

HEALTHY DIALOGUES

CONVERSATIONS ABOUT HEALTHCARE REFORM

An invitation to Utah's leaders

PRESENTED BY





Health Care and Health Reform: The National Picture

Salt Lake City, Utah

PRESENTATION FOR

Intermountain Healthcare: Healthy Dialogues Lecture
Series

Ceci Connolly
ACHP President and CEO

MAKING HEALTH CARE **BETTER**

3.27.2018

Health Industry Today



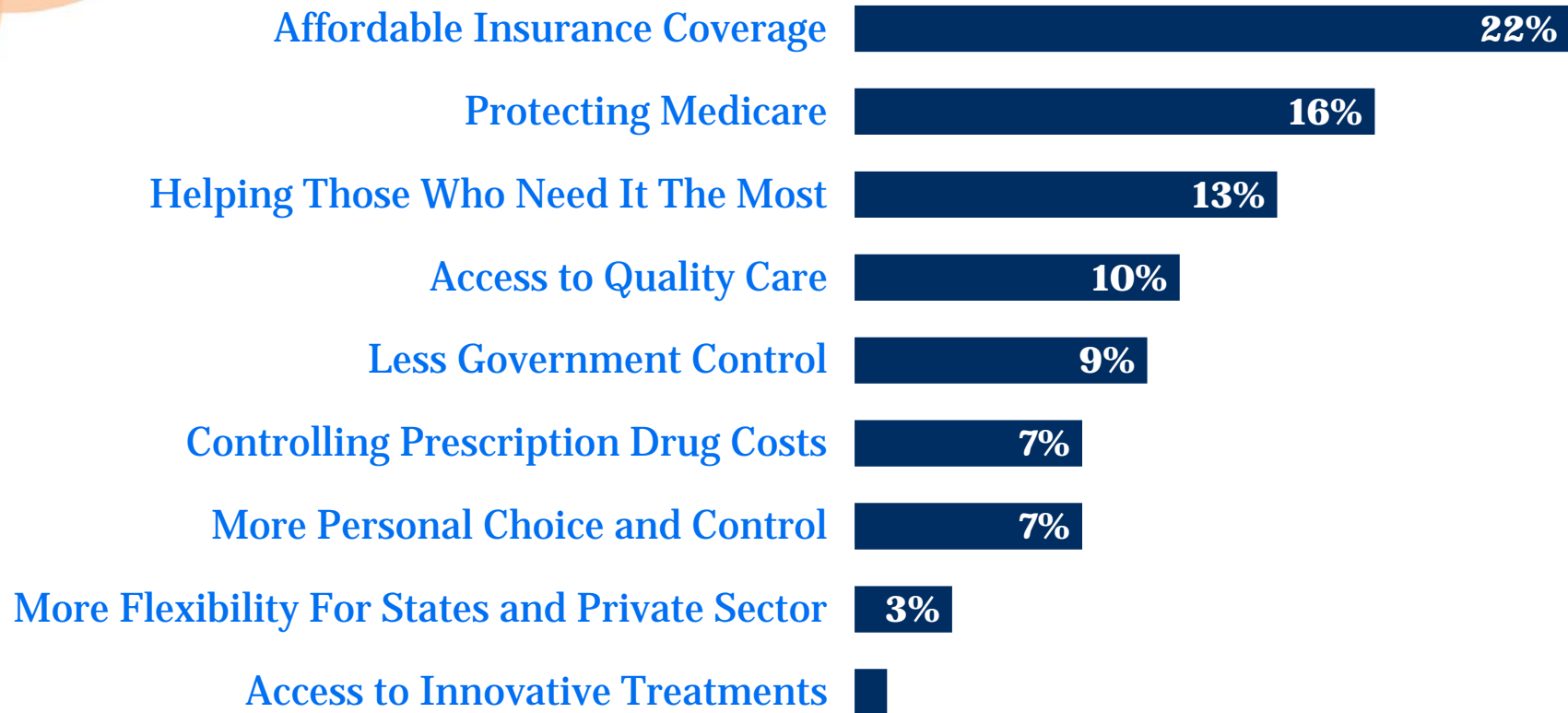
How Americans Receive Health Coverage

Around
9.2 m on
Exchanges

Health Insurance Coverage	Percentage	Individuals (millions)
Total Covered	91%	290
Employer	49%	157
Medicaid	19%	62
Medicare	14%	44
Individual	6%	10

