

NIHCM

National Policy Forum

Making Sense of Weak Signals

December 7, 1941
Pearl Harbor



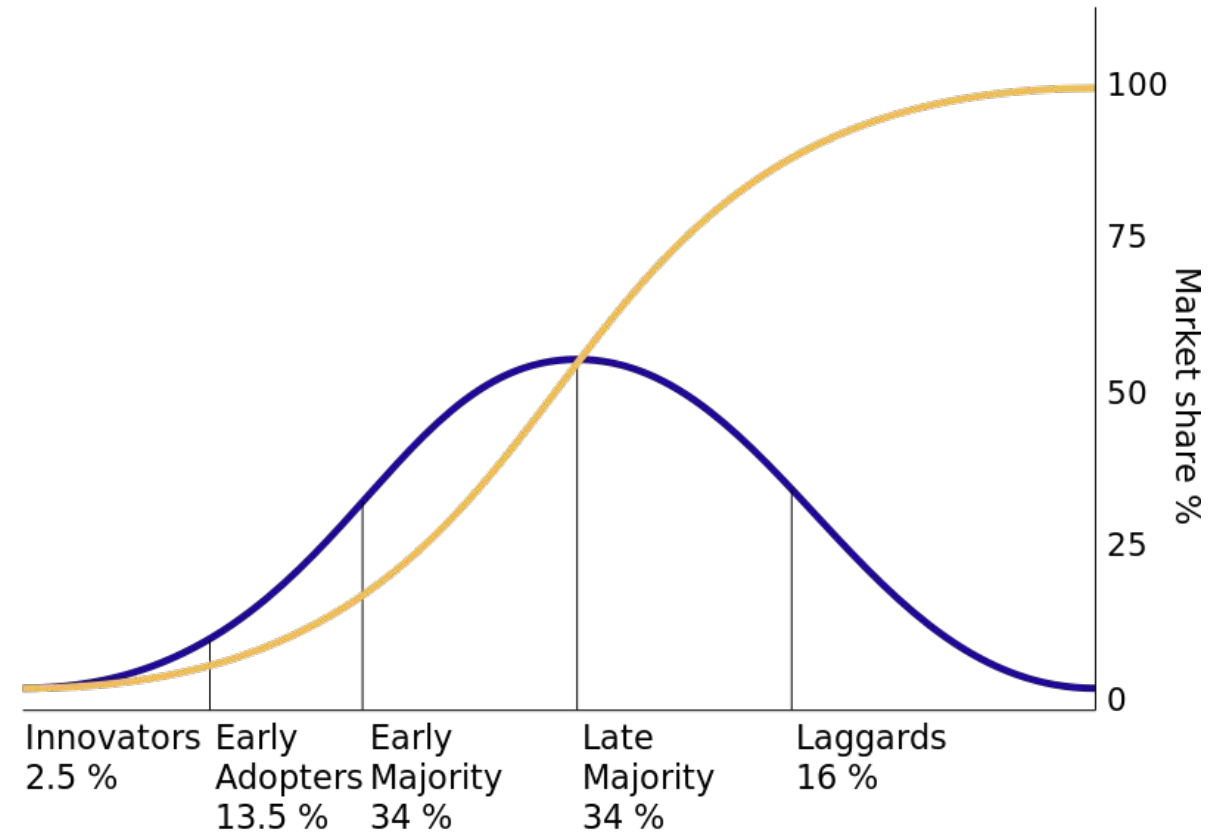
Weak Signals Briefing: Health Policy

- Long Term: Will fee for service payment be replaced by value payment?
- Short Term: What are the issues that will confront a new administration and Congress in 2017?

Delivery structures are Changing

“We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next ten. Don't let yourself be lulled into inaction.”

