

US Healthcare Affordability

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Introduction



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Proud husband and father of four young kids. Health, improvement, family, community, and faith are the values that drive my work, community involvement, personal lifestyle, and decision to work and improve healthcare.

Background:

- · Health system leadership (executive, revenue cycle,
- HFMA WI Board Member
- Chair of: Local United Way, Church Finance Committee
- · Long background in playing and coaching soccer
- Avid DIYer



- Amitech believes: "healthcare can and should be better"
- Partner with customers to deliver data, analytics and automation strategies and solutions to make healthcare more proactive, higher quality and less expensive for everyone
- · Here's why it matters:
 - Lower Cost
 - · Enduring, Value-Driven Results
 - · Unrivaled Speed & Efficiency



Presentation Description

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Understand the key objective economic and outcome differences between the United States compared to other highly developed countries.

- How should we compare?
- · Where are we outliers?
- · Where are we NOT outliers?
- So what?
- Please note: all sources are included in presentation "Notes" section
- Additional questions:
 - Where are areas we should examine to improve the cost of care?
 - How is the United States going to fair in the upcoming World Cup?



Grounding Concepts



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International Economic Comparison

Economic comparison is an extremely complicated exercise

- Currency conversion (i.e. normalizing to USD) can suspectable to variation and interpretation (inflation, ect.)
- Countries report on varying timelines and detail
- International events can screw "normal"
 - COVID, Ukraine, etc.
- There is NOT a SINGLE master database that is the ULTIMATE source of truth.





Presenation Sources

No master database = correct. BUT very reliable sources exist and were utilized (financial and macro wellbeing)

Primarily Sources



OECD = Organisation for Economic Co-operation and Development



OECD = Organisation for Economic Co-operation and Development



 $WHO = World \; Health \; Organization$



CMS = U.S. Centers for Medicare & Medicaid Services

Supplemental Sources





McKinsey & Company

















Presentation Key Definitions

Affordability

Simple Language: Cost relative to the amount that the purchaser can pay





Presentation Key Definitions

GDP = Gross Domestic Product

Simple language: Annual money exchanged in a country on unused goods and services

Note: there are numerous ways to measure GDP, this presentaion uses **Nominal**, which is Total normalized GDP (to currency, year, etc.)

GDP / Capita

Simple language: GPD divided by Population



Note: This is a standard measure to understand the per person economy



Presentation Key Definition

GDP = Gross Domestic Product

Breaks down into four elements



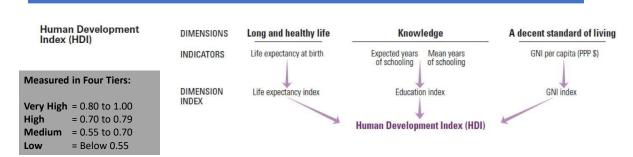




Presentation Key Definitions

HDI = Human Development Index

Simple Language: summary measure of quality of life





World Health Care Expense Compared to United States



World Analysis: HDI Index

	LOW Under 0.55	MEDIUM 0.55 to 0.70	HIGH 0.70 to 0.79	VERY HIGH 0.80 to 1.00	*World Average	USA
% Worlds Population	12%	28%	38%	20%	98%	4.3%
% Worlds GDP	1%	5%	27%	67%	100%	25%
GDP / Capita	1,177	2,065	7,857	37,146	11,415	65,134

Takeaways:

- 20% world spends 67% of money
- USA per person GDP stands out
- Low High HDI Countries: relatively low GPD / Capita



World Analysis: HDI Index

	LOW Under 0.55	MEDIUM 0.55 to 0.70		VERY HIGH 0.80 to 1.00		USA
Consumption GDP / Capita	850	1,311	3,759	21,929	6,443	44,200
Consumption as GDP %	72%	63%	48%	59%	56%	68%

Takeaways:

- USA: consumer driven
 - Only countries with more consumption per capita
 - Monaco \$102,282 • Switzerland: \$44,526
- Very High HDI = consumer driven



