid America

Ian Morrison PhD

**Top 1% Have
Seen Greatest
Income Gains**

Income Gains at the Top Dwarf Those of Low- and Middle-Income Households

Percent change in income after transfers and taxes since 1979

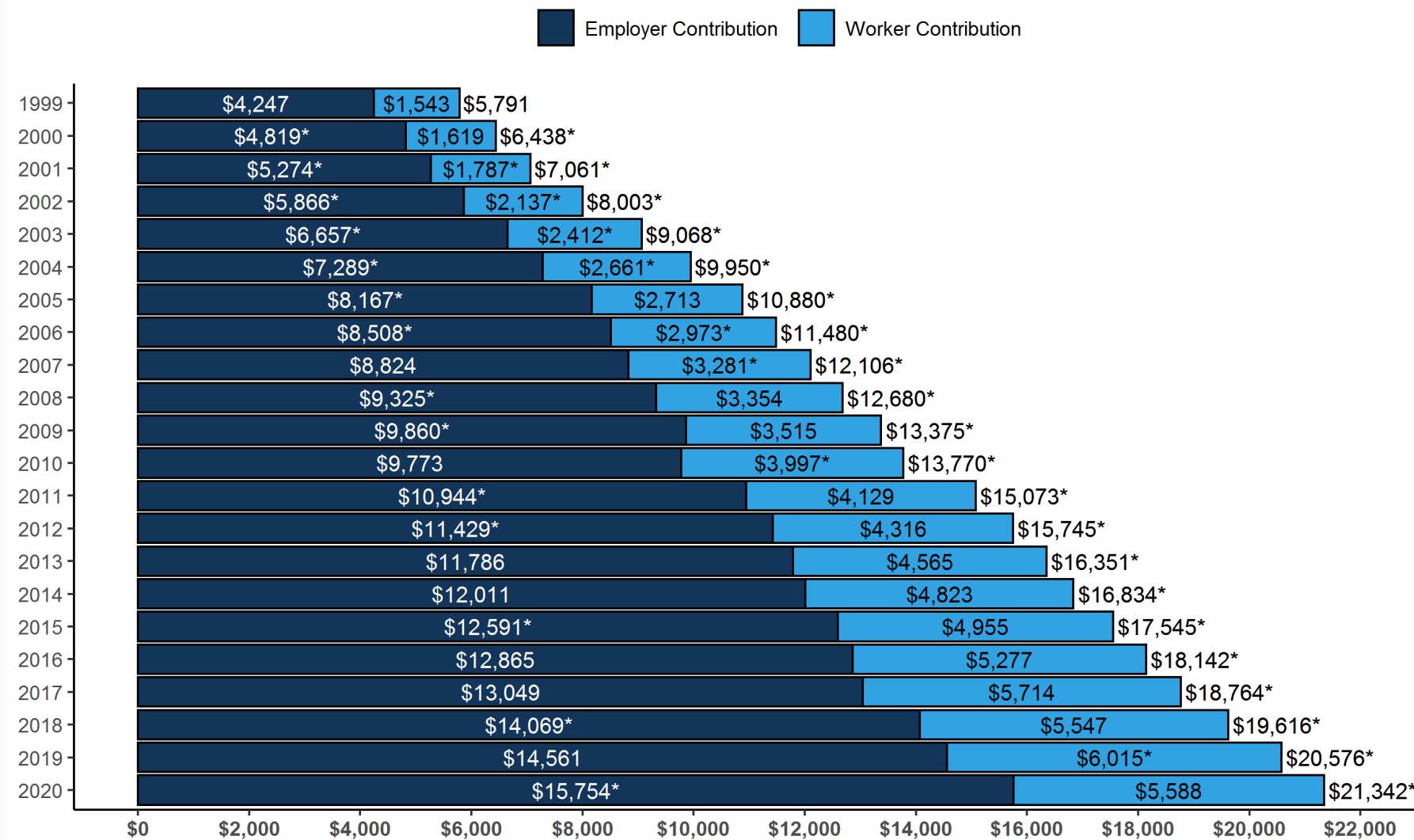


Source: Congressional Budget Office

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

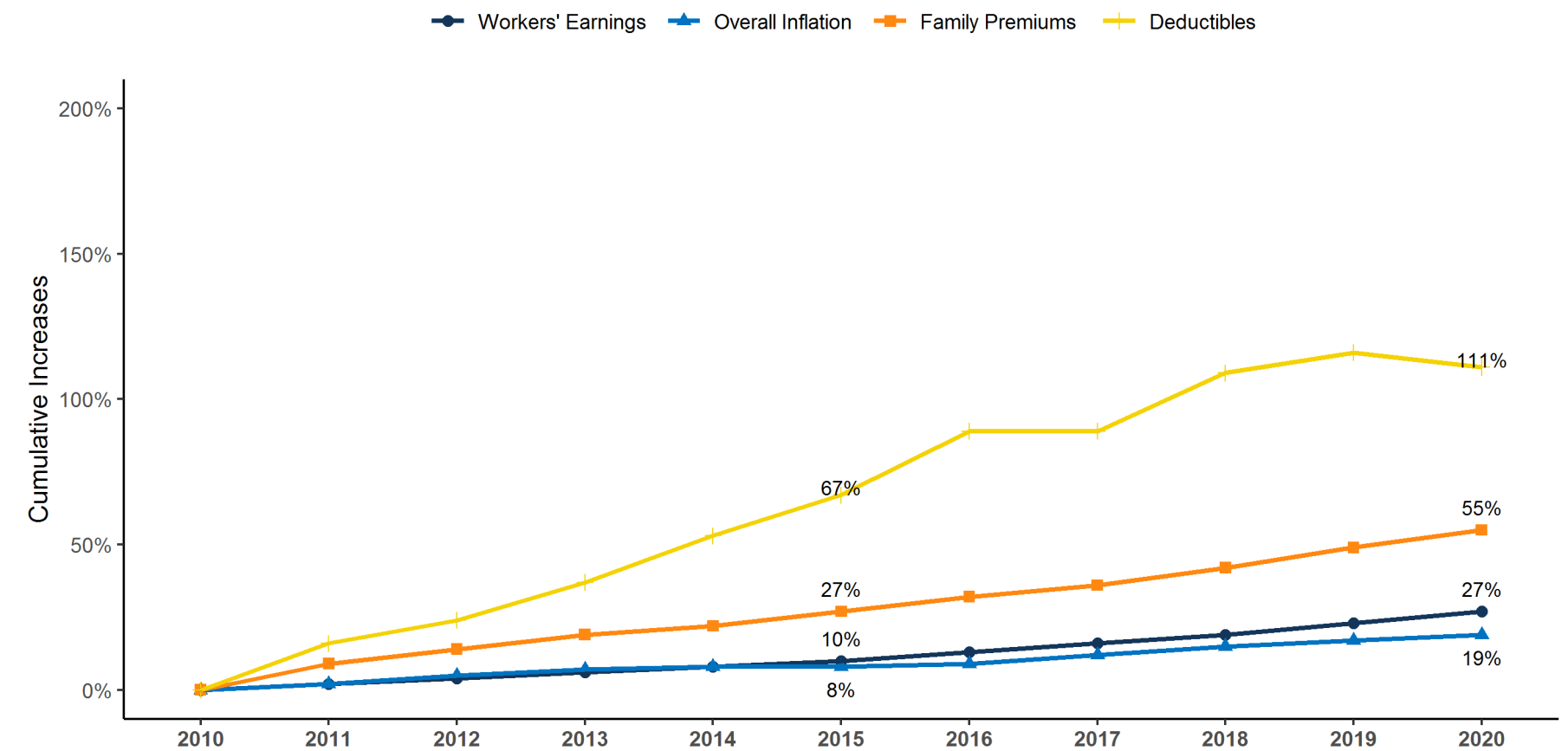
Figure 6.5
Average Annual Worker and Employer Contributions to Premiums and Total Premiums for Family Coverage, 1999-2020



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

SOURCE: KFF Employer Health Benefits Survey, 2018-2020; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017

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



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.

SOURCE: KFF Employer Health Benefits Survey, 2018-2020; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2010-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation, 2010-2020; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2010-2020.

