



# Politics & Strategy

2020

Planning for the future of long-term  
care

# Career Progression



1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

Sevenya  
Mission Health  
Healthways  
Renaissance/Ascentia  
Coventry  
Aetna  
Olsten Healthcare



# Binary Choice

Divided Government with President Trump – or Unified Government Under Former Vice President Biden



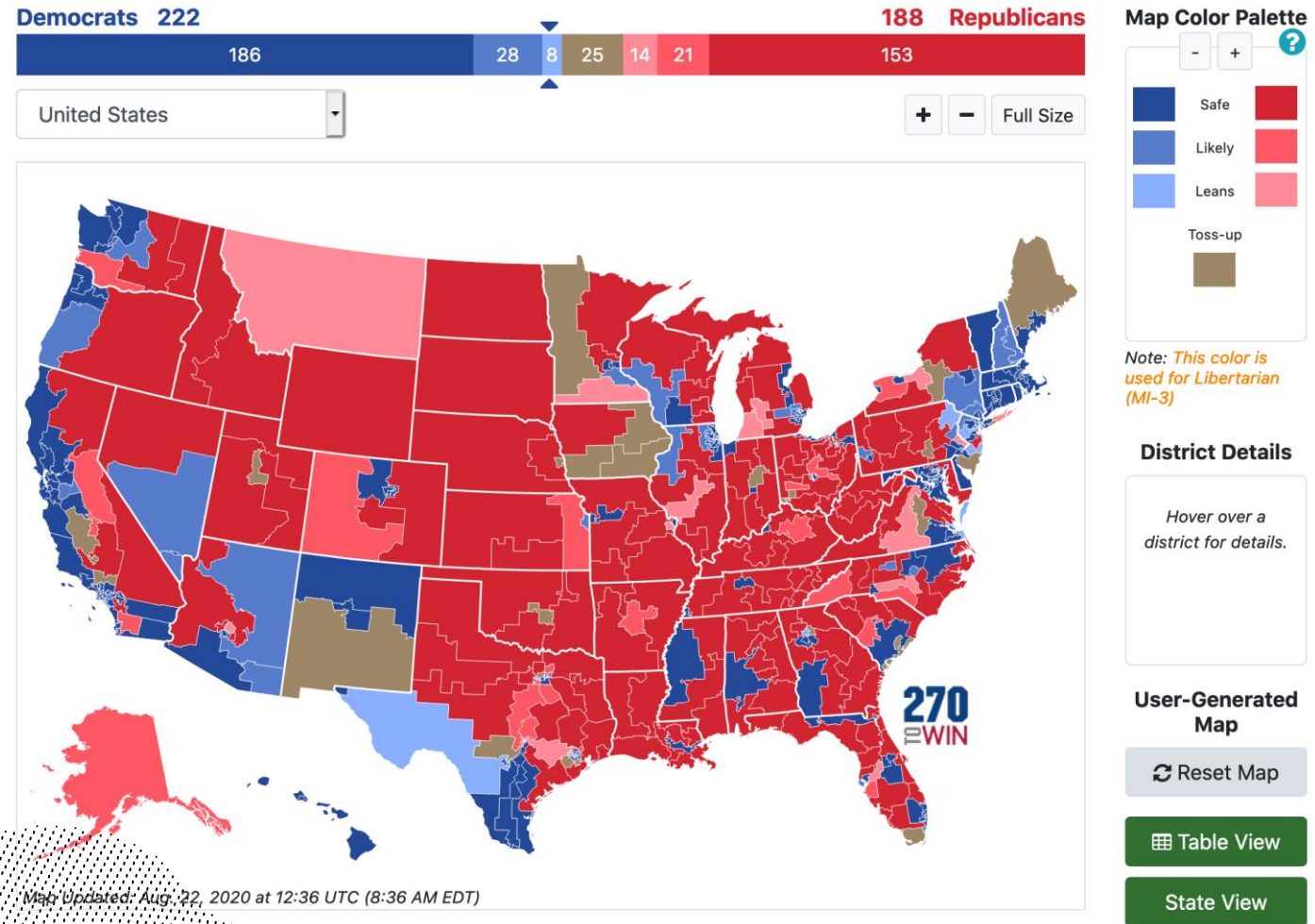
**Trump**

If Trump wins, the Senate likely stays Republican

**Biden**

But a Biden win likely flips the Senate

# House Firmly Democratic



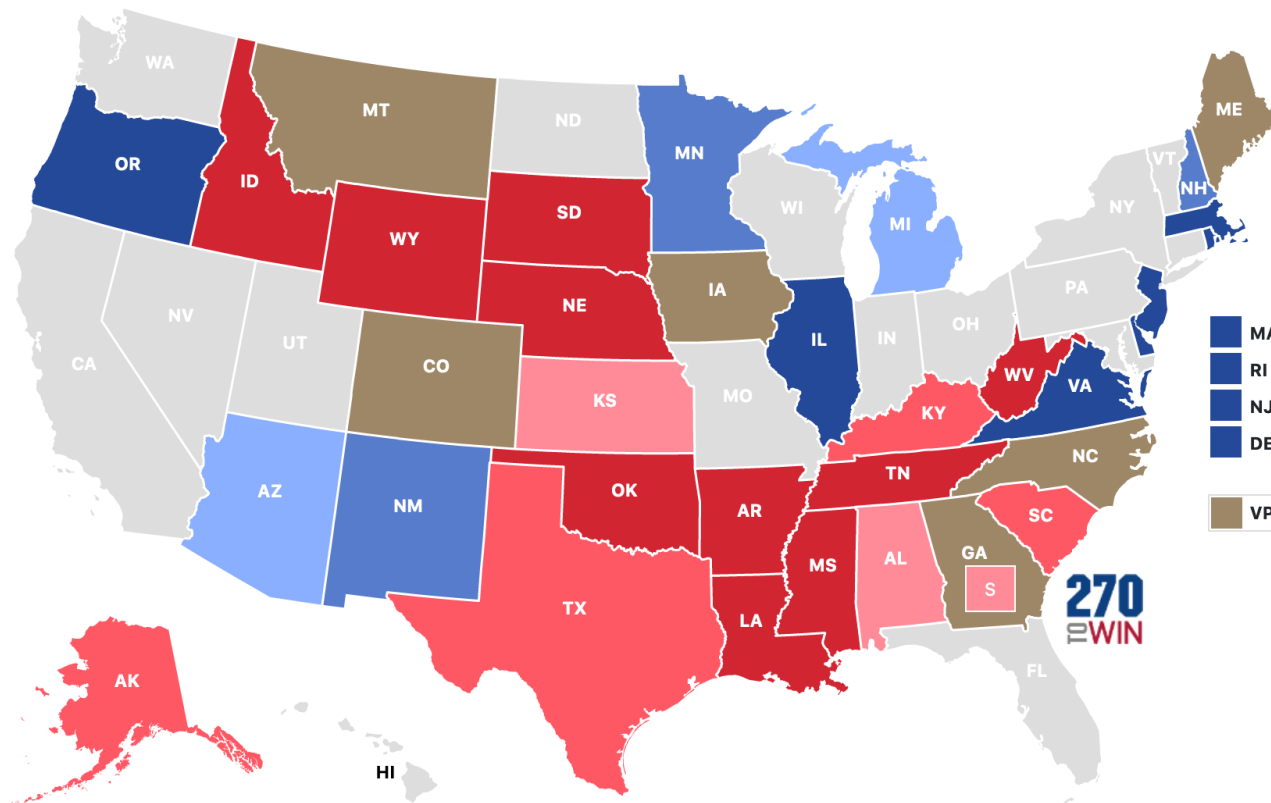
# Senate In Play

Democrats 47

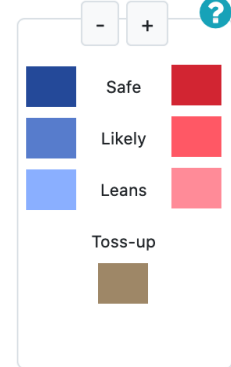
47 Republicans



You are viewing: **2020 Consensus**



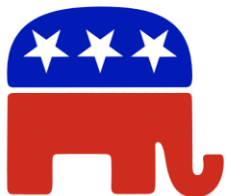
Map Color Palette



Map Library



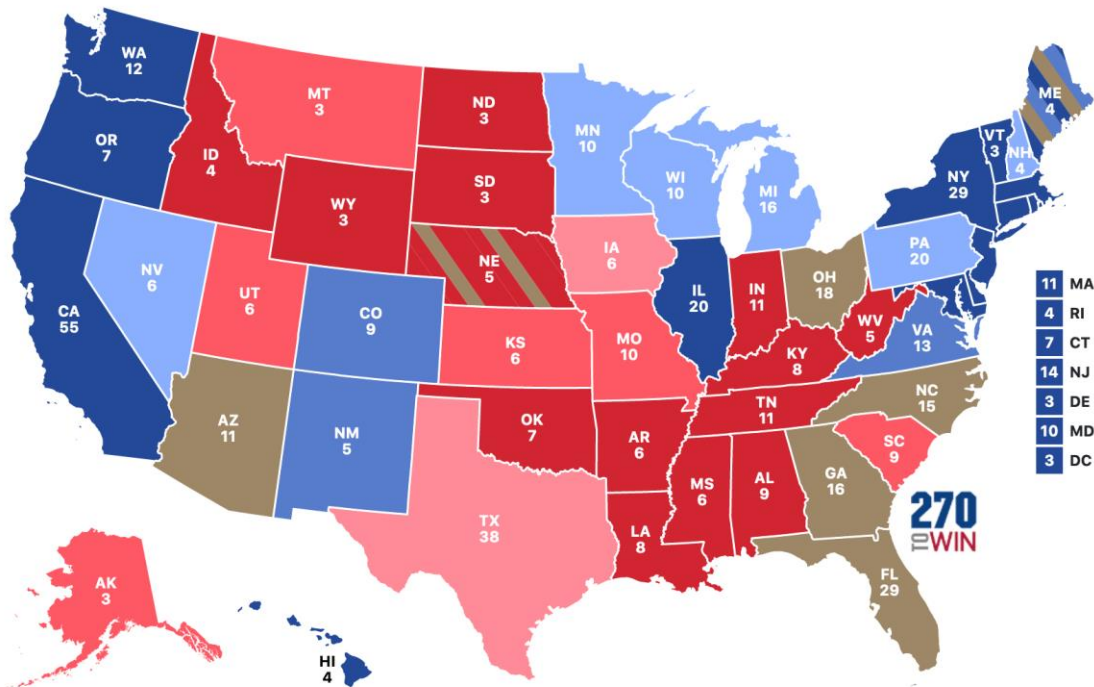
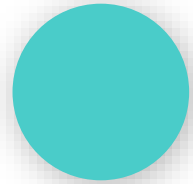
- MA
- RI
- NJ
- DE
- VP



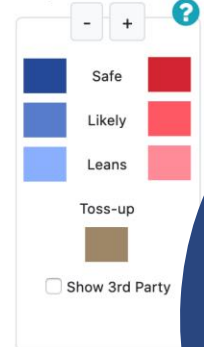
Map Updated: Aug. 25, 2020 at 16:44 UTC (12:44 PM EDT)