- Bill Gates



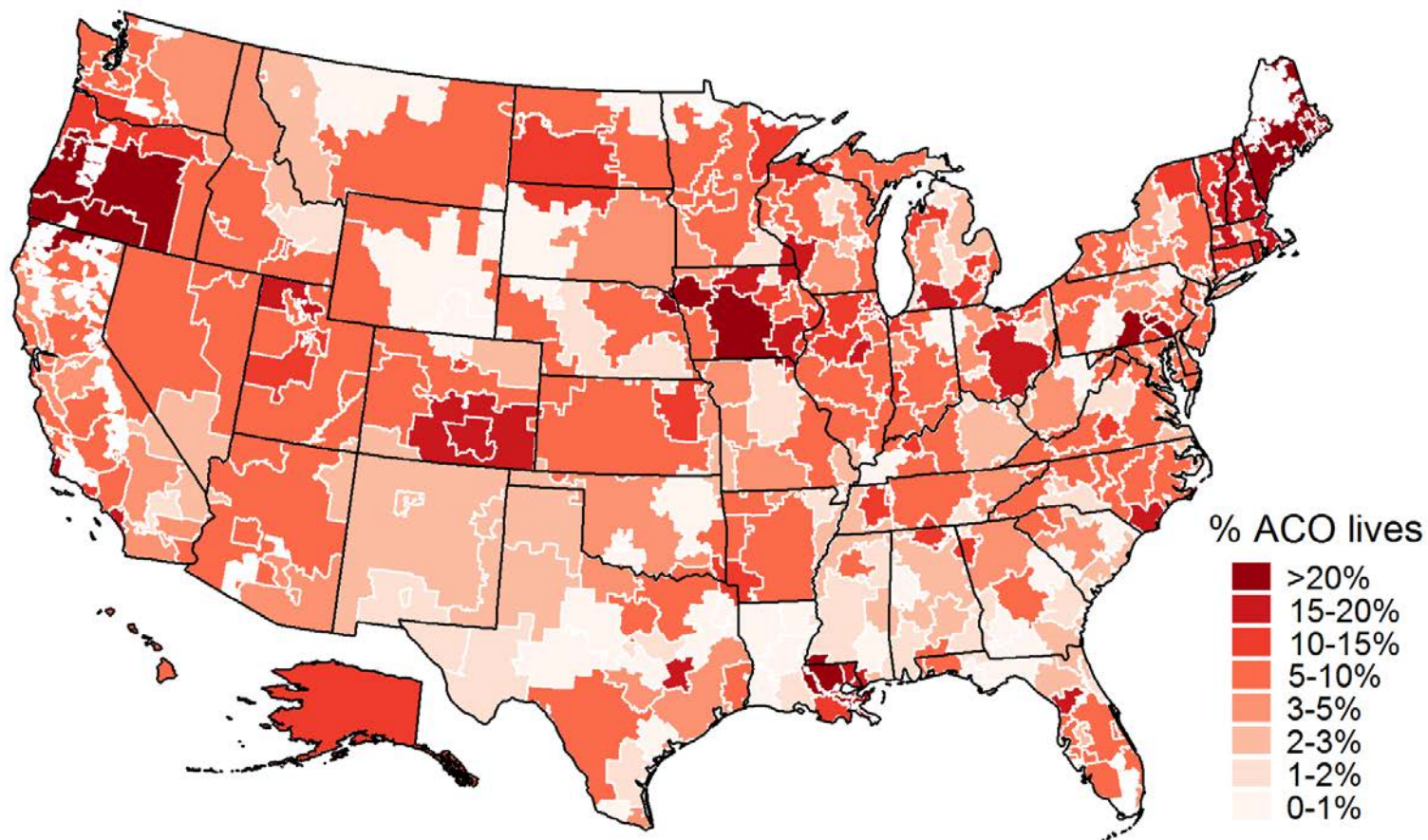
Diffusion of Innovation

Based on Diffusion of Innovations (1962), by Everett Rogers

ACO Growth

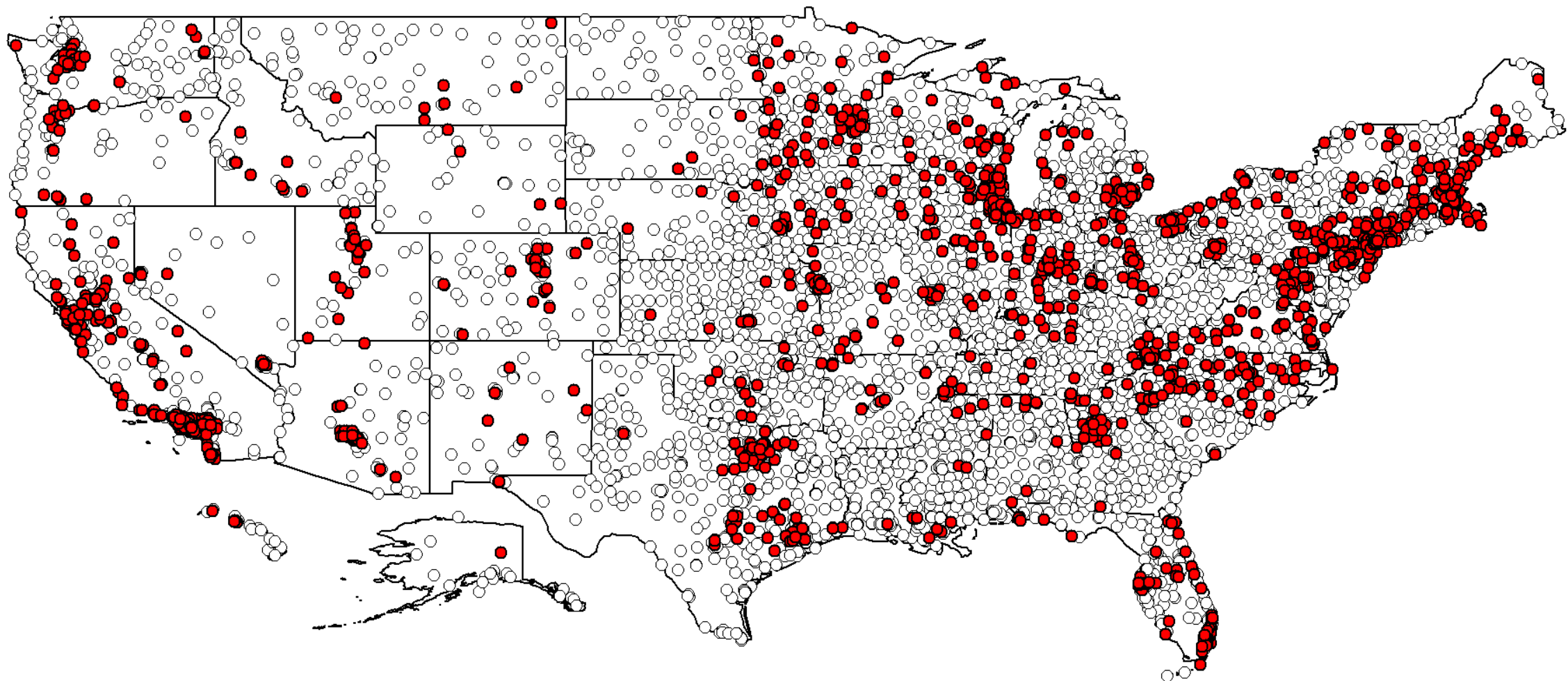