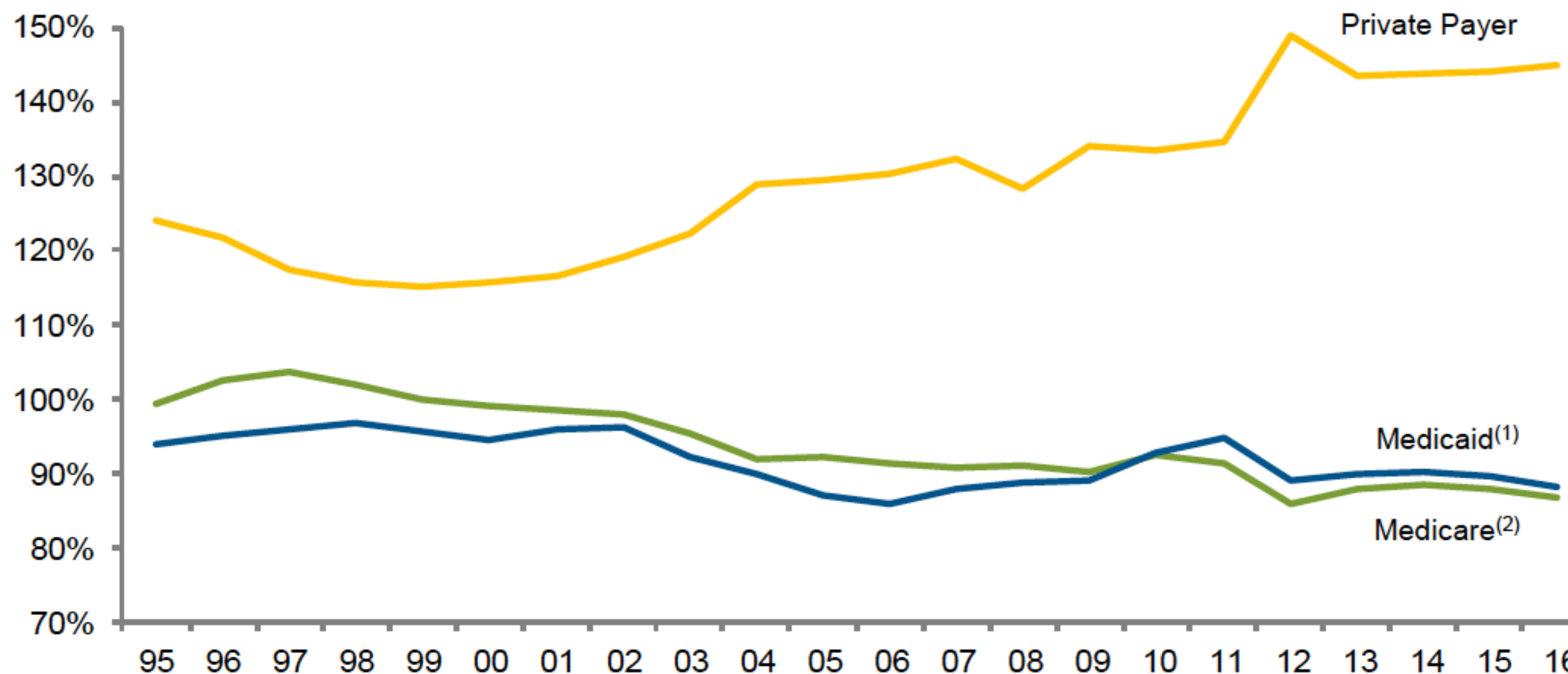


Ulla Schmidt

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

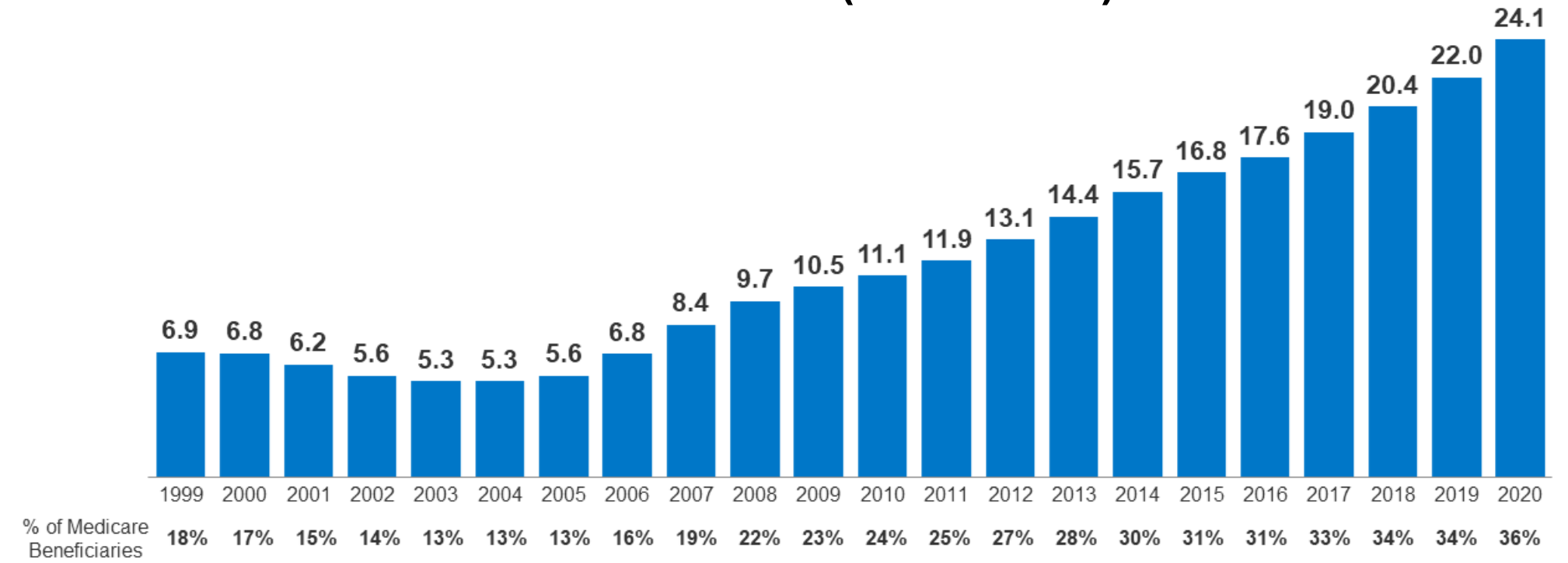


Top Ten Trends

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

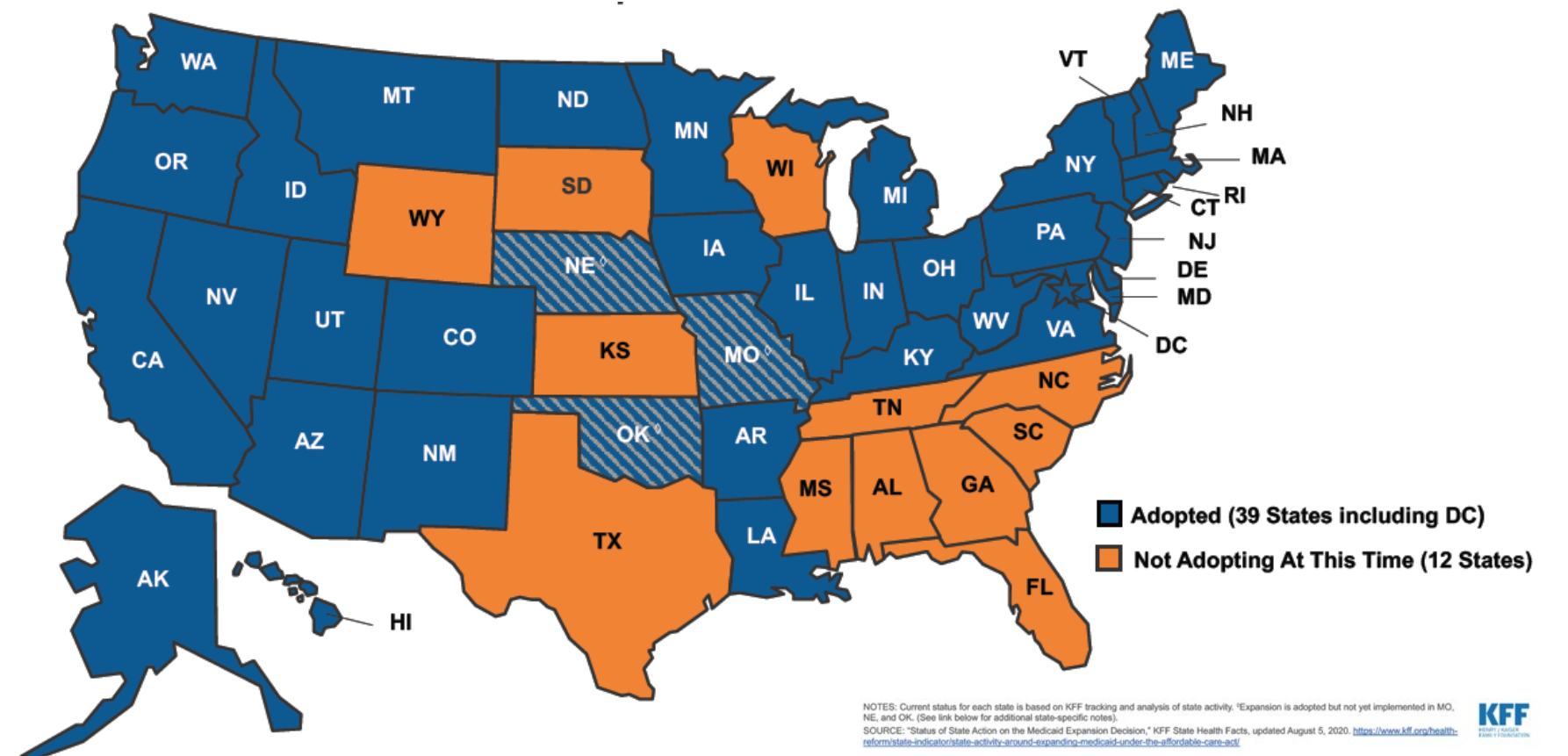
Total Medicare Advantage Enrollment, 1999 - 2020 (in millions)



NOTE: Includes cost plans as well as Medicare Advantage plans. About 68 million people are enrolled in Medicare in 2020.
SOURCE: KFF analysis of CMS Medicare Advantage Enrollment Files, 2008-2020, and MPR, 1999-2007, enrollment numbers from March of the respective year, with the exception of 2006, which is from April.

KFF
Kaiser Family Foundation

Status of State Medicaid Expansion Decisions



KFF
Kaiser Family Foundation

The Three Big COVID Challenges



Stop the Spread



Serve the Sick



Start the Recovery

Economic Context

• PERSPECTIVES •

The market rebound since March shows why it doesn't pay to panic

Analysis by [Paul R. La Monica](#) for [CNN Business Perspectives](#)

Updated 12:51 PM ET, Tue September 8, 2020

TRADING NATION

Markets make a comeback after Tuesday sell-off – Five pros on what's next

PUBLISHED WED, AUG 12 2020 4:30 PM EDT

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

Posted April 2, 2020 at 11:02 am by [Ben Zipperer](#) and [Josh Davis](#)

3.5 million workers likely lost their employer-provided health insurance in the past two weeks

ECONOMY | ECONOMIC DATA

Consumer Spending Fell a Record 13.6% in April

Personal income rose 10.5% on impact of federal-stimulus payments; signs emerge that purc

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

Second-quarter GDP plunged by worst-ever 32.9% amid virus-induced shutdown

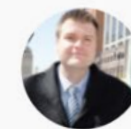
Restaurant industry warns future at risk without relief

MONEY

'Nobody wants to move back in with their parents': COVID-19 recession is forcing grown kids to move home,