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# Biden Leads



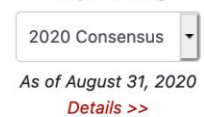
## Map Color Palette



## Split Votes

State	District		
	1	2	3
ME	2	1	1
NE	2	1	1

## Map Library



This year is one of the most perplexing years for forecasting. As in most races, turnout is key.

Note that North Carolina, Georgia, Florida & Arizona are toss-ups – the down ballot implications are significant for the Senate.

Notice that Texas merely 'leans' republican, reflecting the shifting demographics of the state

Map Updated: Aug. 31, 2020 at 20:15 UTC (4:15 PM EDT)

Share or Embed your Map:

# The Presidency

2021 Challenge

## Pandemic

Treatments and  
Vaccines remain not  
yet available

## Economic Disruption

High unemployment,  
increasing deficits,  
slow recovery,  
consumer confidence

## State of the Union

Hyper-partisanship,  
Recession, Civil  
Unrest, increased  
needs

## Policy

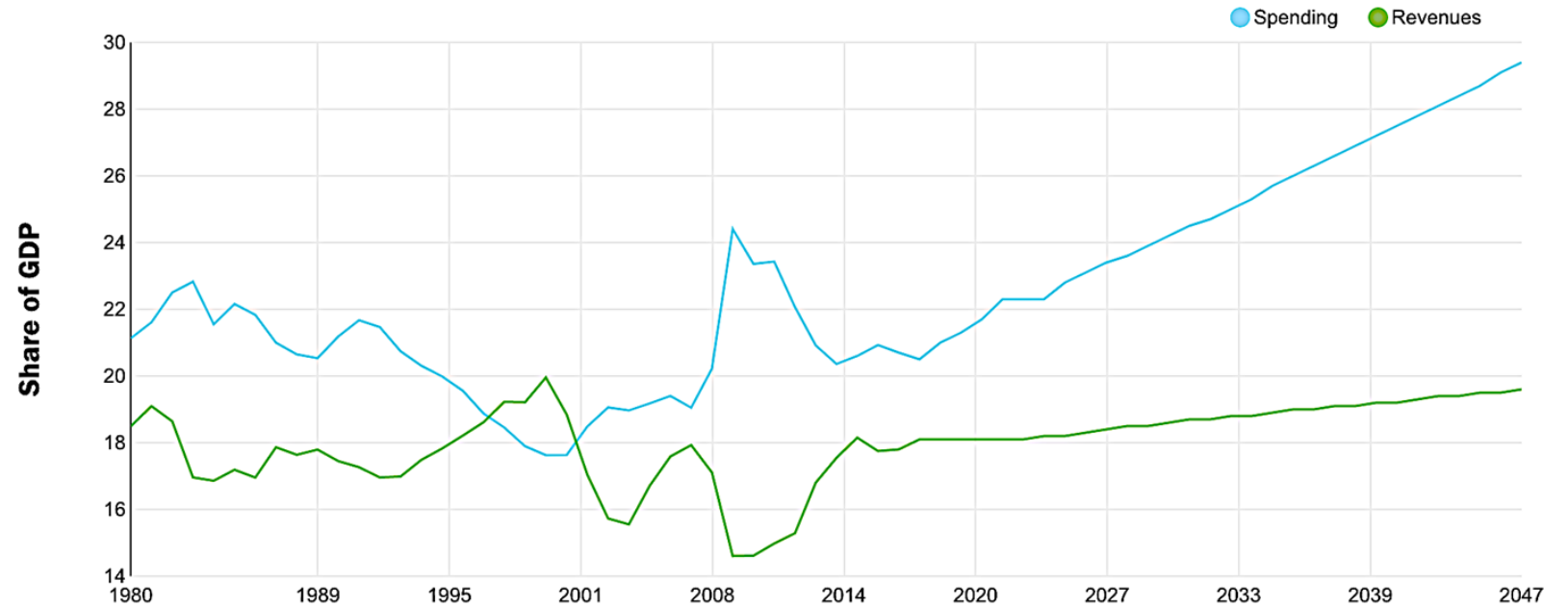
Replacing PPACA,  
fiscal and monetary  
situation, foreign  
relations