World Analysis: HDI Index

			HIGH 0.70 to 0.79	VERY HIGH 0.80 to 1.00	*World Average	USA
Government GPD / Capita	187	560	2,480	14,857	4,199	24,844
Government as GDP %	16%	27%	32%	40%	37%	38%
GOV Healthcare GDP / Capita	10	24	239	2,771	670	5,553

Takeaways:

- Note: government values include expenditures and investments (remember components of GDP)
- Statistical correlation between government spending per capita and HDI score
- 8 countries with more government spending per capita that USA
 - Luxembourg (\$49K), Monaco (\$47K), Norway (\$39K), Iceland (\$32K), Denmark (\$30K), Switzerland (\$28K), Finland (\$26K), Sweden (\$26K)
- 1 country with higher government healthcare spend per capita than USA
 - Norway (\$6.8K)



World Analysis: HDI Index

	LOW Under 0.55	MEDIUM 0.55 to 0.70	HIGH 0.70 to 0.79	VERY HIGH 0.80 to 1.00	*World Average	USA
Life Expectancy at Birth	61.3	69.3	75.3	79.6	72.8	78.9
Healthy Life Expectancy	56.8	60.4	66.5	68.2	63.9	65.4
Physicans / 10,000 People	1.7	7.7	16.8	31.2	15.6	26.1
Hospital Beds / 10,000 People	3.0	6.6	30.7	52.6	25.3	29.0
% Population Internet Access	23%	31%	56%	84%	51%	87%
Suicides / 10,000	1.14	1.28	0.71	1.27	1.04	1.38

Takeaways:

• Comparing against "Word Average" = misleading



How to Compare US Against World?

- The world has a wide range of economic and wellness development
- To provide a meaningful "apples to apples" comparison, 3 factors can be used:

Nominal GDP (total size of the economy measured annually)

GDP / Capita (economy divided by population – key measure of economic health)

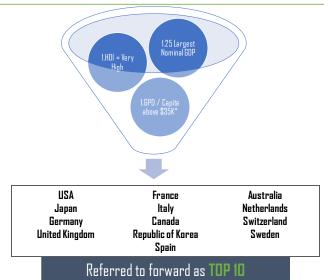
HDI (summary measure of quality of life used by WHO, OECD, UN and others)

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Most Compatible Countries

County	2019 Nominal GPD USD Billions (WHO)	As % of World	GPD / Captia	HDI (UNDP)	2019 Population in Millions (WHO)	As % of World
USA	21,433	25%	65.100	Very High	329	4%
China	14.341	17%	10.000	High	1.434	19%
Japan	5.149	6%	40,600		127	2%
Germany	3.861	4%	46.500		83	1%
India	2.890	3%	2,100		1.366	18%
United Kingdom	2.831	3%	42,500		67	1%
France	2,729	3%	40,600		67	1%
Italy	2,005	2%	33,500		60	1%
Brazil	1,878	2%	8,900		211	3%
Canada	1,742	2%	46,600	Very High	37	0%
Russian Federation	1,687	2%	11,600	Very High	146	2%
Republic of Korea	1,647	2%	32,100	Very High	51	1%
Spain	1,393	2%	29,700	Very High	47	1%
Australia	1,380	2%	54,800	Very High	25	0%
Mexico	1,269	1%	9,900	High	128	2%
Indonesia	1,119	1%	4,100	High	271	4%
Netherlands	910	1%	52,700	Very High	17	0%
Saudi Arabia	793	1%	23,100	Very High	34	0%
Turkey	761	1%	9,100	Very High	83	1%
Switzerland	731	1%	85,600	Very High	9	0%
Poland	597	1%	15,700	Very High	38	0%
Iran	581	1%	7,000	High	83	1%
Thailand	544	1%	7,800	High	70	1%
Sweden	534	1%	52,200	Very High	10	0%
Belgium	533	1%	46,500	Very High	11	0%
Subtotal (25 Largest GDP)	73,340	85%	15,300	High	4,804	62%
World Total	86,376		11,200	High	7,713	