Advisor › Investing

Alphabet Soup: Understanding the Shape of a COVID-19 Recession



David Rodeck Contributor
Advisor

Advertiser Disclosure

Updated: Jul 15, 2020, 2:21pm

Equity Markets Decline 30 Percent—Perspective



Carrie McCabe Contributor

WORLD ECONOMY

A V-shaped economic recovery is still 'perfectly possible,' Jim O'Neill says

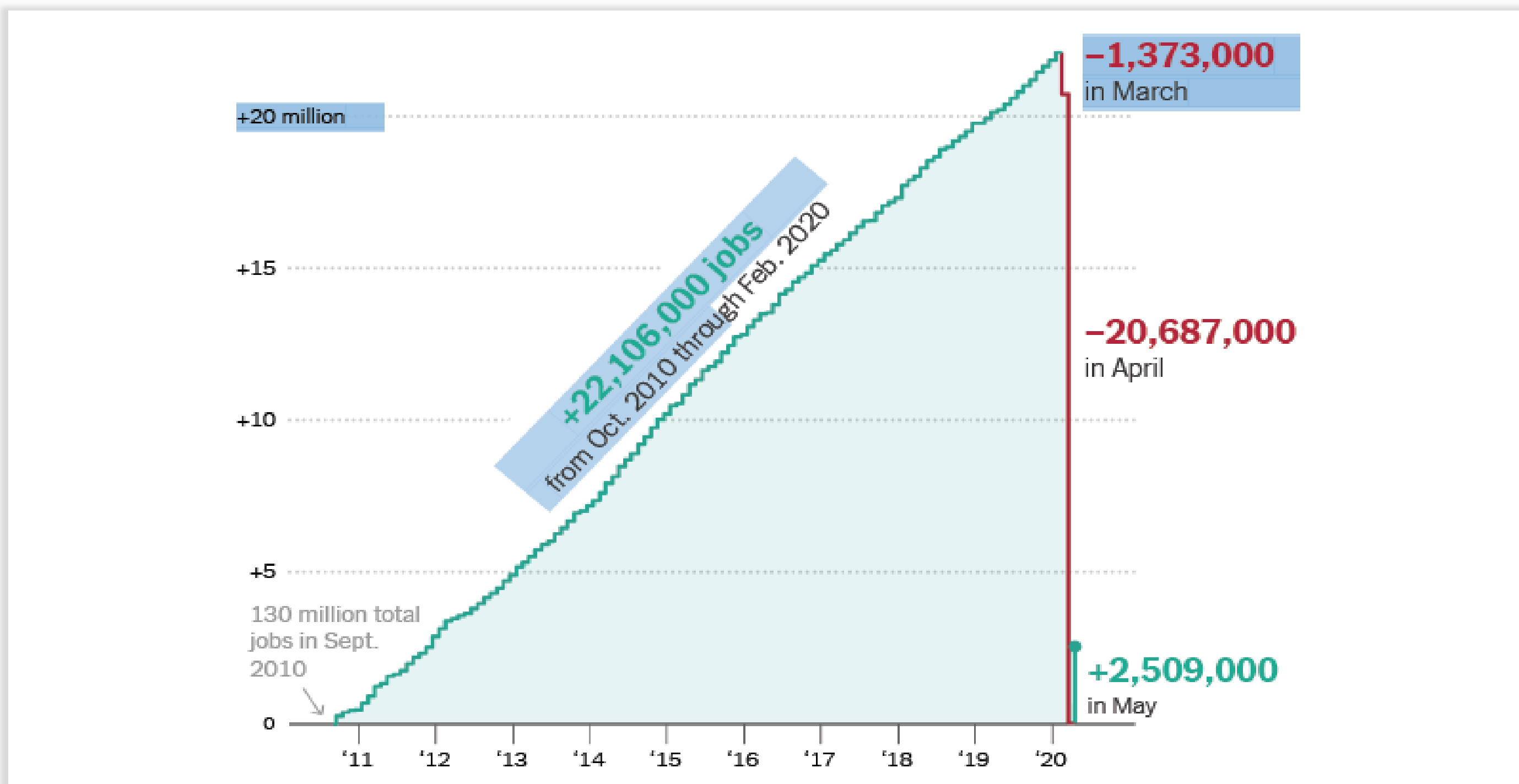
PUBLISHED FRI, JUN 5 2020 7:30 AM EDT | UPDATED FRI, JUN 5 2020 7:59 AM EDT

Coronavirus: Can California's economy survive the latest surge?

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.