# Spending Revenue



Federal Spending and Revenues

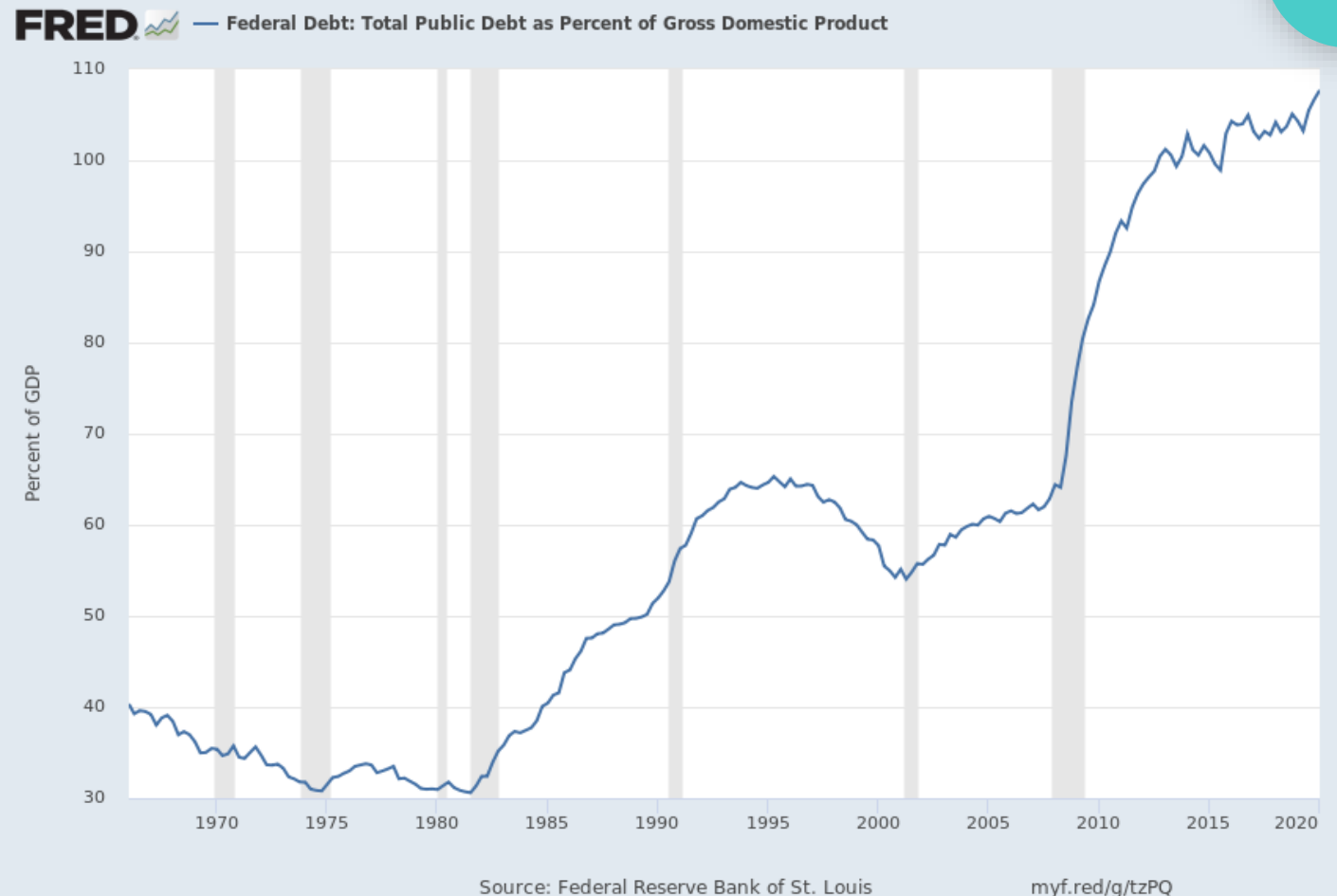


The Brookings Institution

BROOKINGS



# Rising Debt

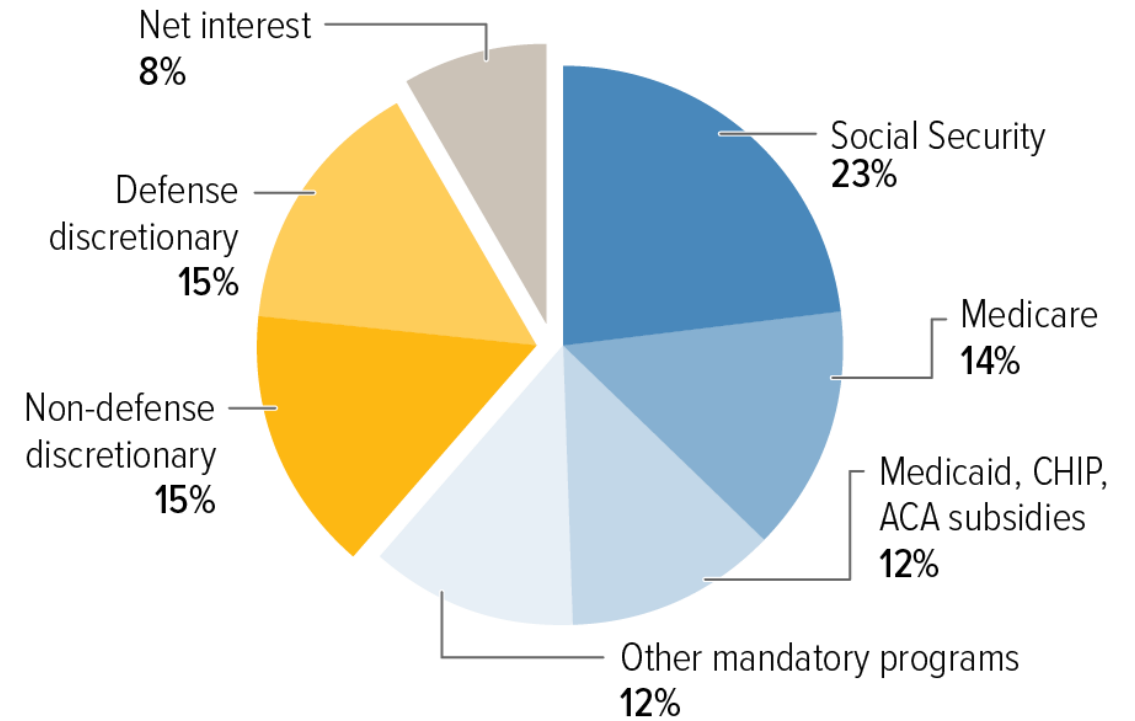


**US Debt is  
Approaching  
110%  
of GDP**



**Healthcare is 26% of the federal Budget and growing**

## Federal Spending, FY 2019



Note: Figures may not add due to rounding.  
Source: Office of Management and Budget

# Biden Plan

PPACA 2.0

Reduce Medicare eligibility down to age 60 ~ 20 million would be new eligible

Premium-free public option for low-income uninsured

Provide richer plans – silver to gold - under Affordable Care Act

Addressing issues of surprise billing – non-par charges from invisible providers

Prescription drug reform





# Trump Plan

Repeal PPACA

Fully repeal ACA

Block Grants for Medicaid and CHIP

Individual Premium Payments – fully deductible

Insurance policies available across state lines



# Landmark Legislation?

## **Senate Outcome Will Determine**

IF the Democrats win AND if they elect to change the filibuster rule...

# Overturing PPACA

Supreme Court to Hear a Challenge

Date set for November 10, 2020 – a week AFTER the election

If overturned, seismic shifts are likely - impacting:

- Pre-existing Conditions
- Parental Policy Coverage for Adults to Age 26
- Pricing parameters
- Subsidies
- Medicaid Expansion

