2016 CARE MANAGEMENT TRENDS
Due to concern over rising costs and poor performance on quality indicators, the healthcare landscape is shifting away from the traditional fee-for-service model and embracing value-based care (VBC). Today’s VBC programs aim to reduce spending while improving quality and outcomes. The market shift toward VBC offers unprecedented opportunities and challenges for healthcare organizations and has the potential to upend traditional patient care and business models. No longer will volume be rewarded, but rather better results in terms of cost, quality and outcome measurements. Some organizations remain reluctant to transition away from their current fee-for-service structure as it has proven to be highly profitable. However, as pressure to reduce costs and improve quality and outcomes continues to grow, those organizations that start to develop VBC models will earn an early advantage that will enable them to more effectively compete in today’s shifting market. Those unwilling or unready to adapt are at risk of falling behind.

The U.S. Department of Health and Human Services (HHS) announced that by the end of 2018 it aims to link 50% of Medicare reimbursements to the “quality or value” of providers’ services. The Health Care Transformation Task Force, a collection of several large health systems, payers and other stakeholders, announced their goal of putting 75% of their business into value-based arrangements by 2020.

Source: GE; Deloitte Center for Health Solutions; Modern Medicine Network
Use of Incentives to Reduce Health Claims

Recent years have seen healthcare costs rise dramatically. Surprisingly, the main drivers of those rising costs are preventable diseases. As a result, both care management organizations and employers are rethinking their current systems and offering incentives focused on wellness and prevention. These programs target individuals deemed “at-risk” those who do not have a current health condition but have a high probability of developing a condition if their risk factors go unchecked. Through these programs individuals receive incentives for participating in a wide range of activities from education and awareness to action-based and outcome-based incentives. The goal of these incentivized wellness management programs is decreasing future healthcare expenses by encouraging early detection and preventative action. As the demand for preventative and proactive treatment increases, care management programs can no longer simply cover diseases or medical conditions. In order to successfully compete in today’s health market, incentivized preventative care management is necessary.

Nearly 90% of employers offer wellness incentives, financial rewards or prizes to employees who work toward getting healthier.

91% of employers believe they can reduce their healthcare costs by influencing employees to adopt healthier lifestyles.

Incentivized wellness programs, including smoking cessation and weight control, can save businesses as much as 7% in healthcare expenses.

Source: Wall Street Journal; Harvard School of Public Health
Technology Drives Care Management Innovation

Widespread technological advancements are revolutionizing the way organizations do business. Within the healthcare arena, advances in consumer electronics are creating new and unique opportunities for care management. In today’s highly-connected world, individuals have become accustomed to accessing information anytime, anywhere and on any device. This is now translating into the development of technology solutions that allow patients and consumers to interact and engage with medical providers through their devices, opening technology-enabled lines of communication that were not possible in the recent past.

Medical centers are introducing digital checkups via text messages, remote care monitoring is allowing patients to connect with providers via video conference, and wearable technology is enabling doctors to monitor patients and make adjustments to their care and medication based on the collected data. The growing number of healthcare technology advancements is revolutionizing the way patients and consumers interact with their care providers.

70 million people in the U.S. are using wearable tracking devices to monitor their physical activity, sleep patterns, calorie consumption and more.

21% of the population is using some form of technology to track their health data, including medical meters, apps, websites and other online tools.

2.8 million patients are now being remotely monitored for health conditions.

Source: Health Catalyst; Pew Research Center
Thanks, in part, to the Patient Protection and Affordable Care Act (PPACA) and other recent legislation, patients and consumers are now at the forefront of the healthcare discussion. Clinicians, administrators and agencies have now come to the understanding that engaging patients, caregivers, families and health consumers is vital to reducing costs, improving outcomes, and increasing quality and safety. As a result, the industry is now shifting toward models of care that are focused on providing a more seamless, streamlined and personalized customer experience.

Online resources, mobile applications and personal health devices are being developed to increase consumer and patient engagement—to help individuals take action to improve their health, make informed decisions, and engage effectively and efficiently with the healthcare system. Delivering a cost-effective, superior patient experience is the key to remaining competitive in an industry that is honing its focus on value.

Facilitating ongoing communication between patients and physicians via apps and online portals can improve engagement rates by 60% or higher.

Increased online patient involvement can result in a 90% satisfaction rate for both patients and physicians.

Source: Deloitte; mHealth News; California HealthCare Foundation
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