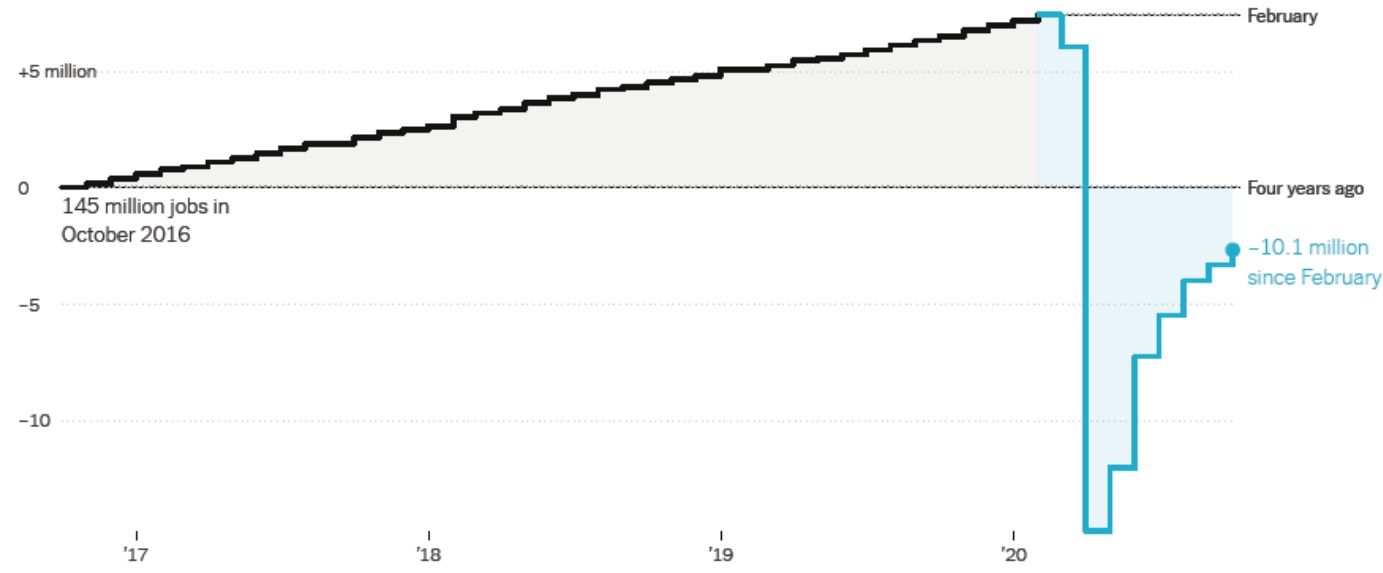




Impact on Jobs

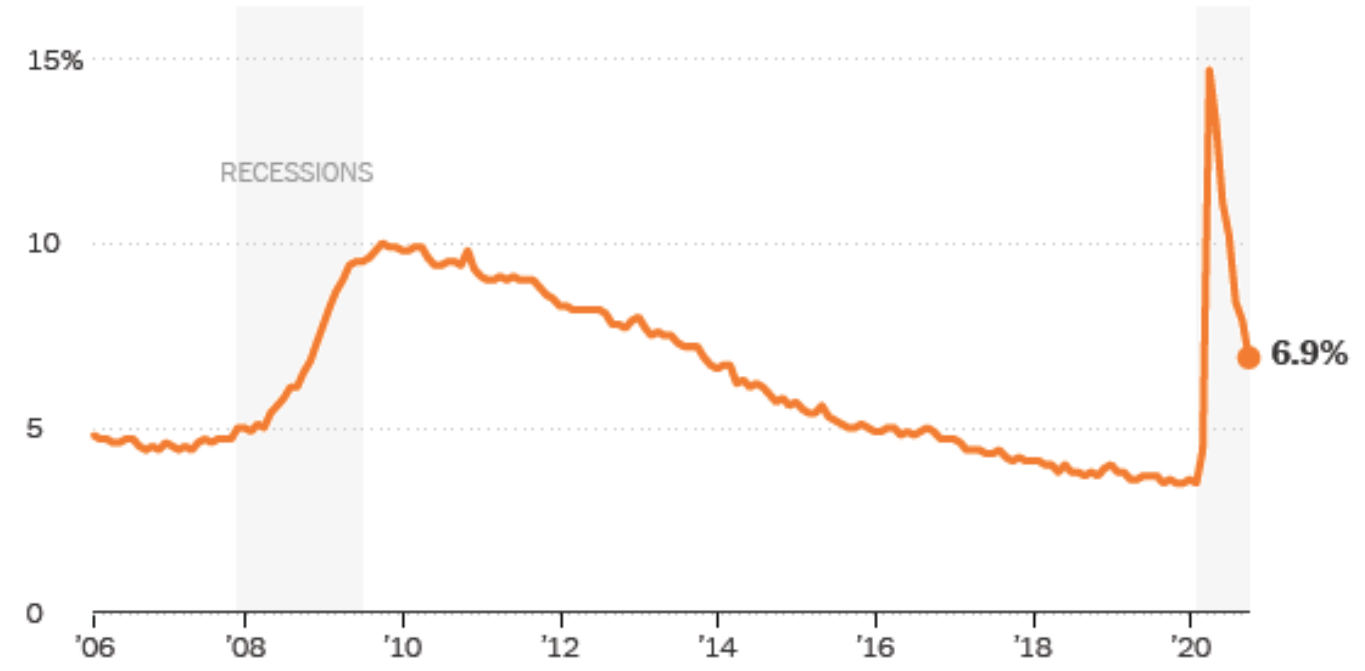
10 Million Job Loss, 6.9% Unemployment

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



By Ella Koeze - Data is seasonally adjusted. - Source: Bureau of Labor Statistics

Unemployment rate



By Ella Koeze - Unemployment rates are seasonally adjusted. - Source: Bureau of Labor Statistics

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



By Ella Koeze - Data is seasonally adjusted. - Source: Bureau of Labor Statistics