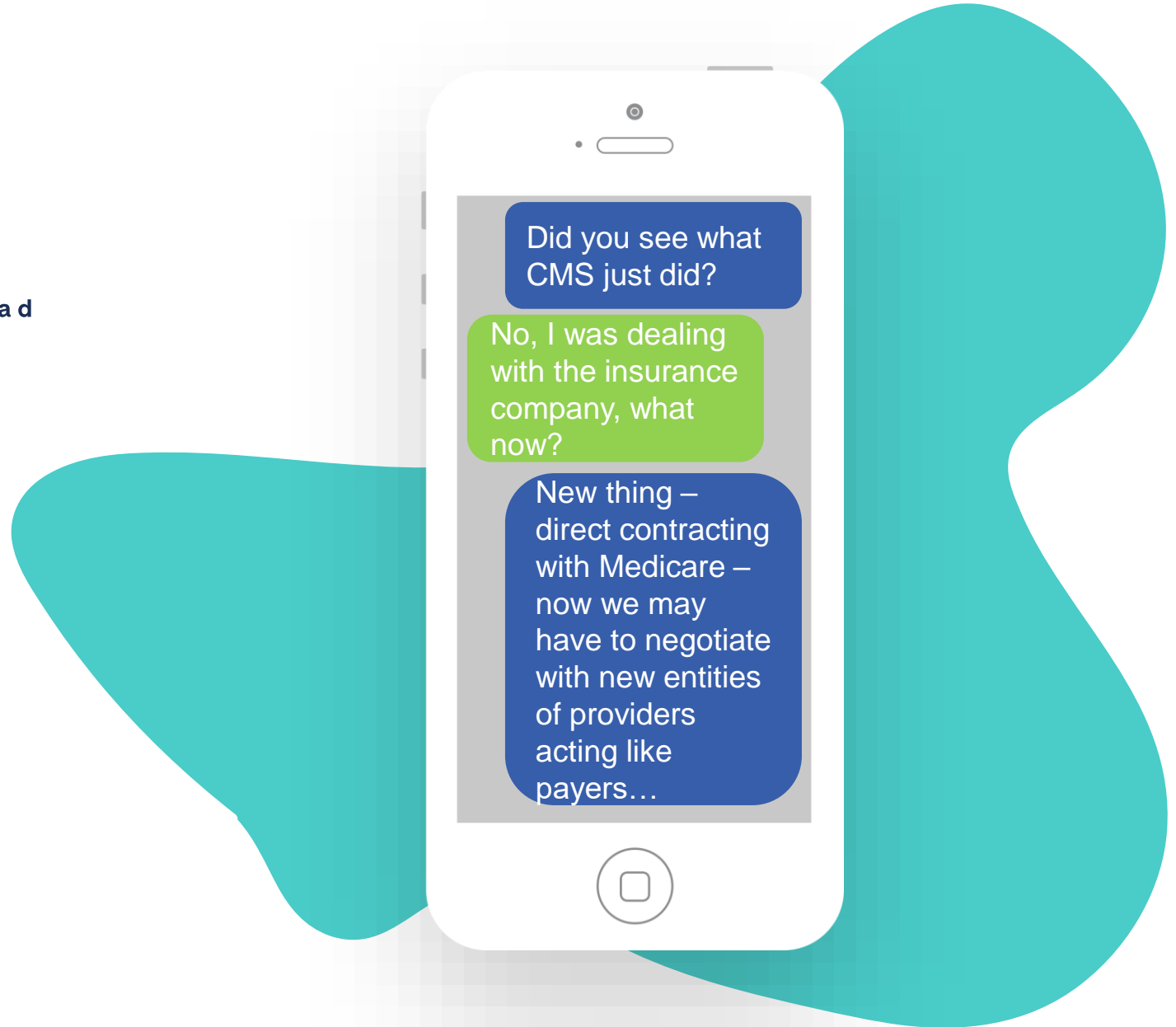


# Other forces

Policy and Market Forces Continue Ahead

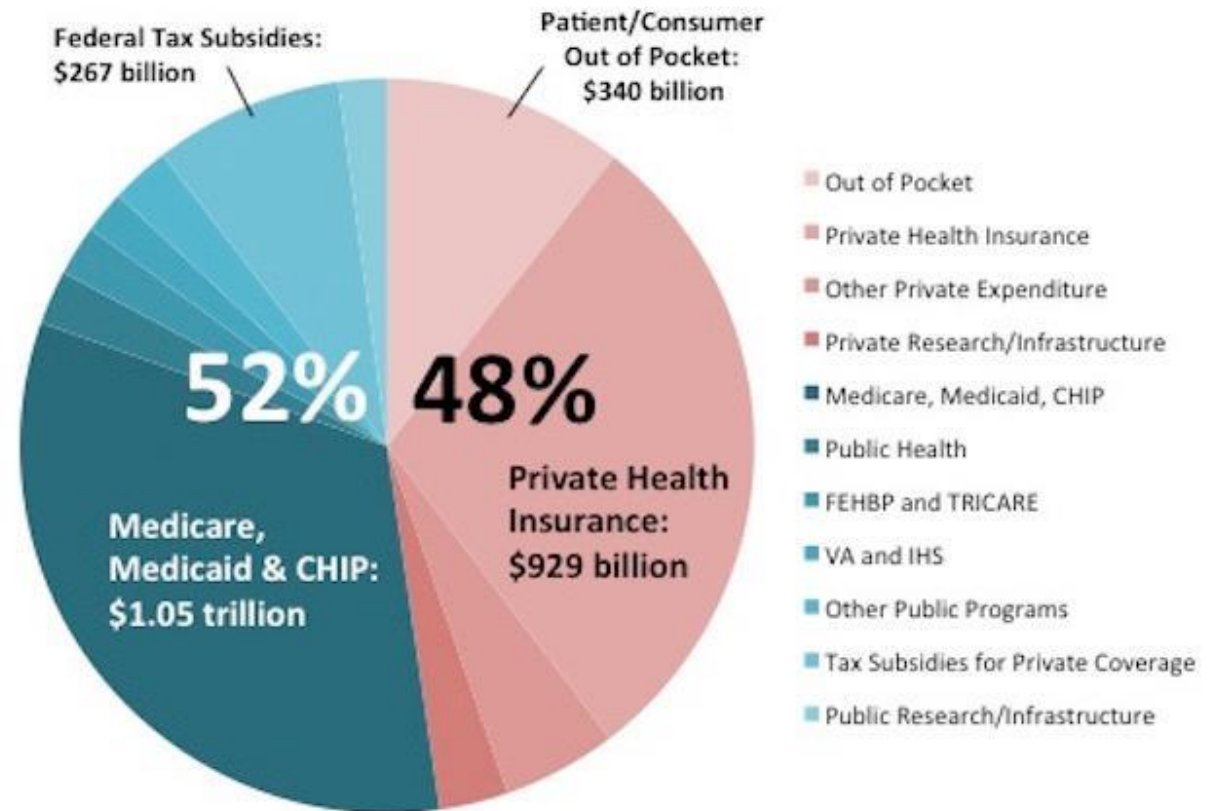
**CMS (and CMMI)** continue to make policies that support a move toward greater accountability, increased financial pressures to change healthcare.

**Payers, Employers and Consumers** are increasingly demanding improved outcomes, lower