Source: U.S. Census, Health and Human Services, KFF and Mark Farrah Associates

Health Care Priorities for Consumers

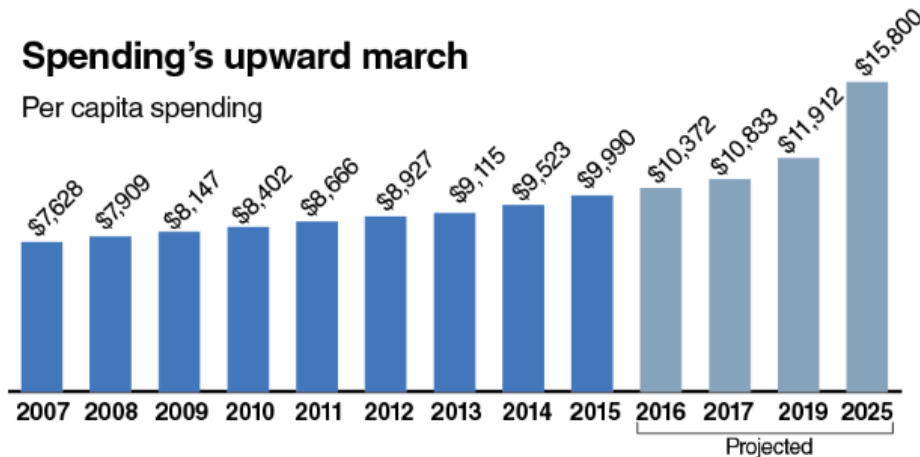


Source: Morning Consult

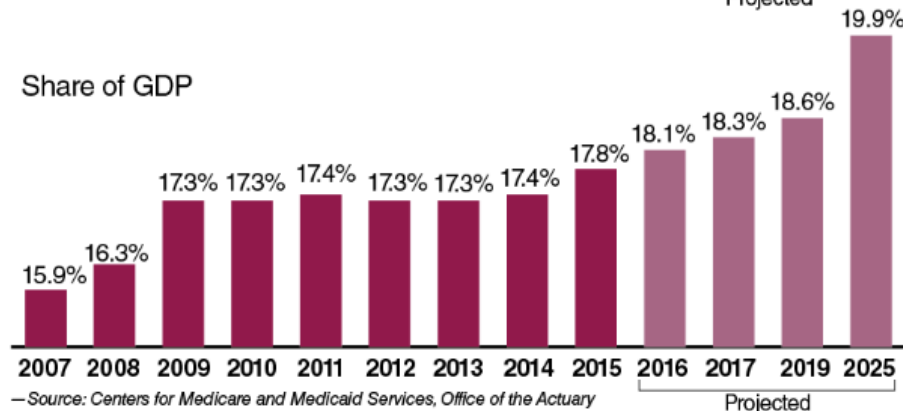
Health Care Costs Continue to Rise

Spending's upward march