ACO Prevalence is increasing

Estimated ACO Penetration by Hospital Referral Region 2015



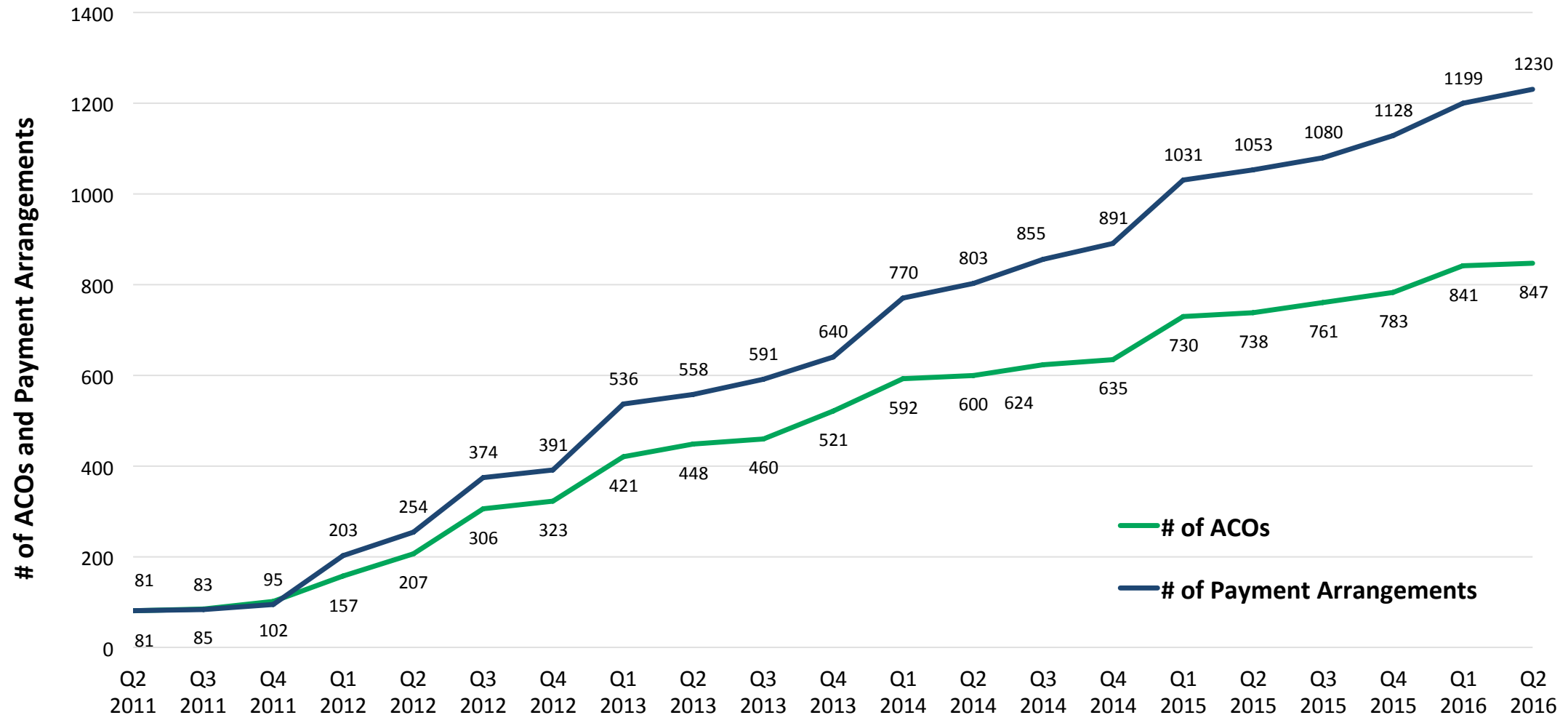
HOSPITALS IN ACOS OVER TIME

2015



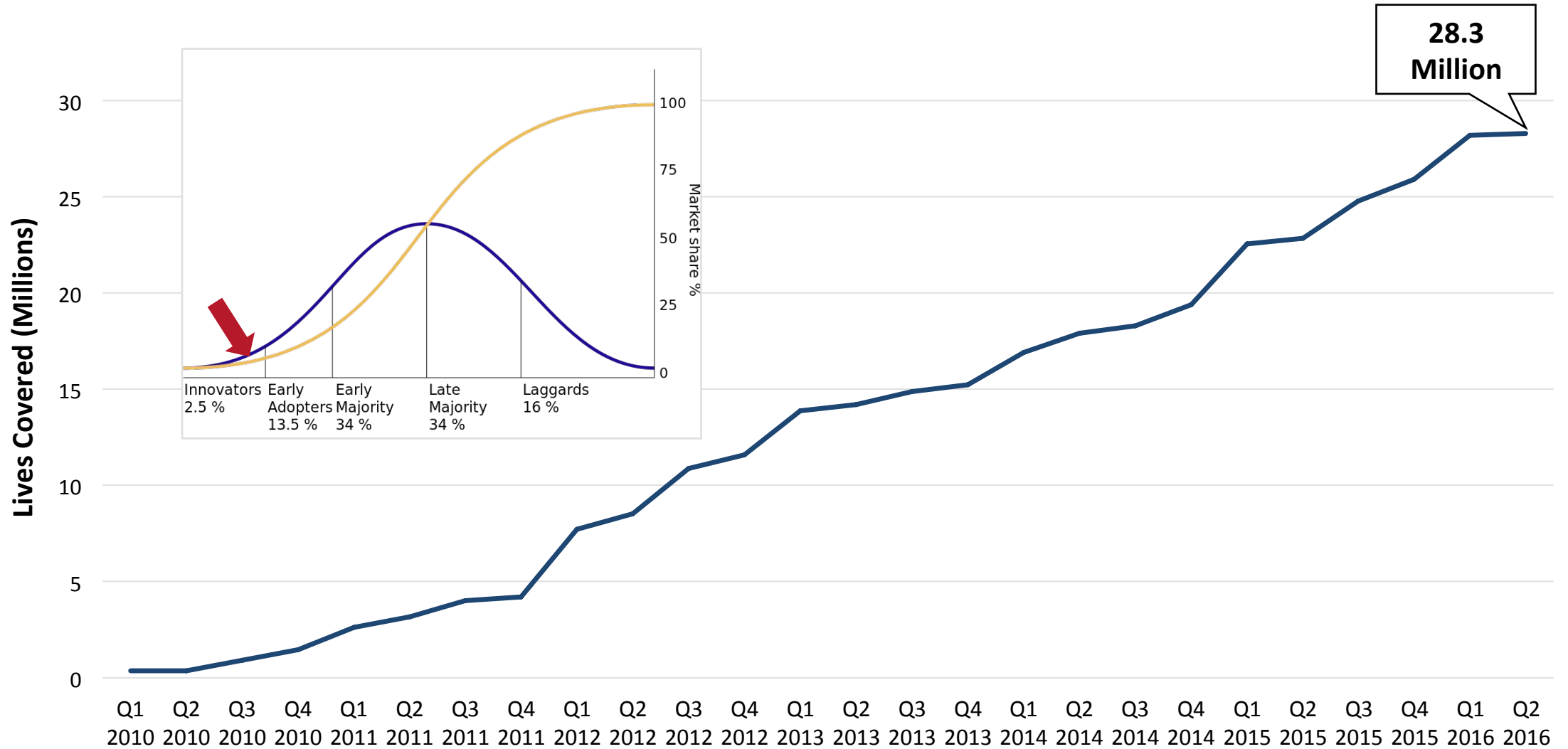