costs, greater transparency and more service-oriented solutions



# Government Healthcare

Already more than half





# Demographics

The Baby Boom Booming

## U.S. Population Predictions for Seniors and Children

Population values in millions

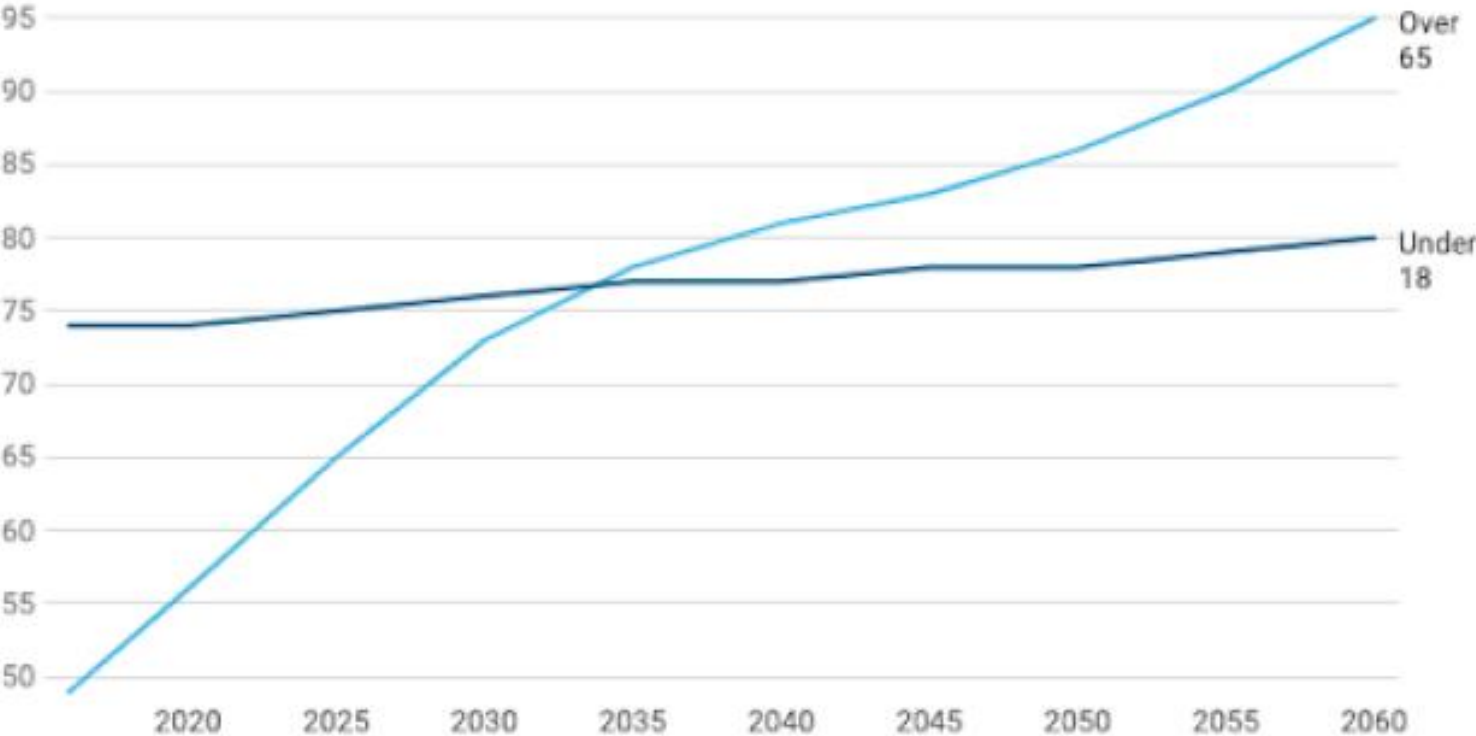


Chart: U.S. News & World Report • Source: U.S. Census Bureau • [Get the data](#)