Per capita spending



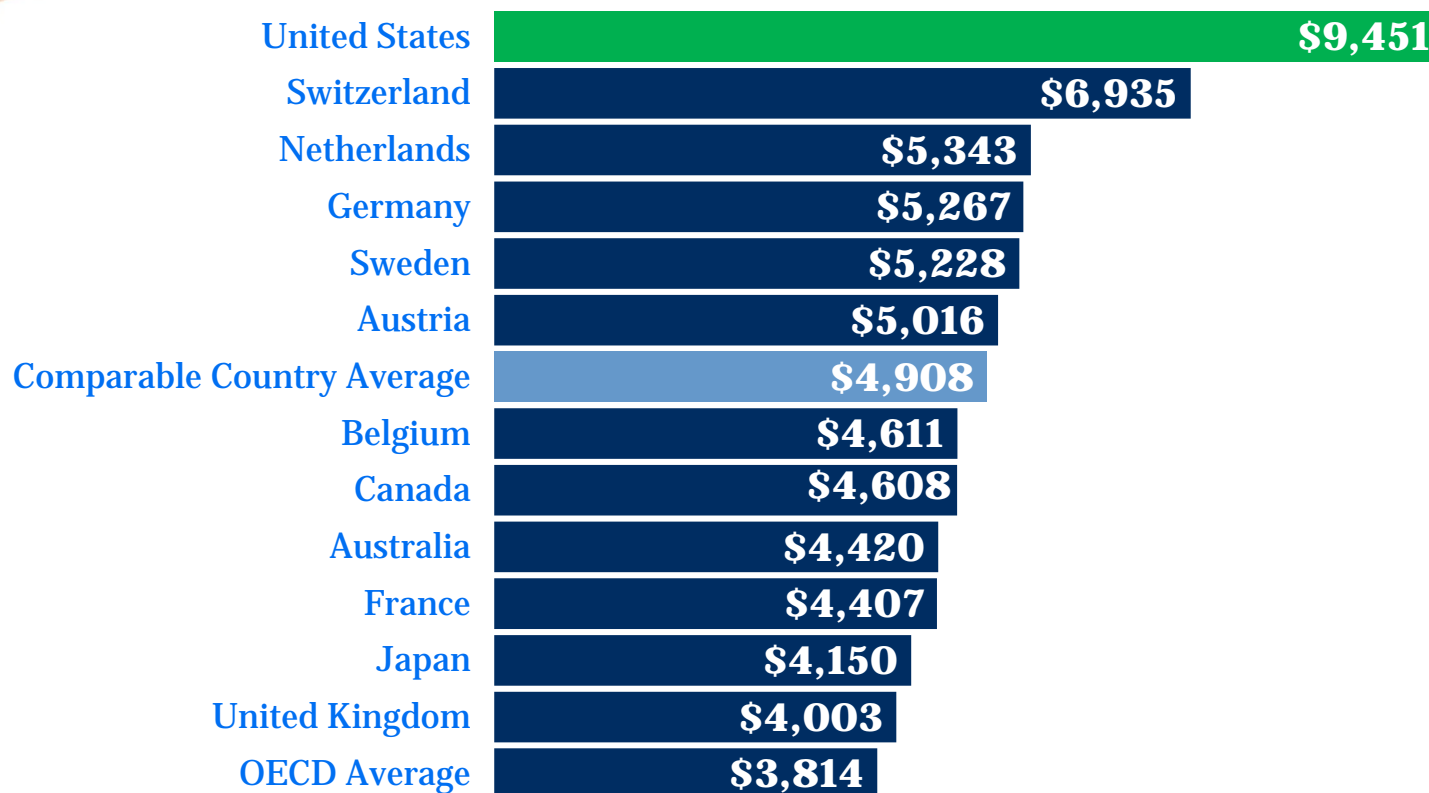
Share of GDP



—Source: Centers for Medicare and Medicaid Services, Office of the Actuary

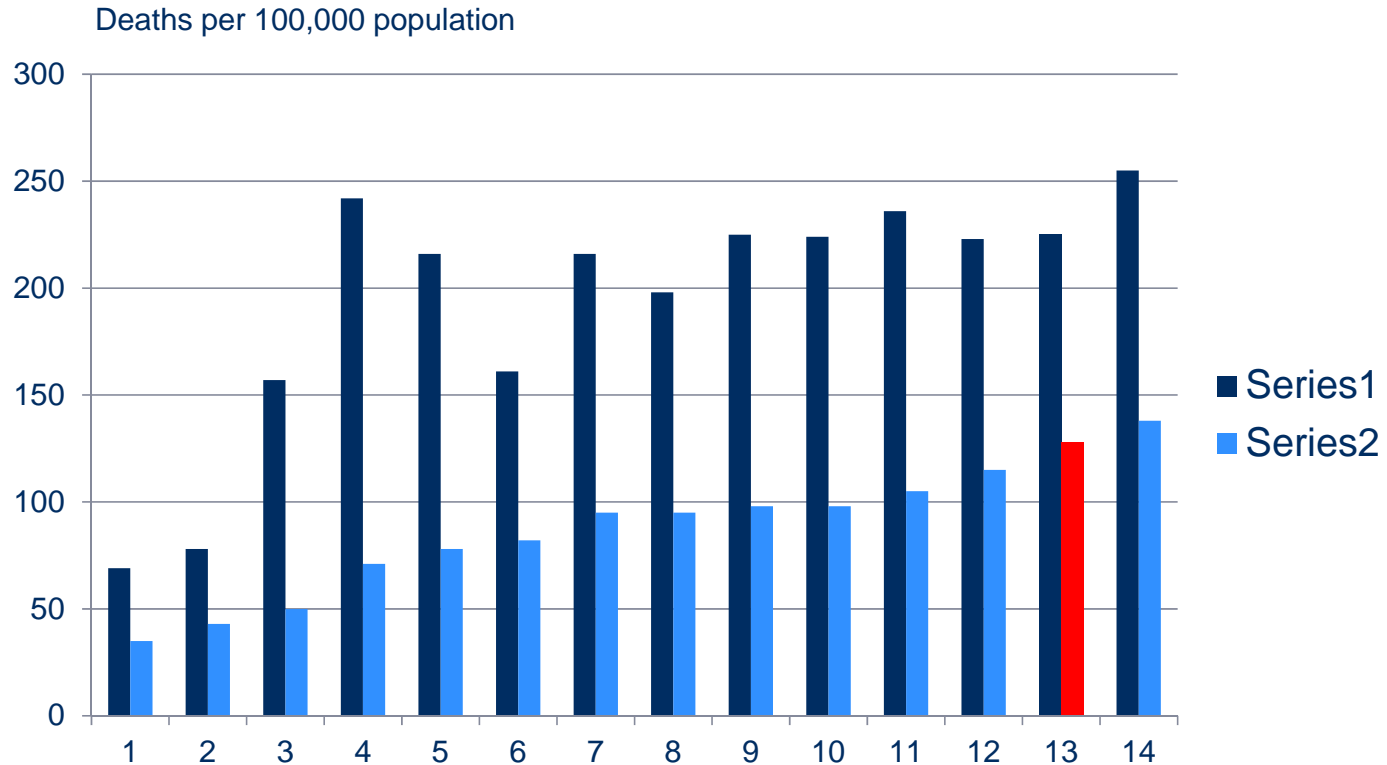
Health care costs hit \$3.2 trillion in 2015, nearly a fifth of GDP