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Takeaway #1

	USA	China	India
HDI Index	Very High	High	Medium
% Worlds Population	4.3%	19%	18%
% Worlds GDP	25%	17%	3%
GDP / Capita	65,134	10,002	2,115
Consumption GDP / Capita	44,200	3,896	1,274
Consumption as GDP %	68%	39%	60%
Government GPD / Capita	24,844	3,412	616
Government as GDP %	38%	34%	29%
GOV Healthcare GDP / Capita	5,553	300	21
Healthcare / Capita	10,921	535	64
Life Expectancy at Birth	78.9	76.9	69.7
Healthy Life Expectancy	65.4	68.5	60.5
Physicans / 10,000 People	26.1	19.8	8.6
Hospital Beds / 10,000 People	29.0	43.0	5.0
Suicides / 10,000	1.38	0.81	1.65
% Population Internet Access	87%	54%	35%

Why not comparing China and India (2nd and 5th largest economies in world)

Answer: economy / person and overall development not comparable

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Takeaway #2

	USA	Top Ten Avg	Top 10 No USA
% Worlds Population	4.3%	10%	6%
% Worlds GDP	25%	48%	23%
GDP / Capita	65,134	53,536	44,910
Consumption GDP / Capita	44,200	32,940	24,564
Consumption as GDP %	68%	62%	55%
Government GPD / Capita	24,844	21,653	19,279
Government as GDP %	38%	40%	43%
GOV Healthcare GDP / Capita	5,553	4,491	3,702
Healthcare Per Capita	10,921	7,449	4,866
Life Expectancy at Birth	78.9	81.1	82.8
Healthy Life Expectancy	65.4	68.8	71.3
Physicans / 10,000 People	26.1	29.2	31.5
Hospital Beds / 10,000 People	29.0	54.0	72.4
Suicides / 10,000	1.38	1.23	1.13
% Population Internet Access	87%	88%	88%

Why comparing USA against **Top 10**?

Answer: economy / person very comparable and standard of living: high income, highly modern, highly developed, highly consumer driven, large portion of economy going to investments (future)

NOTE: USA consumption / capita



Takeaway #3

Is government spending different between USA and Top 10?

Answer: Minimally. US is HIGHEST government healthcare spend / capita

County	Government GDP / Capita (WHO)	GGHE-D: Government Healthcare Spend / Capita	Governemnt as % of Total Healthcare Spend
USA	24,844	5,553	51%
Japan	15,105	3,657	83%
Germany	21,010	4,228	78%
United Kingdom	17,418	3,427	80%
France	22,463	3,383	75%
Canada	19,066	3,542	71%
Australia	23,935	3,891	72%
Netherlands	22,026	3,516	66%
Switzerland	28,006	3,104	32%
Sweden	25,601	4,814	84%
Average	21,653	4,491	61%
Avg Without USA	19,279	3,702	76%

Key Notes & Takeaways

GGHE-D = Domestic general government health expenditure
All federal, state, local government health programs
In USA = Medicare, Medicaid, VA, school health, etc.

Top 10 = high overall government spend/ capita. Majority of countries have most healthcare funding come from government

USA Healthcare government spend =

- 2nd highest in world per capita: only Norway higher
- Highest spend per capita in Top 10



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Takeaway #4

What are healthcare outcome differences between Top 10 and USA?