ACO Growth

Contract growth outpacing absolute growth



ACO Growth

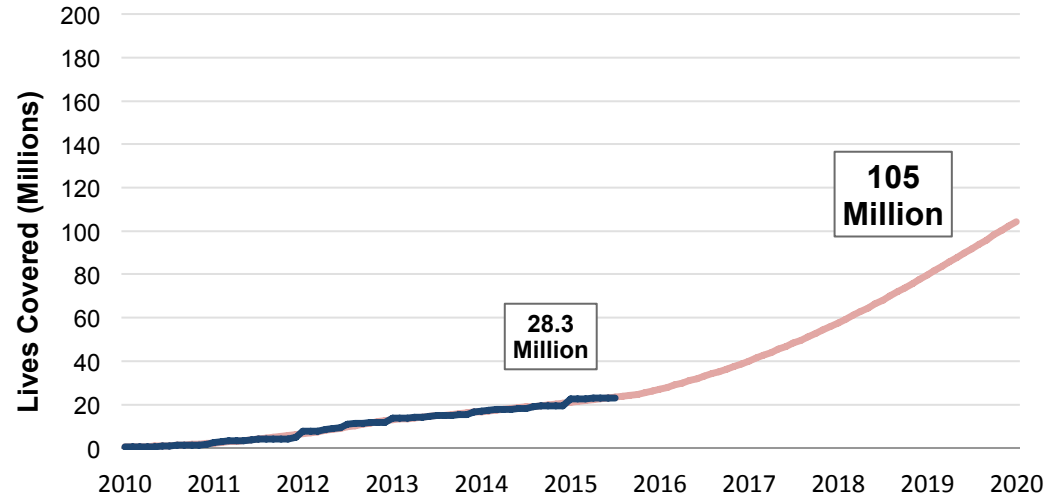
ACO-Covered Lives To date



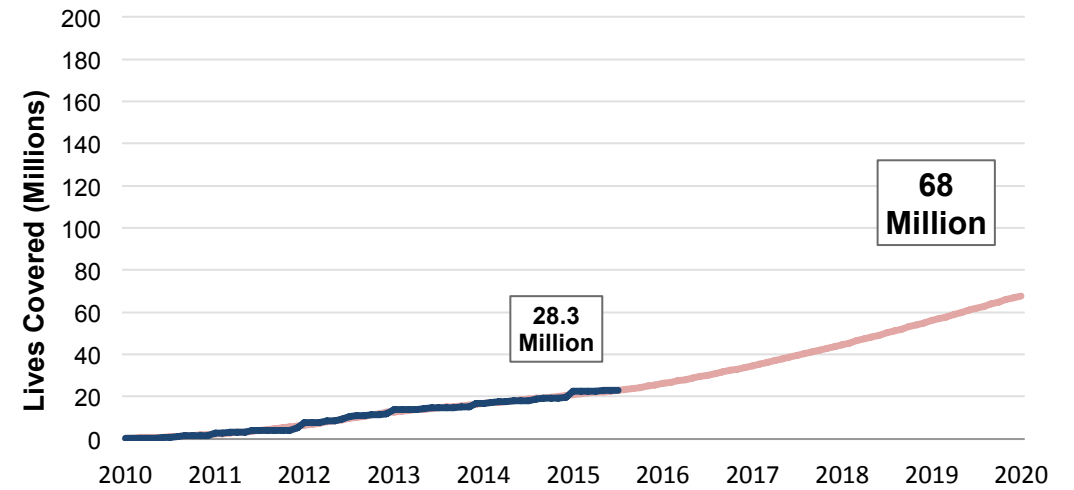
ACO Growth