How the U.S. Ranks on Spending



Source: Kaiser Family Foundation analysis of data from OECD (2017)

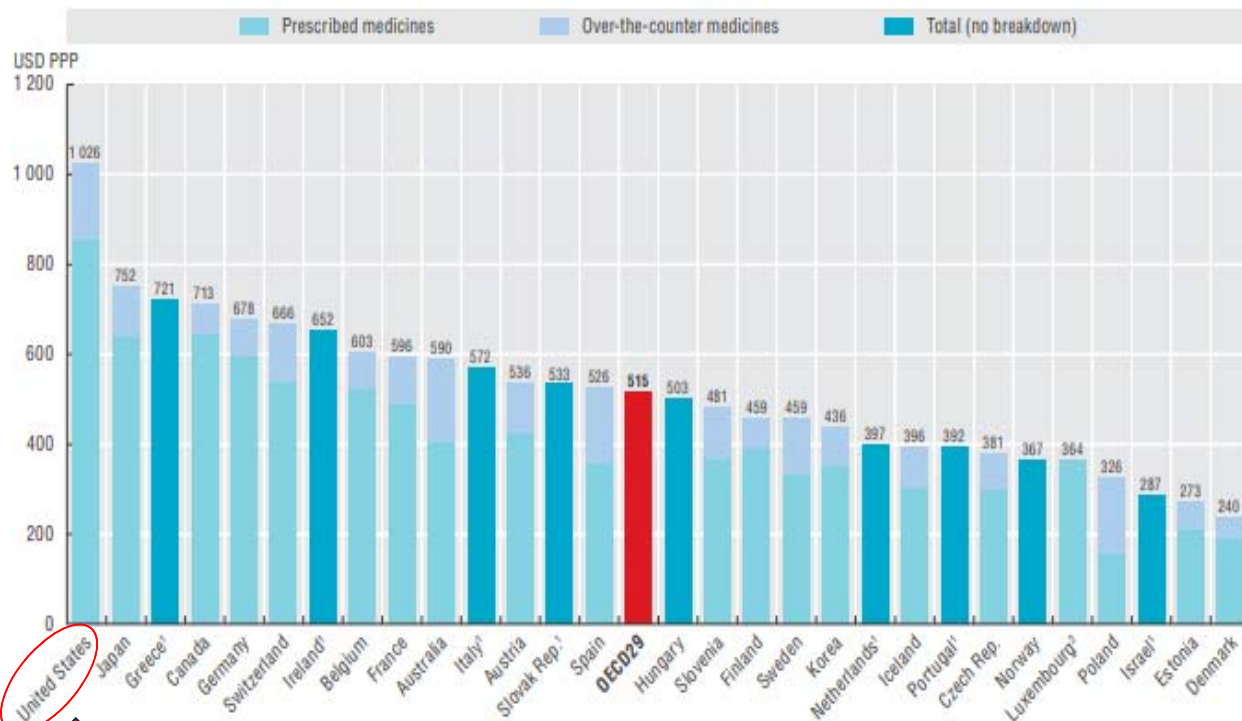
Health Status – Ischemic Heart Disease Mortality Rates