Answer: USA outcomes generally behind rest of Top 10

		Hospital				Life	
County	Physicans / 10,000 (UNDP)	Beds/ 10,000 (UNDP)	Suicides/ 10,000 (UNDP)	GNI / Capita USD (UNDP)	Healthy Life Expectancy (UNDP)	Expectancy at Birth (UNDP)	Human Development Index (HDI)
USA	26.1	29.0	1.4	65,021	65.4	78.9	0.93
Japan	24.1	130.0	1.4	42,629	73.8	84.6	0.92
Germany	42.5	80.0	0.9	55,881	69.7	81.3	0.95
United Kingdom	28.1	25.0	0.8	46,965	69.1	81.3	0.93
France	32.7	59.0	1.2	47,555	71.5	82.7	0.90
Canada	26.1	25.0	1.0	49,898	70.4	82.4	0.93
Australia	36.8	38.0	1.2	49,948	70.3	83.4	0.94
Netherlands	36.1	32.0	1.0	58,737	70.6	82.3	0.94
Switzerland	43.0	46.0	1.1	71,211	72.0	83.8	0.96
Sweden	39.8	21.0	1.2	56,605	71.4	82.8	0.95
Average	29.2	54.0	1.2	55,806	68.8	81.1	0.93
Avg Without USA	31.5	72.4	1.1	49,007	71.3	82.8	0.93

Key Notes & Takeaways
USA healthy life expectancy is 8% lower than Top 10
USA overall life expectancy is 5% lower than Top 10
USA suicide rates are 22% higher than Top 10



Takeaway #5

What are healthcare cost differences between Top 10 and USA?

Answer: USA spends more in every manner than the Top 10

County	Healthcare / Capita	Healthcare % of GDP	Pharma / Capita
USA	10,900	16.8%	1,373
Japan	4,400	10.7%	799
Germany	5,400	11.7%	936
United Kingdom	4,300	10.2%	462
France	4,500	11.1%	589
Canada	5,000	10.8%	815
Australia	5,400	9.9%	665
Netherlands	5,300	10.1%	421
Switzerland	9,700	11.3%	797
Sweden	5,700	10.9%	496
Average	7,400	13.9%	995
Avg Without USA	4,900	10.8%	714

Key Notes & Takeaways

6% more of the USA economy goes towards healthcare than the rest of the Top $10\,$

USA spends \$6000 more per person (222%) on healthcare than the rest of the Top 10

Note: WHO and OECD measure healthcare GDP with only consumption, not investment, why USA is 16.8% and not 18%



International Overview: GDP and Healthcare Summary

Top 10 as % of World

10% of Population

48%

of GDP

68%

of Healthcare Spend

61%

of Pharmaceutical Spend

US % of Top 10

43%

of Population

52% of GDP

63%

of Healthcare Spend

59%

of Pharmaceutical Spend

US % of World

4%

of Population

25% of GDP

47%

of Healthcare Spend

36%

of Pharmaceutical Spend



KEY TAKEAWAYS

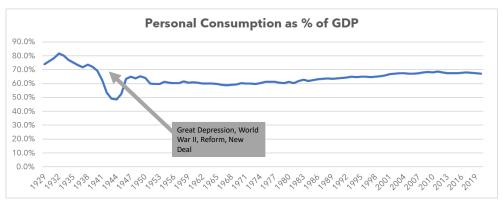
- Unites States is both very similar and very different to world
 - Highly developed countries = VERY SIMILAR (10-15% world population)
 - Developing countries = DIFFERENT
- United States is outlier in the amount of money spent on healthcare consumption against highly developed countries
- United States government is spending more on healthcare than every country in world except Norway



United States Healthcare Expense



US Overview: GDP Personal Consumption



US = consumer driven economy

Objectively why the "American dream" is possible



US GDP: Federal Spending

30% = estimated 2021 federal spend as % of GDP

Note: expenditures and investments

REVENUES, 43.4 TRILLION

OUTLAYS, 56.6 TRILLION

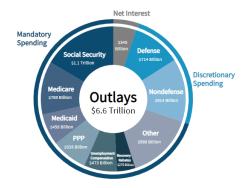
OUTLAYS, 56.6 TRILLION

Net interest interes

\$1.23T = Federal health spend on Medicare and Medicaid

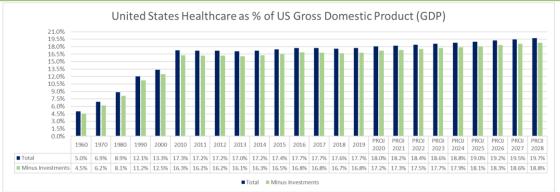
18% of total federal spend **28%** of total healthcare GDP