Projected ACO-Covered Lives

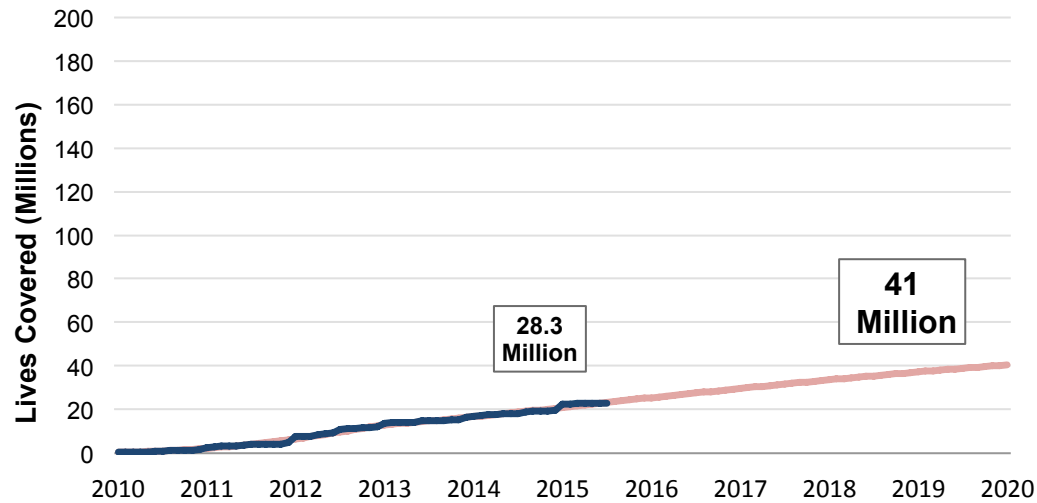
BASELINE SCENARIO



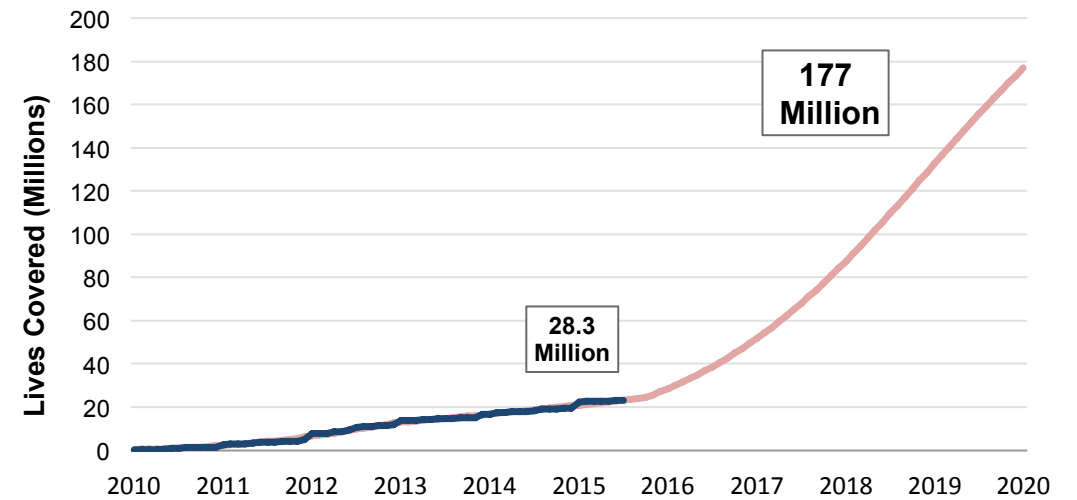
BASELINE SCENARIO WITHOUT MACRA



FINANCIAL FAILURE SCENARIO



WIDESPREAD SUPPORT SCENARIO



— Predicted — Actual

Weak Signals: New Administration/Congress

- Fragile Individual Market
- Environment for Medicaid Expansion and 1332 Waivers
- Pharmaceutical Pricing