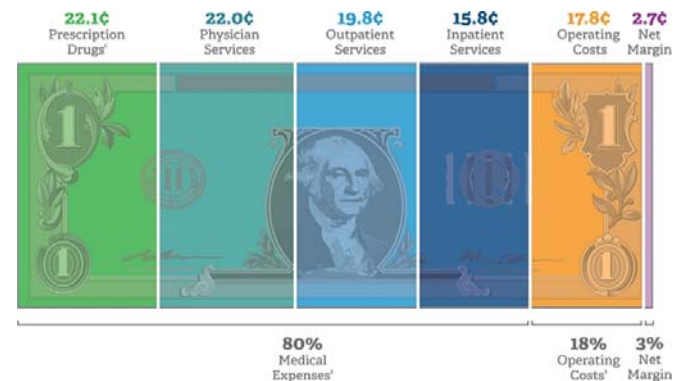
Source: OECD Health Data 2015

Drug Spending Drives Premiums, Hits Consumers

The Government's Dollar



Your Dollar



Prescription drug expenditures are nearly 20% of the health care costs

Specialty Drug Prices One Major Driver

Multiple Sclerosis

MS Drugs with the Highest % Price Changes Since Launch for a 30-Day Supply

	2001	2003	2005	2007	2009	2011	2013	2015	
Avonex*	\$830							\$5,286	537%
Avonex Prefilled		\$1,065						\$5,663	432%
Rebif		\$1,174						\$5,977	409%
				Betaseron*	\$2,079			\$5,720	175%
		Tysabri	\$1,916					\$5,258	174%
					Ampyra	\$1,056		\$1,777	68%
						Extavia	\$3,013	\$4,808	60%
						Aubagio	\$3,709	\$5,441	47%
						Avonex Pen	\$3,983	\$5,663	42%

Other Multiple Sclerosis treatments of note include:

Lemtrada, approved for sale in the U.S. in 2014, has a **two-year course of treatment** estimated at \$158,000.⁵

The new 40 mg dose of the widely prescribed drug **Copaxone** costs \$5,008⁶ a month, yet shows no gain in efficacy over the 20 mg dose.⁷

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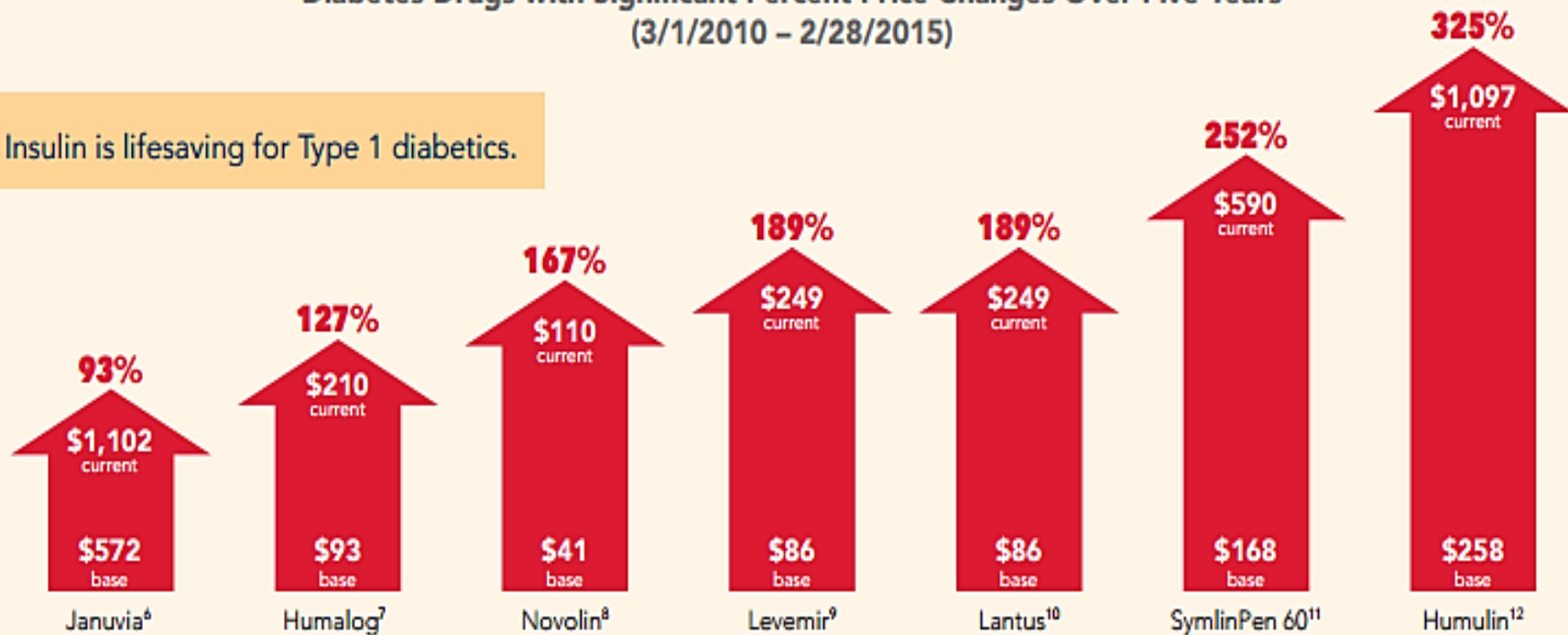
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It's Not Just Specialty Drugs

Diabetes

Diabetes Drugs with Significant Percent Price Changes Over Five Years
(3/1/2010 – 2/28/2015)

➔ Insulin is lifesaving for Type 1 diabetics.