By Ella Koeze - Source: Bureau of Labor Statistics

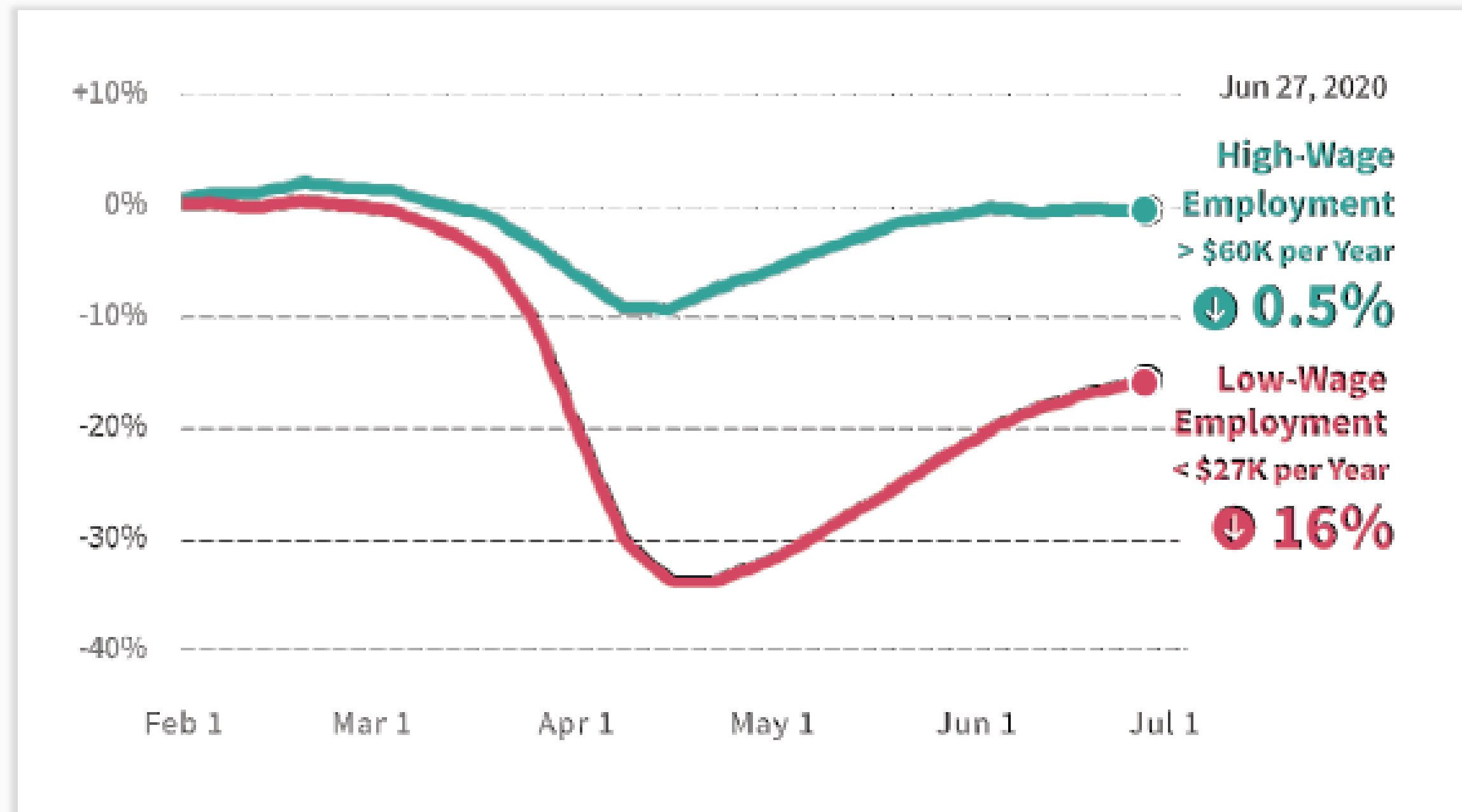
Will Employer Sponsored Coverage Come back as Before?



**Folks who
Take the
Early Bus
Hit Hardest**

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

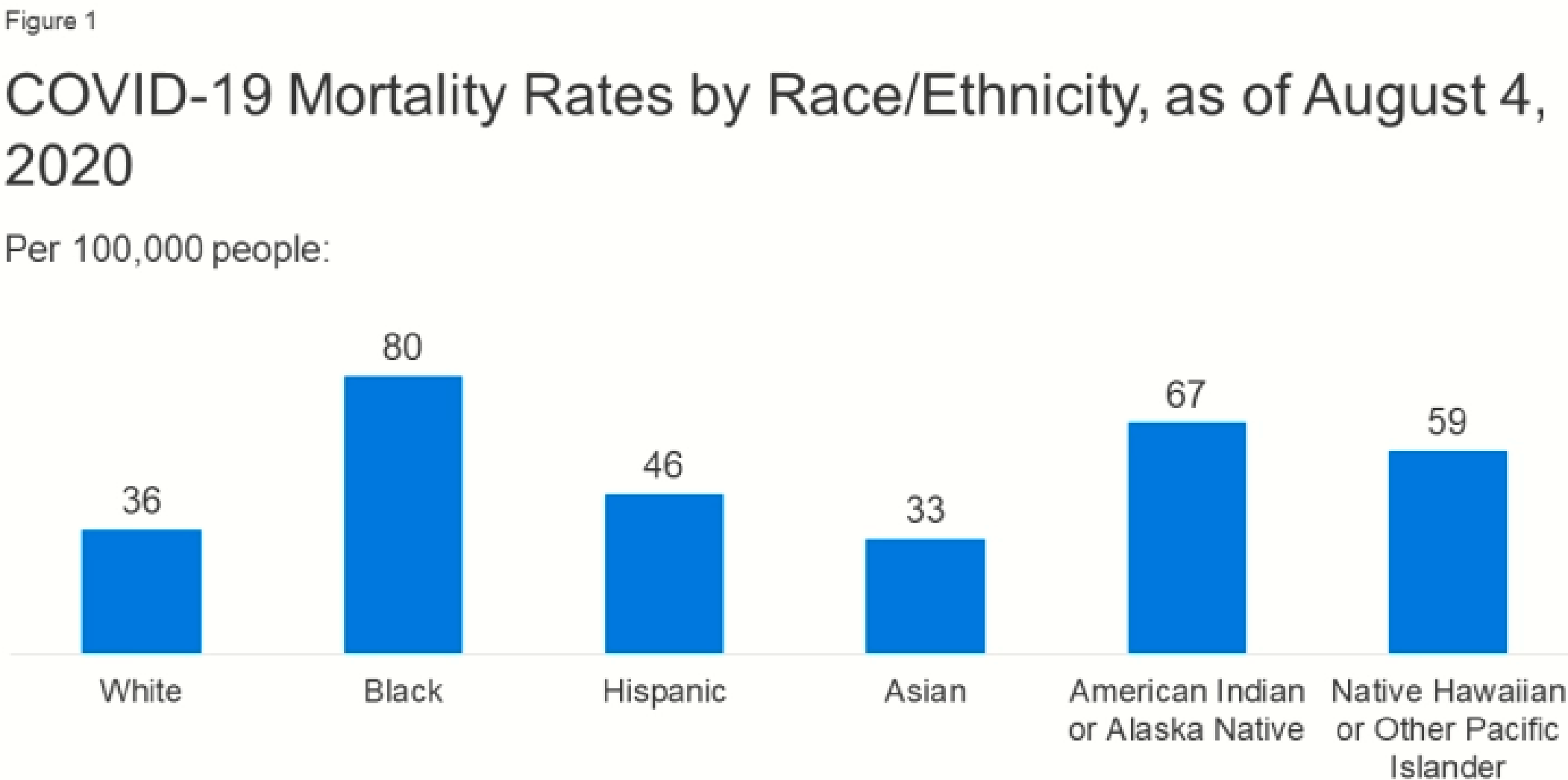
While employment rates have rebounded to pre-COVID-19 levels for high-wage workers, they remain significantly lower for low-wage workers.