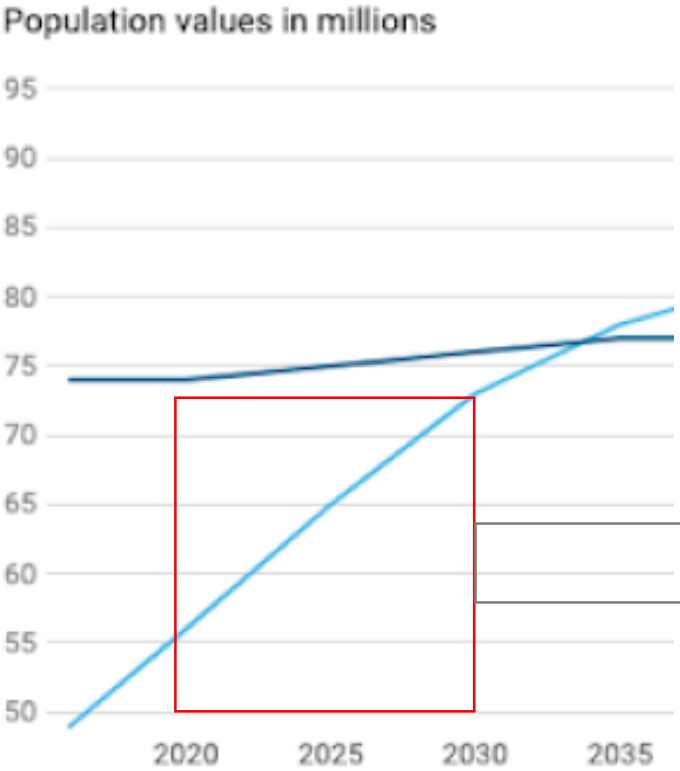


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# Demographics

The Baby Boom Booming

## U.S. Population Predictions

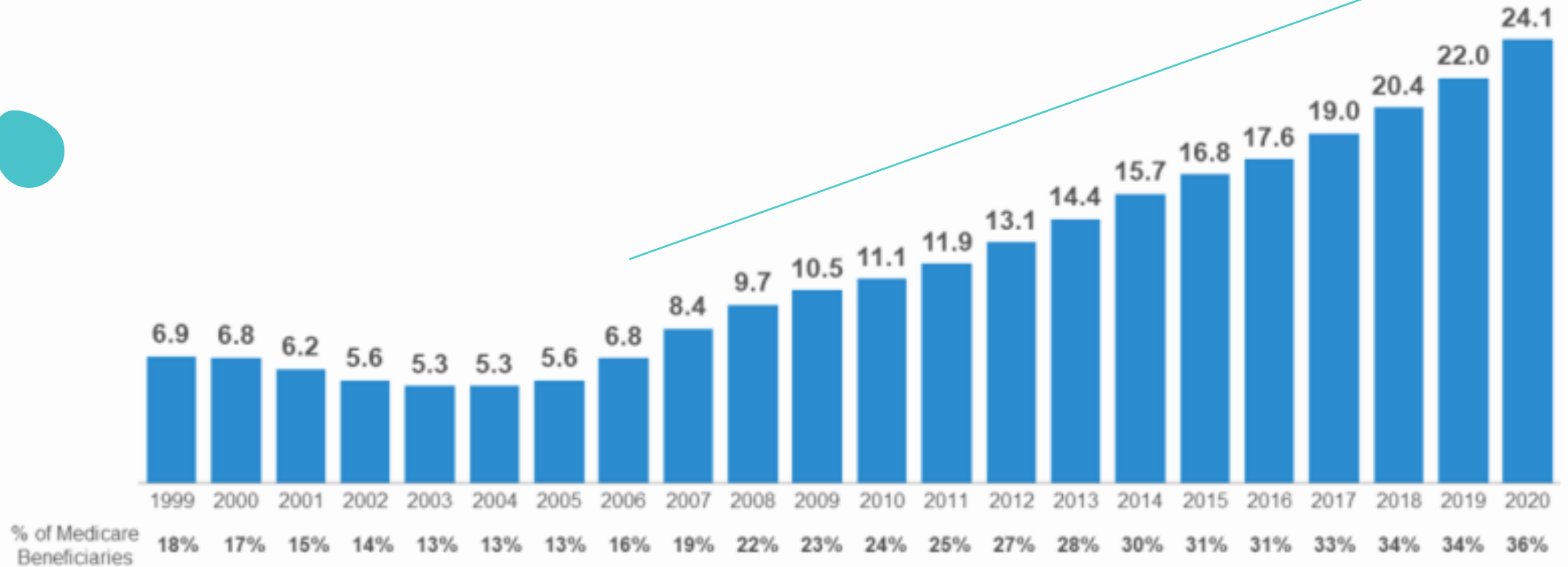


The number of people 65 and older will increase from 55 million to 65 million by 2025 and 73 million ten years from now.

With people growing older and living longer, and less children available to care for their parents, the need for long-term care will clearly grow



# Total Medicare Advantage Enrollment, 1999-2020 (in millions)



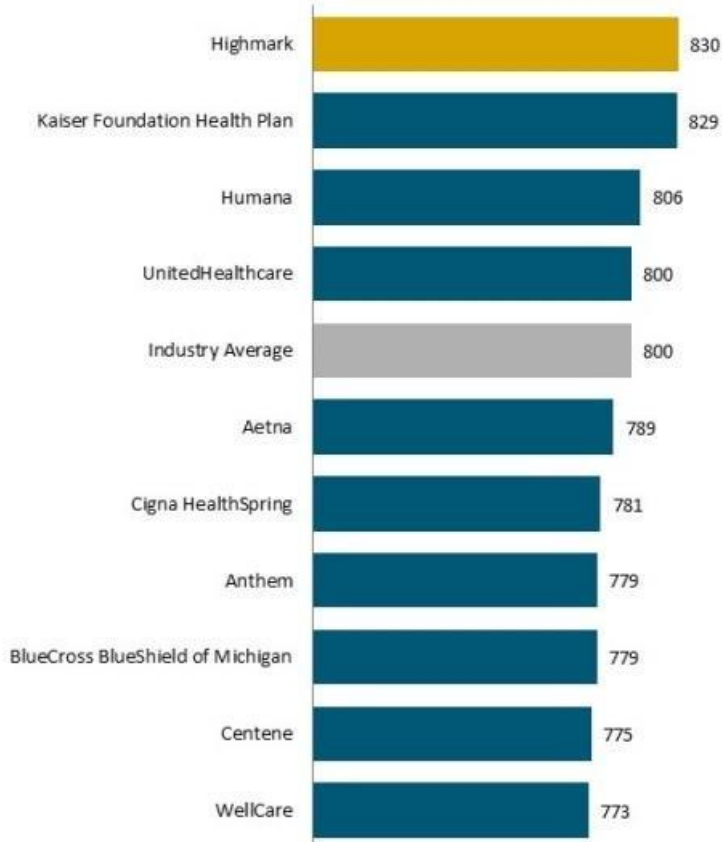
NOTE: Includes cost plans as well as Medicare Advantage plans. About 68 million people are enrolled in Medicare in 2020.

SOURCE: KFF analysis of CMS Medicare Advantage Enrollment Files, 2008-2020, and MPR, 1999-2007, by respective year, with the exception of 2006, which is from April.

