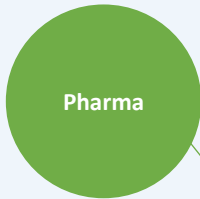


# THE NUMEROF 2019 US HEALTHCARE DELIVERY OUTLOOK

## Key Action Steps

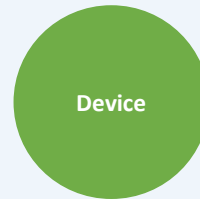
- Manage variation in cost and quality across the continuum.
- Develop/commercialize bundled and capitated products and services.
- Demonstrate differentiated outcomes and value for growth.
- Redesign the business to ensure patient centricity.
- Unlock the value in alliances/collaborations and CINs.
- Accelerate performance in new delivery/payment models.
- Realign structure, roles and competencies with market needs.
- Build service line capability to drive clinical and financial performance.
- Rationalize/realign care delivery platforms.

Greater pressure on drug pricing will create openings for **new pricing approaches**, e.g. risk-based and indication-specific, and **outcomes research collaboration**.



Pharma

Pricing pressures will continue to drive **risk based contracting**, diversification into services, renewed focus on value, and M&As.



Device

Greater reliance on **preferred partner networks** and **service level agreements** to manage cost and quality. Increase in consolidation.



Post-Acute

Continued growth in retail options and telehealth services. New, innovative community partnerships. **New entrants disrupt** traditional delivery.



Alternate Delivery Channels

Potential for **spot physician shortages, imbalances**. Wider use of care paths, communication, financial incentives to **align physician interests**. More physicians opt for employment with hospitals. Consolidation of physician practice groups, and growth of **concierge** models.

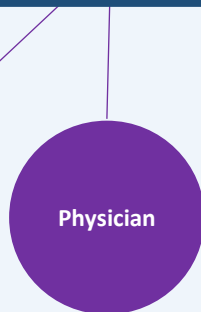
## Hospitals, Systems, IDNs



BUYER

PARTNER

SELLER



Physician



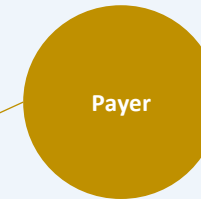
Employer

More **direct contracting** for in-market narrow networks and out-of-market bundled services. Pressure for **greater transparency** for employees. Growth in employee wellness programs.



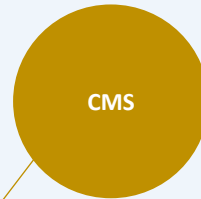
Consumer

More consumers with higher deductibles will seek **greater transparency, competitive prices, and convenient access** for services.



Payer

More **risk based reimbursement**, e.g. bundled, capitated. More **collaborations** on narrow networks and joint offerings.



CMS

**Reimbursement cuts, penalties**, MACRA and bundled payment programs will **accelerate public and commercial adoption** of at-risk payment models. **Migration of in-patient to out-patient** settings will continue to pressure margins.