Inequity Exposed by Covid

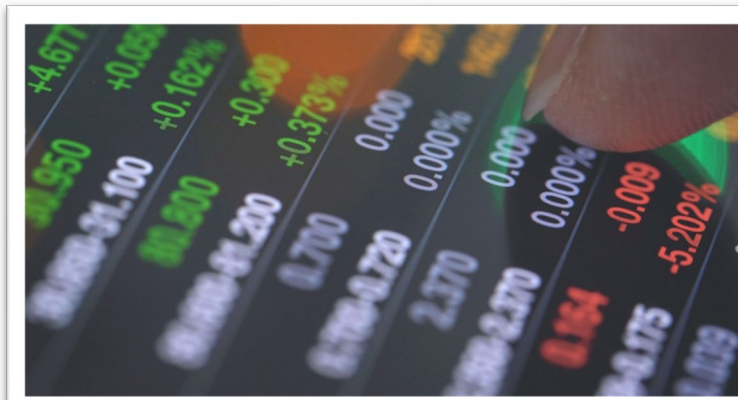
COVID-19 Mortality Rates by Race/Ethnicity



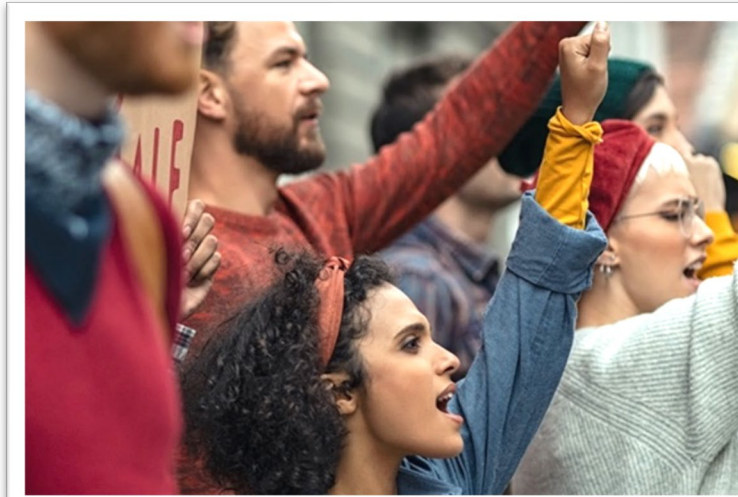
NOTE: Persons of Hispanic origin may be of any race, but are categorized as Hispanic; other groups are non-Hispanic.
SOURCE: APM Research Lab, *The Color of Coronavirus: COVID-19 Deaths by Race and Ethnicity in the U.S.*, accessed August 11, 2020, <https://www.apmresearchlab.org/covid/deaths-by-race>.



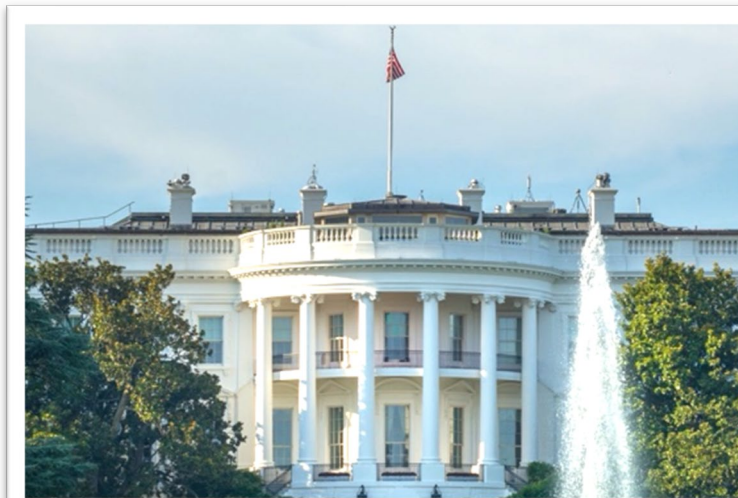
Post-COVID Healthcare Scenarios 2020-2022



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.
Author, Consultant, and Futurist
@seccurve



Sarah Dash, MPH
President and CEO,
Alliance for Health Policy
@AllHealthPolicy



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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!



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