\$28T = 2021 US National Debt Note: China owns \$1.07T



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US Overview: Healthcare GDP



Note: United States generally captures "investments" in healthcare as part of total healthcare expense. Internationally, "investments" are not included. Both provided. Data from CMS.

\$4.2 Trillion

\$12,641

12 7%

2021 United States projected healthcare spend

2021 United States projected healthcare spend / person

2021 United States projected healthcare spend % of GDP



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Check Point: Who Cares about 1.5%?

18.2% = 2021 (projected) healthcare as % of GDP

19.7% = 2028 (projected) healthcare as % of GDP

1.5% change

Why care? 1.5% =

\$1000+ per person AVERAGE*

Who pays for healthcare?

Insurance, Medicare, Medicaid, Out of Pocket funded by same source: **individuals** and businesses

Taxpayers (specifically employed taxpayers) bare brunt of these costs (more to come)



US Overview: Consumer Spending- Trends

Per capita increases since 1989 to 2019 (30 years)

318% = Income increase

460% = Healthcare consumption expense increase

814% = Prescription drugs consumption

474% = 4-year university expense increase (498% public, 428% private)



US Overview: Consumer Spending- Healthcare Projection

How far to the tipping point?

Average annual health care spending per working household (Insurance premiums and out-of-pocket expenditures)



What is the Milliman Medical Index (MMI)?

- Economic measure of average healthcare cost of "Typical American Family of Four".
- Very valuable measure understanding the impact of healthcare costs on the economy
- 2020 Spend ≈ \$28,700
 Note: in line with 2016 projection & trend
 Note: 2021 decreased: likely driven from COVID cost sharing

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US Overview: Consumer Spending-Voices of Consumer

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45% Fear that a major health event will leave them bankrupt

75% of Americans accessing care have \$2,000+ of medical debt (estimate)

Deferred care due to costs

21% Of Republicans

27% Of Democrats



70% Of Republicans67% Of Democrats

Key Takeaway: ever seen bipartisan agreement like this?





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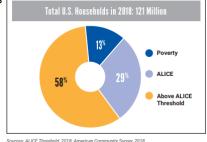
US Overview: Affordability and Living Wage

- Federal Poverty Levels (FLP) = unrealistic living wage
- To maintain a safe / comfortable / sustainable life, a "Living Wage" analysis is importance
- United Way = immense amount of national / state research and impact work
 - Concept = ALICE, households that are Asset Limited, Income constrained, Employed, with income above the FPL but not high enouge to afford essentials in the communities where they live.

 Total U.S.

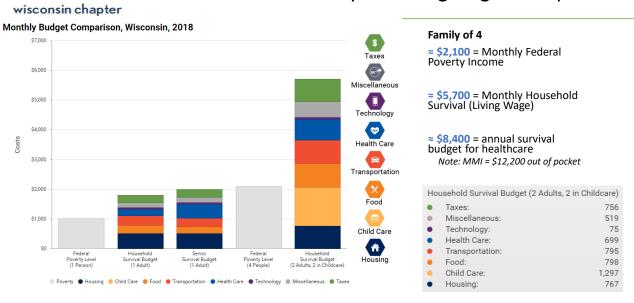
In 2018, of 121 million households in US

- 13% below FPL
- 29% were ALICE
- 42% of total population combined



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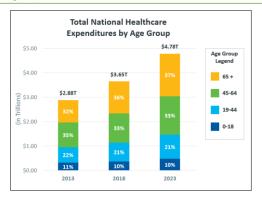
US Overview: Affordability and Living Wage- Example





