



“Breaking Down the Silos of  
Healthcare –  
Preparation for the Future of  
Healthcare, and Reflections from the  
Stakeholders”

NEO HFMA

Baldwin Wallace University

Health Care MBA Program

J.P. Recovery Services

October 17, 2016

# Agenda

- **Registration/Dinner/Beverages**
- **Welcome & Introductions**
- **Opening Remarks**
- **Panel Discussion**
- **Questions to the Panel**
- **Closing Comments about Baldwin Wallace University's Health Care MBA program and the NEO HFMA**

# Healthcare: Today & Tomorrow

- Our challenging healthcare environment
- Economics: a tool for better understanding
- All of the payers are experiencing financial challenges
- Future world – Winners & Losers (at all levels)
- What will separate the Winners from the Losers?

# Using Economics as a Framework to Better Understand Today & Tomorrow

## Key Economic Terms:

- **Scarcity**
- **Choices**
- **Opportunity Costs**
- **Asymmetric Information**
- **Self-interest**
- **Moral Hazard**

# High Healthcare Costs

## What has driven high healthcare costs?

### The interrelated impact of:

- + **Self-interest** (non-value-driven payment methodologies)
- + **Asymmetric Information** (information imbalance)
- + **Moral Hazard** (insulated consumers – financial/lifestyle)
- + **Passive Purchasers of healthcare services**  
(employers, gov't, consumers, MCOs)
- + **Social circumstances** (poverty, lack of education, violence, etc.)

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= High healthcare costs

Payers' (government, employers, consumers) **Opportunity Costs** will require reversing the above high healthcare cost formula

# Future World of Healthcare

## Reversing the high healthcare cost formula will require;

- + **Self-interest** (value/risk driven payment methodologies)
- + **Asymmetric Information** (timely user-friendly cost and quality information)
- + **Moral Hazard** (consumer financial and lifestyle accountability)
- + **Passive Purchasers of health care services** (employers, gov't, consumers, MCOs) transitioning to **Active Purchasers of health care services**
- + **Social circumstances** (collaborative population health)

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= Future World of Healthcare

# Future World

There are two visions for the future world of healthcare that are potentially compatible

1. A consumer-driven health care system that uses the market to drive lower costs and better quality (enhanced competition from non-profit and for-profit suppliers of healthcare services to meet the demands of the consumer) (primarily non-governmental?)
2. Major integrated health systems that focus on the continuum of care that are driven by risk and value-based payment methodologies (Primarily Medicare/Medicaid?).
3. Business strategies under both scenarios, while potentially different, will still both **focus on perceived and actual value**.
4. There will be both **winners & losers** under both scenarios

# Winner or Loser?

- Will you and your organization be a Winner or a Loser in this new world of healthcare?
- A Loser holds on to the past and denies the realities of the future
- A Winner not only recognizes this future value-based world, but embraces it
- A Winner creates **a culture based on value, innovation and the customer**
- **A Winner (both individually and organizationally) fosters leadership and teamwork**

# Winner or Loser?

- A Winner recognizes that historical silos that impede better value both within or outside their own organizational structure must be broken down.
- Now, more than ever, there is an opportunity for a true Win-Win. A Win for society, organizations, community, and you.

# Panel Discussion

- Teresa Koenig, MD, MBA, Senior Medical Officer at Medical Mutual of Ohio
- Loren Anthes, MBA. Public Policy Fellow, Medicaid Policy Center, The Center for Community Solutions
- Michael Hughes, MD, MBA, Senior VP Hospital Operations at Summa Health Barberton Campus
- Stephanie Morley, Administrator at The Gardens of McGregor and Amasa Stone
- Kyle Yoder (MBA, Spring of 2017), VP of Contracts & Billing at Cardinal Health