# J.D. Power 2020 U.S. Medicare Advantage Study<sup>SM</sup>

## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



# Medicare Advantage

## Seniors Highly Satisfied

1

JD Powers reports 80% satisfaction rate among customers of Medicare Advantage Plans

2

Medicare Advantage has become a bi-partisan issue – no really.

Source: J.D. Power 2020 U.S. Medicare Advantage Study<sup>SM</sup>

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

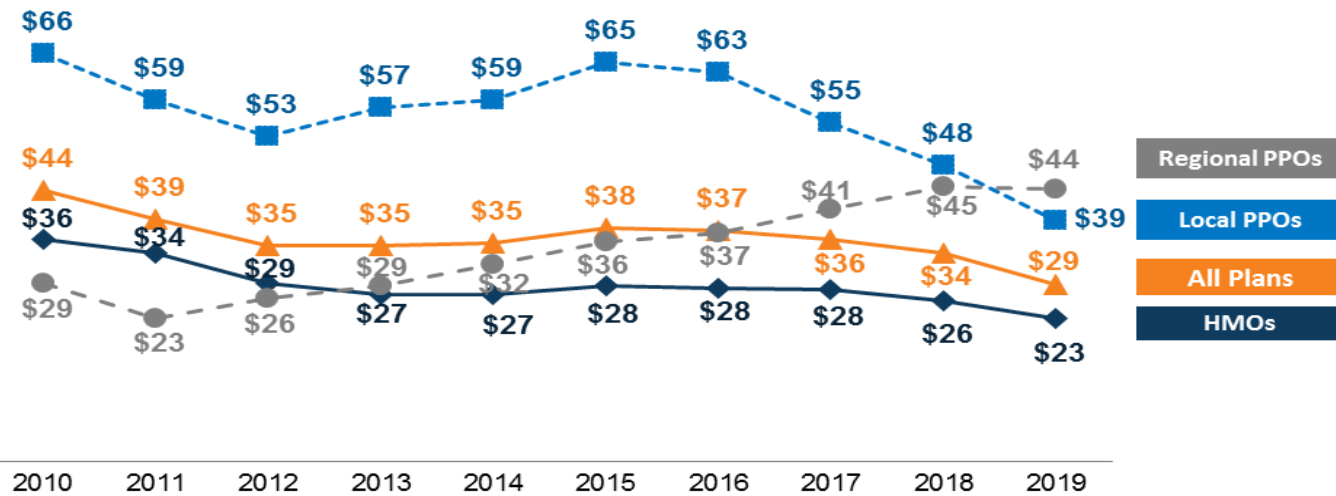
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# Lower Premiums

Figure 6

## Premiums paid by Medicare Advantage enrollees have slowly declined since 2015

Average Monthly Premiums, Weighted by Plan Enrollment, 2010-2019



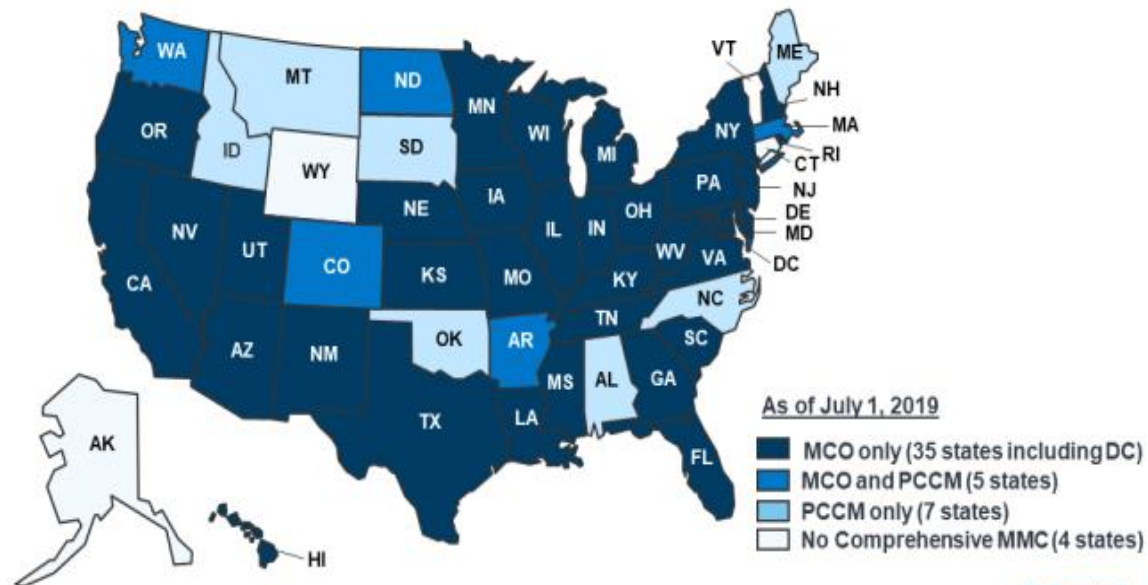
NOTE: Includes only Medicare Advantage plans that offer Part D benefits (MA-PDs) because they comprise the majority of Medicare Advantage plans. Excludes SNPs, employer-sponsored group plans, HCPPs, PACE plans, and plans for special populations. The total includes cost plans and PFFS plans (not shown separately), as well as plans with zero premiums. The premiums for a subset of sanctioned plans were not available in 2011, and were excluded from this analysis.

SOURCE: Kaiser Family Foundation analysis of CMS Medicare Advantage Landscape and Enrollment Files, 2010-2019.

# Managed Medicaid

Figure 1

As of July 2019, 40 states used capitated managed care models to deliver services in Medicaid.