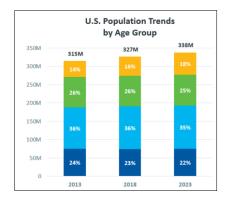
US Overview: Aging Population Healthcare Impact

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Takeaways:

- · Population is aging
- 65+ American's healthcare spend is 2.5 times more than population under 65





US Overview: Aging Population Healthcare Impact

Key Stats

- 19% = 65+ population growth from 2021 to 2028 overall 5% (CMS)
- 250% = 65+ average individual healthcare spend vs under 65 (Kaufman Hall)
- 199% = average private reimbursement markup from Medicare (KFF)
- -11% = the estimated margin of efficient healthcare systems for Medicare patients (MEDPAC)
- -28% = average estimated reimbursement amount from Medicaid compared to Medicare

Key Takeaways:

- Medicare aged population is fastest growing segment of population
- Medicare aged patient consume is 18% of population and consumes 37% healthcare expense (note: even after discounted reimbursement)
- · Generally agreed hospitals can't service on Medicare rates
- MEANING taxpayers / private insurance carriers / businesses fund Medicare services directly or indirectly



KEY TAKEAWAYS: United States Healthcare Expense

- Consumerism
 - 68% of economy is consumer driven
 - 25% (headed to 33%) of consumer dollar goes to healthcare
- Healthcare
 - 18.2% = 2021 % of GDP, rapidly rising, unsustainable
- Who pays for healthcare? Individuals and businesses
- 42% of US household earning under a stable living wage
- Population is aging: this has big impact on hospitals, individuals, businesses



United States Healthcare Waste



US Healthcare Waste: Preface

To Err is Human: Building a Safer Health System

- Research Study published in 1999 challenging healthcare to be better (citing 98K deaths annually due to medical errors).
- Research cited over 24K times in other peer reviewed writing

Main message: call for comprehensive (providers, insurance, consumer, partners, etc.) reform and for healthcare to be better

Sparked formation of Agency for Healthcare Research and Quality (AHRQ) and continuous future highly public analyses and improvements



US Healthcare Waste-Source #1 JAMA

"Findings The review yielded 71 estimates from 54 unique peer-reviewed publications, government-based reports, and reports from the gray literature. Computations yielded the following estimated ranges of total annual cost of waste: failure of care delivery, \$102.4 billion to \$165.7 billion: failure of care coordination, \$27.2 billion to \$78.2 billion: overtreatment or low-value care, \$75.7 billion to \$101.2 billion: pricing failure, \$230.7 billion to \$240.5 billion: fraud and abuse, \$58.5 billion to \$83.9 billion: and administrative complexity, \$265.6 billion. The estimated annual savings from measures to eliminate waste were as follows: failure of care delivery, \$44.4 billion to \$97.3 billion; failure of care coordination, \$29.6 billion to \$38.2 billion; overtreatment or low-value care, \$12.8 billion to \$28.6 billion; pricing failure, \$81.4 billion to \$91.2 billion; and fraud and abuse, \$22.8 billion to \$30.8 billion. No studies were identified that focused on interventions targeting administrative complexity. The estimated total annual costs of waste were \$760 billion to \$935 billion and savings from interventions that address waste were \$190 billion to \$286 billion. "JAMA"

25%

of healthcare spend is waste

JAMA (Journal of the American Medical Association)

The Journal of the American Medical Association is a peerreviewed medical journal published 48 times a year by the American Medical Association. It publishes original research, reviews, and editorials covering all aspects of biomedicine.