High-deductible Plans on the Rise

About **40%** of all consumers with **private health insurance** are enrolled in high-deductible plans

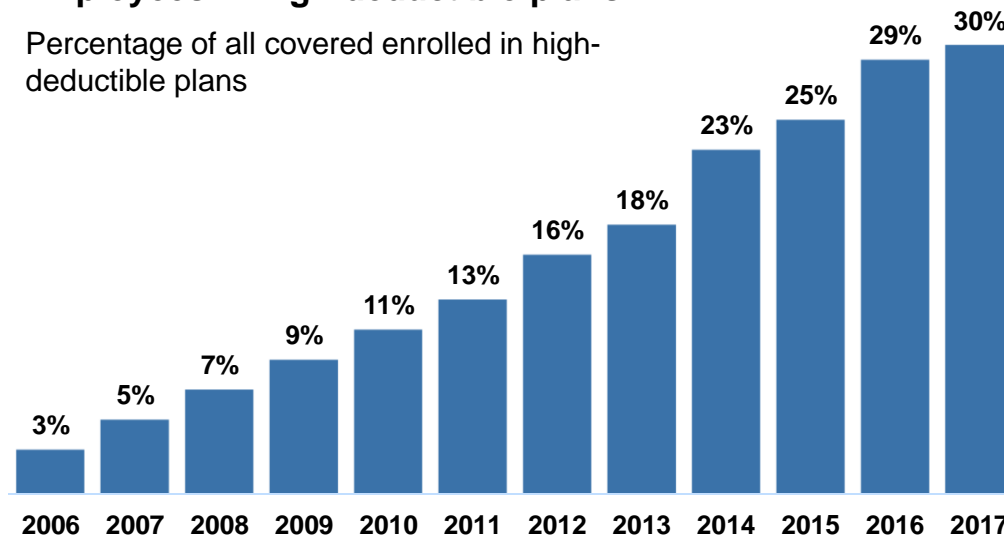


Minimum annual deductible for individuals is \$1,300

Employer Sponsored Coverage

Employees in high-deductible plans

Percentage of all covered enrolled in high-deductible plans



- Mercer's National Survey of Employer-Sponsored Health Plans

Key Forces Shaping the Future

✓ Technology/consumerism