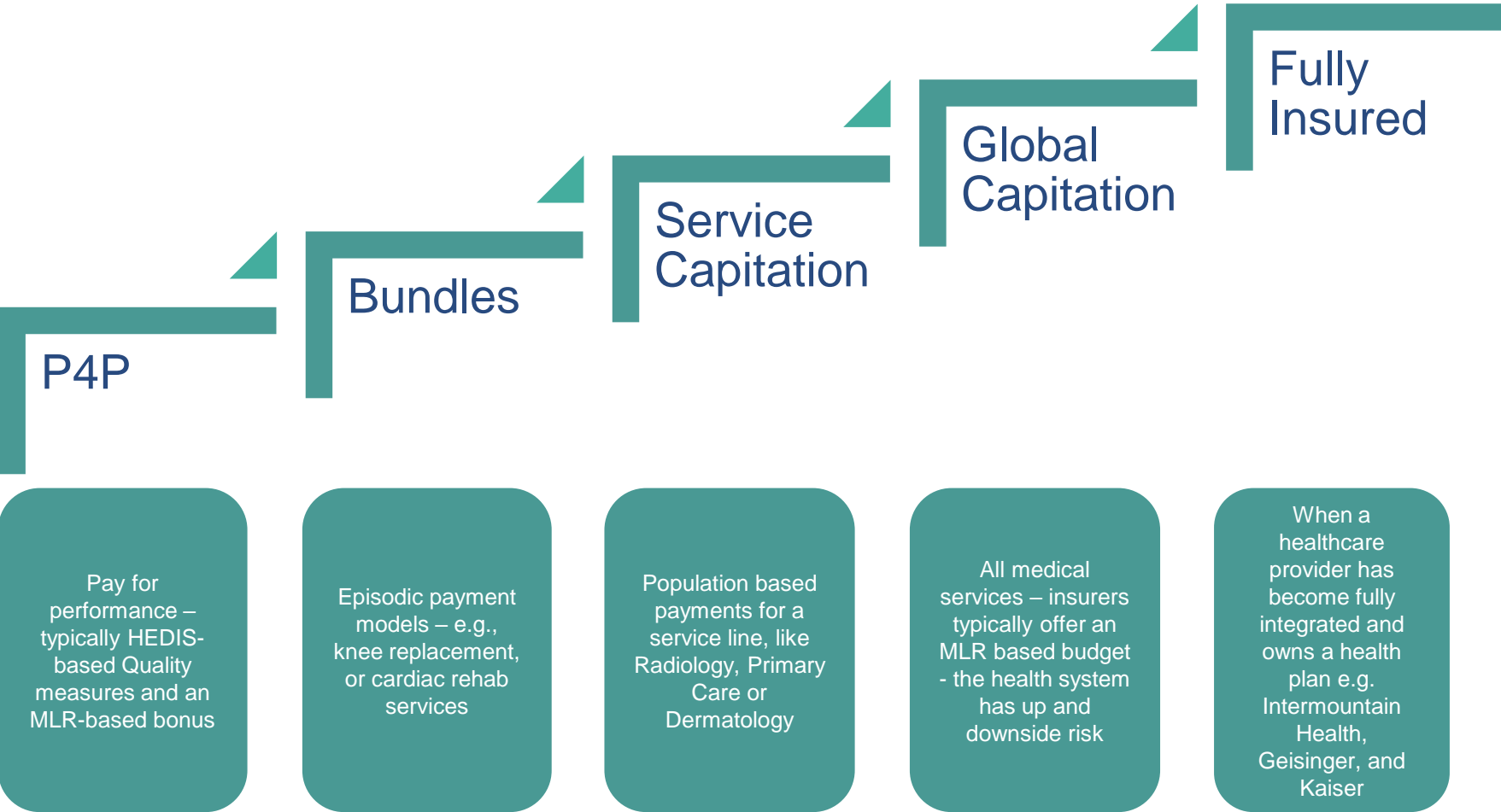


NOTES: CA has a small PCCM program operating in LA County for individuals with HIV. SC uses PCCM authority to operate a small, children's care management program and is not counted here as a PCCM.

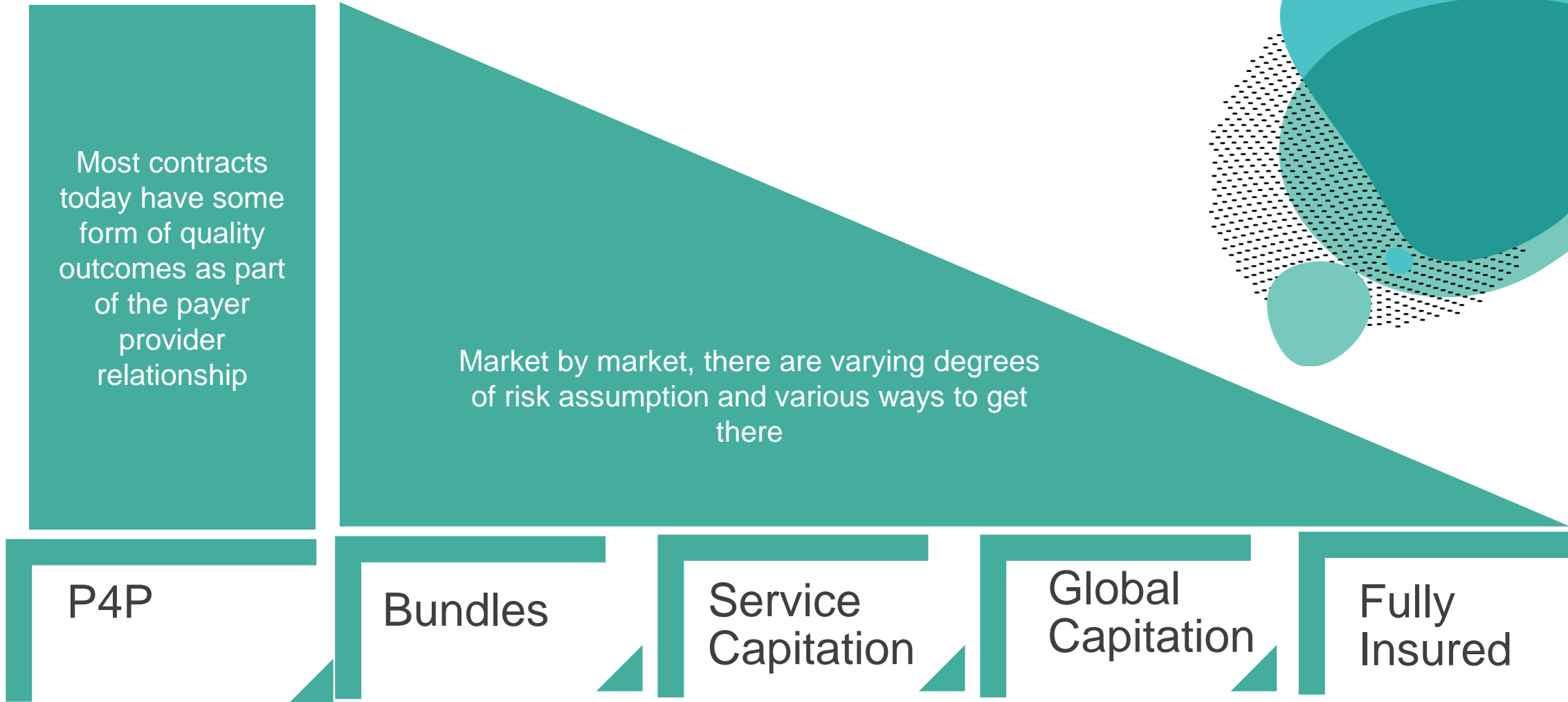
SOURCE: KFF survey of Medicaid officials in 50 states and DC conducted by HMA, October 2019.



# Population Health



# Population Health Progression





# No Regret Investments



Cost and quality will continue to dominate payer strategies – investments in improving outcomes, understanding costs and improving the patient experience creates leverage

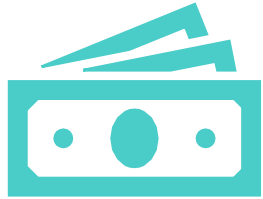


Increase the ability to understand costs across the continuum – physician costs, acute setting, pharma



Market to hospital systems about how your organization can partner on costs and quality

# More No Regret Investments



Take a portfolio approach to payers and methodologies



Understand marginal impacts to revenue and margins related to shifts in mix



Take Proactive efforts to engage payers and partners



THANK  
YOU

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