NEW RULES, NEW ROLES: REDEFINING HEALTH

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NEW RULES, NEW ROLES: REDEFINING HEALTH

All that will remain will be high acuity operations.
THE OLD GAME: LOCAL DENSITY

Highly concentrated healthcare markets

2000

2017
THE OLD GAME: NATIONAL SCALE

Payer Admin Expense Ratio vs. Lives (MM)
OLD STRATEGIES ARE NO LONGER WORKING

“We expect rapid expense growth to outpace revenue growth.”

- MOODY'S DECEMBER 2017

“About 18% of U.S. hospitals are at risk of closure or performing weakly.”

- MORGAN STANLEY 2018
DEMOGRAPHICS AND REIMBURSEMENT ARE RELENTLESSLY STRAINING HEALTH SYSTEM ECONOMICS

Proportion of operating costs covered

- Commercial: 150%+
- Medicare: 100%
- Medicaid: 50%-
DEMOCRAFTIC AND REIMBURSEMENT ARE RELETLESSLY STRAINING HEALTH SYSTEM ECONOMICS

Proportion of operating costs covered

- Commercial: 100%-150%
- Medicare: 50%-100%
- Medicaid: 50%-100%
EVERYONE IS NOW A HEALTHCARE CONSUMER…

Deductibles have grown 8 times faster than wages since 2008.
AND THE REVIEWS LOOK GRIM

Net willingness to recommend, by industry

2018 Oliver Wyman Consumer Survey
RUSH FOR CONTROL OF THE UPFRONT RELATIONSHIP
NEW ENTRANTS RUSH IN

Digital health funding

Source: Rock Health
Economic Pressure
Technological Pressure
Consumer Pressure
Competitive Pressure
THE MARKET IS PRIMED FOR DISRUPTION
FIVE NEW ROLES EMERGE
FIVE NEW ROLES ARE EMERGING

**Access Specialist**

Rules to Win:
- Consumer Delight
- Simplification
- Ubiquity
FIVE NEW ROLES ARE EMERGING

Rules to Win:
- Data Intelligence and Sophistication
- Clinical Insight
FIVE NEW ROLES ARE EMERGING

Rules to Win:
- Industrial Discipline
- Continuous Improvement
- Best in Class Capability
FIVE NEW ROLES ARE EMERGING

- Focused Factories
- Automated Agents
- Access Specialist
- Unbundled Financiers

Rules to Win:
- Product Management Agility
- Consumer Alignment
FIVE NEW ROLES ARE EMERGING

Rules to Win:
- Risk and Delivery Alignment
- Ability to Influence Consumer

- Access Specialist
- Automated Agents
- Unbundled Financiers
- Focused Factories
- Integrated Care Managers
VALUE WILL MIGRATE TO THESE NEW ROLES

- Access Specialists
- Automated Agents
- Focused Factories
- Unbundled Financiers
- Integrated Care Managers

Providers

Payers

Other (e.g., Tech, Retail)
WHICH ROLE WILL YOU PLAY?

- Access Specialist
- Automated Agents
- Unbundled Financiers
- Integrated Care Managers
- Focused Factories