Article:

Waste in the US Health Care System



US Healthcare Waste-Source #2 McKinsey & Company

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 Financial transactions ecosystem (claims processing): Streamline claims submission process through simplified provider platforms; clarify Explanation of Benefits Industry-agnostic corporate functions: Automate repetitive work in human resources and finance; build functions of the future leveraging new technologies, such as analytics and cloud computing 	-\$175	18
repetitive work in human resources and finance; build functions of the future leveraging new technologies, such as analytics and cloud computing		
 Administrative clinical support functions: Remove manual work for nursing managers through automated tools for scheduling and staffing; integrate suite of tools and solutions to communicate 360-degree view of patients to case managers 		
Financial transactions ecosystem (prior authorization): Align jointly on PA criteria such as medical necessity or required documentation	-\$35	4
required documentation Customer and patient services: Build strategic payer- provider platforms to reduce demand by proactively sharing data (for example, providing list of in-network specialists to physicians)		
Technology platforms: Adopt a centralized, automated claims clearinghouse; prioritize high-value interoperability use cases	-\$105	11
Operational alignment: Standardize medical policies; standardize physician licensure: streamline quality reporting		
Payment design: Modularize product design; adopt globally capitated payment models for segments of the care delivery system		
	tools for scheduling and staffing; integrates suite of tools and solutions to communicate 360-degree view of patients to case managers Financial transactions ecosystem (prior authorization): Align jointly on PA criteria such as medical necessity or required documentation Customer and patient services: Build strategic payer-provider platforms to reduce demand by proactively sealed that for exemple, providing list of in-retwork specialists to physicians. The chnology platforms: Adopt a centralized, automated claims clearinghouse; prioritize high-value interoperability use cases Operational alignment: Standardize medical policies: Operational alignment: Standardize modical policies: standardize high-value interoperability in the control of the c	tools for scheduling and staffing; integrate suite of tools and solutions to communicate \$60-degree view of patients to case managers to case managers . Financial transactions ecosystem (prior authorization): Align jointly on PA criteria such as medical necessity or required documentation . Customer and patient services: Build strategic payer-provider patitorms to reduce demand by proactively specialists to physicians, perviving last of in-relevoir, specialists to physicians perviving last of in-relevoir, specialists to physicians (Standardze medical policies; standardze physician (Isonarusz Ruschardze policies; standardze physician (Isonarusz Ruschardze) . Payment design: Modularize product design; adopt globally agaltate payment models for segments of the care delivery system

25%

of healthcare spend is administrative

25% of administrative spend is waste

McKinsey & Company:

is an internationally recognized management consulting firm that offers in depth research, relevant here a 96-page research paper

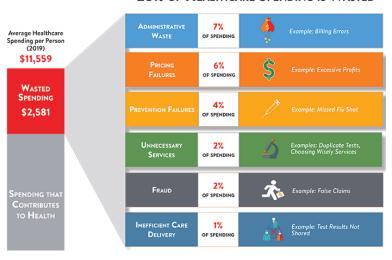
Article:

Administrative simplification and the potential for saving a quarter-trillion dollars in health care



US Healthcare Waste-Source #3 The Healthcare Value Hub

23% of Healthcare Spending is Wasted



The Value Hub:

With support from the Robert Wood Johnson Foundation and Arnold Ventures, the Healthcare Value Hub provides free, timely information about the policies and practices needed to achieve health systems that are equitable, affordable, and focused on the goals and needs of the people the system is meant to serve"

Article:

Cost & Quality Problems Too Much Waste in Our Healthcare System

Pulls sources from 18 research papers (in notes)



US Healthcare Waste: Summary

This has been researched / cited / accepted in JAMA, CMS, Advisory Board, and McKinsey & Company and many other reliable / peer reviewed sources for 20+ years.