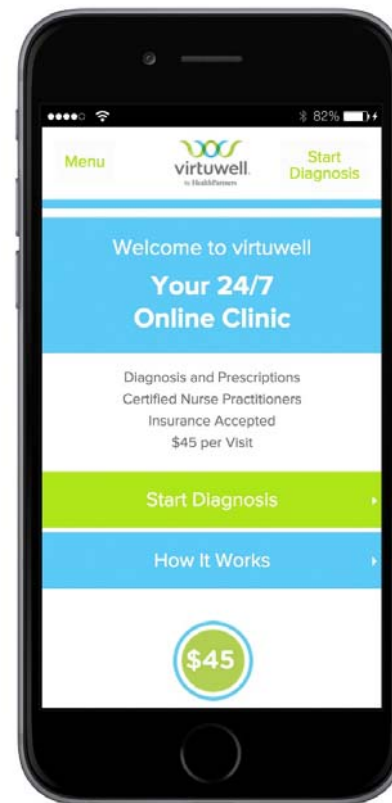
✓ Government as a purchaser

✓ New faces of competition

✓ Demographic trends

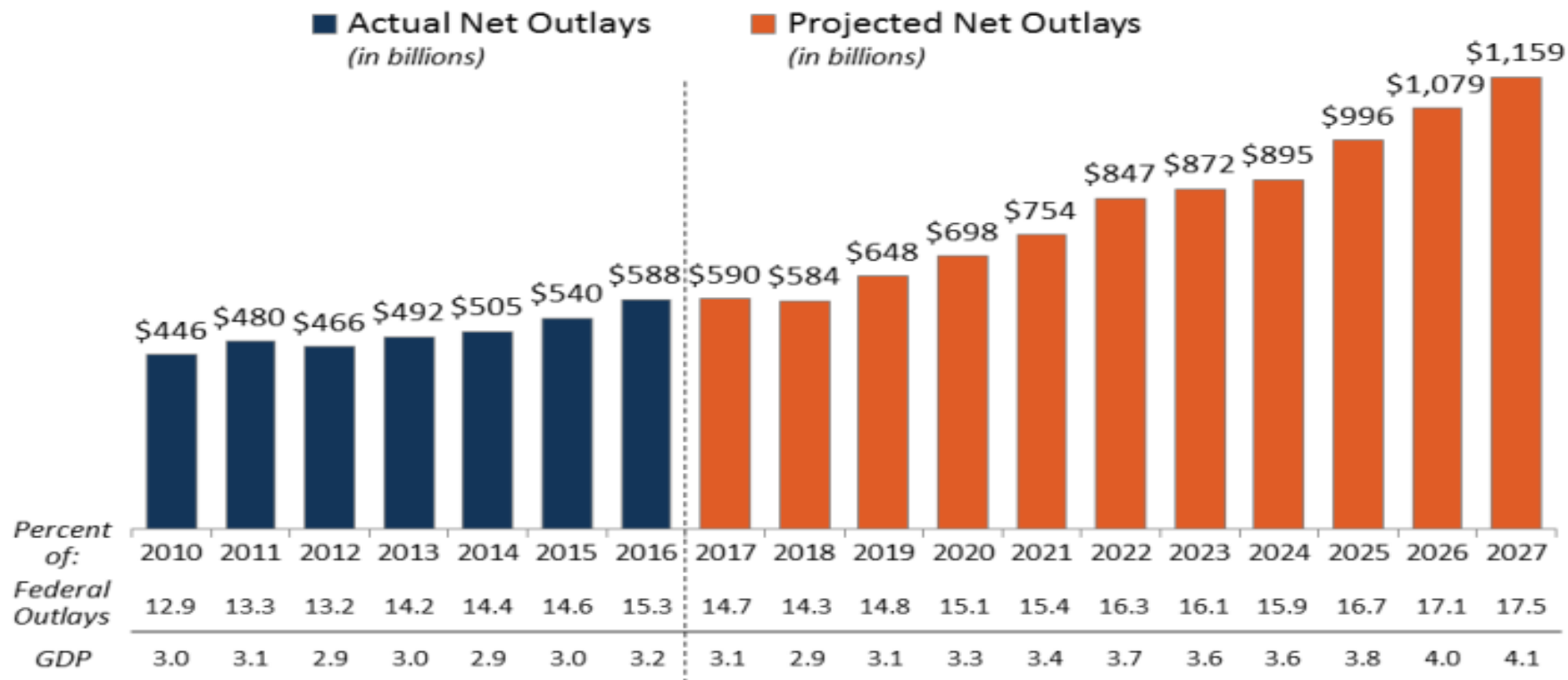
✓ Health Care Reform 2.0

Technology, Consumers Reshaping Care Delivery



US Government is Major Purchaser

Actual and Projected Net Medicare Spending, 2010-2027

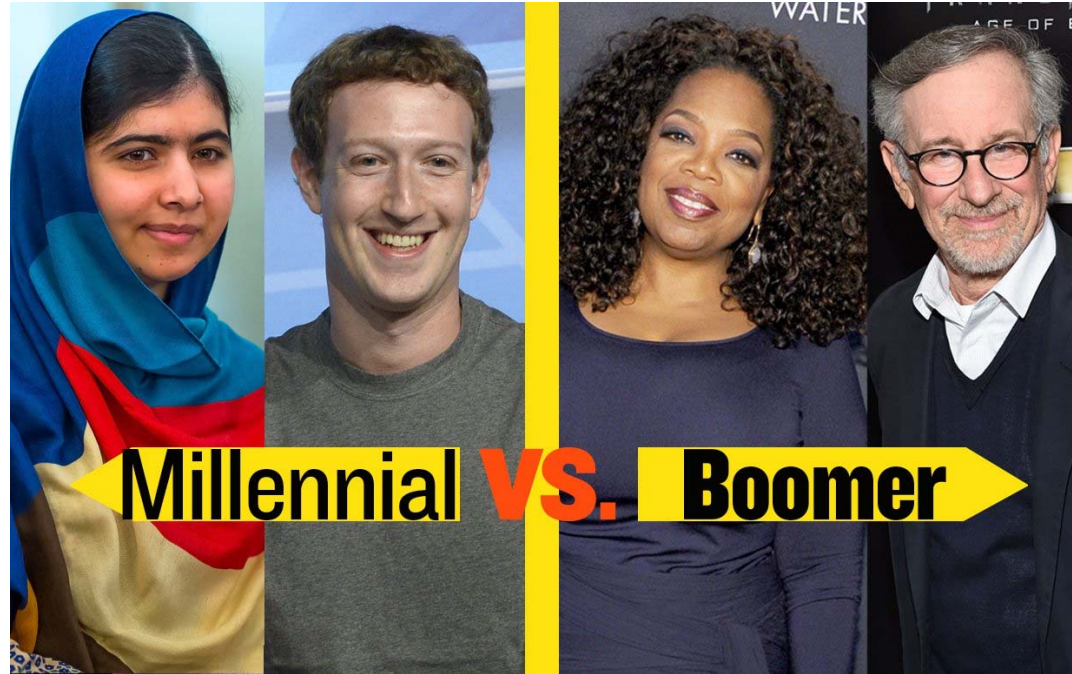


New Faces of Competition



UberHealth
We care for those who care for you...

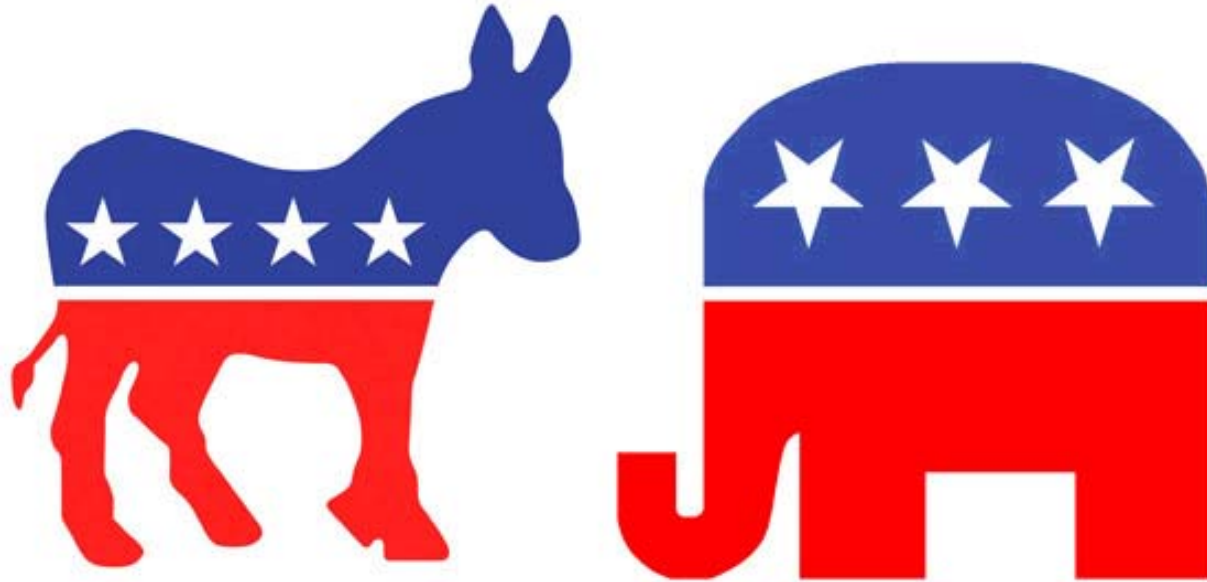
Demographic Trends



Health Care Reform 2.0?



Campaign 2018



A Better Model: Plan-Provider Partnerships



A Path Forward: The Committed Perspective



Universal participation in coverage

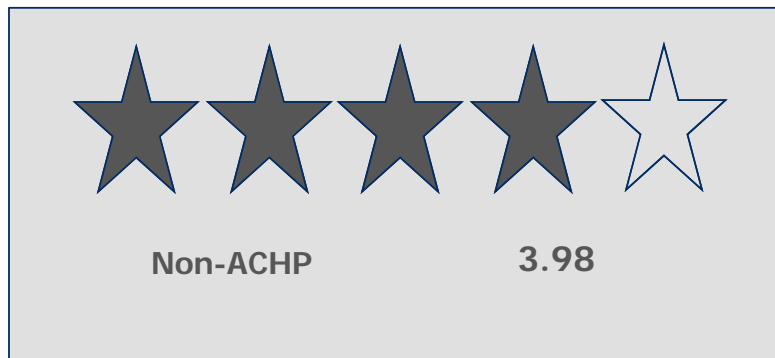
Movement to value-based payment

Patient-focused financing

Innovation

Payer-provider collaboration

ACHP Plans Top MA Quality Charts



Better Results



Questions?



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