20 to 25% = agreed portion of United States healthcare expense that is waste
\$1T = approximate 2021 US healthcare waste
\$2,500 to \$3,200 per person = healthcare spending waste

\$640B = national pre-k12 education expense
\$0.57B = federal pre-k12 education expense
\$307B = 25% of Medicare and Medicaid national budget



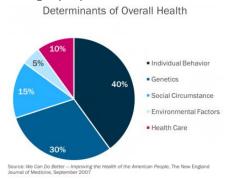
Healthcare Outcomes



Health Outcomes: Social Determinants of Health

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- · What are they?
 - "Social determinants of health are the conditions in which people are born, grow, live, work and age" (KFF)





Takeaway: Health outcomes are driven from many factors, generally agreed only 10% of driven from clinical care

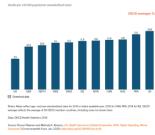


Health Outcomes: Negatives

US has many worse outcomes that the rest of the highly developed world (OECD)

- Life expectation = lower
- Health life expectancy lower
- Suicide = higher
- Chronic disease = higher
- Physician visits = lower





Suicide Rates Are the Highest in the U.S.





Outcomes: Positives

- Does healthcare in the US need huge improvement? YES
 - But: there are a lot of positives





- 2021 Survey by Statica ranking world's best 200 hospitals in 2020
 - Top 5 includes: Mayo Clinic (#1), Cleveland Clinic (#2), Massachusetts General Hospital (#3), The Johns Hopkins Hospital (#5)
 - · 43 of worlds top 200 hospitals in the United States





- 2021 Survey by Statica ranking world's hospitals by specialty for 2022
 - 100% of Top 5 in USA = Cardiac Surgery, Cardiology, Pulmonology
 - 80% of Top 5 in USA = Endocrinology, Gastroenterology, Oncology, Orthopedics
 - 60% of Top 5 in USA = Neurology, Neurosurgery, Pediatrics



Key Takeaway: the delivered care in USA is generally excellent.





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So What?

What are the solutions?



Who and What is at Stake?

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Individuals, Businesses, the US economy as we know it

Federal and state healthcare budgets

- Unsuitable
- Eventual Outcome = higher taxes

Consumerism

- Requires choice
- 25% headed to 33% of consumer \$ forced to healthcare (MMI)

Excellent care

- Healthcare delivery is low margin and mainly non-profit (S&P, Becker's, HFMA)
- Closures, consolidations = less competition, more focus on profit, less availability, higher consumer cost (HFMA, CAP)



Key Strategy: Population Health Focus

Simplified

- Know patient's needs and influences
- Offer support to address barriers to thriving

How does this influence affordability?

- Appropriate utilization
- Prevention

Efficient systems / processes

Less \$\$\$



Population Health Keys

- Analytics into decision making
- Focus on value (outcomes, cost, experience)





Final Takeaways



Presenter Note: There are MANY more factors in affordability.

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This presentation did not (or barely) touched:

- Research spending
- Technology emergence
- Healthcare ownership: profit vs non-profit vs government
- Varying "types" of socialized healthcare
- Insurance companies in the US
- Varying "types" of insurance in the US
- Business impact (providing insurance)
- Individual overall debt trends
- New and old competition in healthcare

Takeaway

- There is no "easy" answer to healthcare reform.
- More or less government or private involvement has pros and cons and rippling effects inside and outside healthcare.
- DO THIS:
- Read reliable sources
- Seek opposing reliable sources
- Use data to support beliefs
- Remember a data point / single stat does not tell a full story

hfma

Questions Answered

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How should we compare?

- AGAINST COMPARABLE COUNTRIES
- Helpful factors:
- Nominal GDP (total size of the economy measured annually)
- GDP / Capita (economy divided by population key measure of economic health)
- HDI (summary measure of quality of life used by WHO, OECD, UN and others)

Where are we outliers?

- We spend more on healthcare privately and publicly than all comparable countries
- Many of the worlds best medical organizations
- Key health outcomes are worse than most comparable countries
- LEVEL OF CONSUMERISM
- Identified level of WASTE

Where are we NOT outliers?

- Government spending per capita
- · Access to quality of life (comparable countries)
- Ability to compare (WE ARE NOT DIFFERENT)

So what?

- RISKS
- Federal and state healthcare budgets
- Consumerism
- Excellent care



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Questions?