

Provider and payer executives offer insights on key healthcare trends for 2020

By Anuja Vaidya, Becker's Healthcare

The healthcare industry has experienced rapid transformation over the past decade, with new patient expectations, technology and payment models serving as the primary drivers of change.

For the past 10 years, Change Healthcare has worked in partnership with the HealthCare Executive Group to conduct the annual Industry Pulse Survey. The research aims to examine the HCEG top 10 healthcare challenges, issues and opportunities as voted on by members during its annual forum. For 2020, InsightDynamo, a market strategy and research company, was commissioned to execute the Industry Pulse project for the partnership.

David Gallegos, senior vice president of consulting services at Change Healthcare Consulting, Ferris Taylor, executive director of the HealthCare Executive Group, and Michael Brousseau, founder of InsightDynamo, recently discussed the findings of the 10th annual Industry Pulse Survey during a Feb. 25 webinar hosted by *Becker's Hospital Review* and sponsored by Change Healthcare.

"The 2020 Industry Pulse Report details responses gathered during the polling process, which took place between late October and early December 2019," Mr. Brousseau said. It includes responses from 445 survey participants, of which 41 percent were directors, 24 percent were C-level executives and 15 percent were vice presidents or senior vice presidents.

Thirty percent of respondents represented provider organizations – including hospitals, clinics, physicians' offices and integrated delivery networks – as well as another 20 percent from payer organizations along with a variety of technology vendors, consultants, and other healthcare stakeholders.

Provider and payer differences

"The main takeaway for this year's survey report is that providers and payers differ significantly on the current and future state of healthcare," Mr. Gallegos said.

"Which I guess isn't really that surprising. One ex-boss once told me that where one stands is often dependent on where one sits. So, when you look at the data, I think it's obvious that providers and payers have different perspectives and different opinions about the future of healthcare," he said.

On the increasing need for consumerism

The growing and varied demands of the healthcare consumer are shaping the future of the industry, resulting in both providers and payers implementing strategies that are focused on the consumer.

For the first time this year, C-suite executives from provider and payer organizations were asked to plot their current consumer strategy on a four-point continuum, created in conjunction with InsightDynamo:

- 14 percent of provider executives said they did not have a formal consumer-centric strategy, but all payer executives said they had some sort of formal strategy.
- 34 percent of provider executives and 43 percent of payer executives said they had a nascent consumer-centric strategy.
- 36 percent of provider executives and 33 percent of payer executives said they had an intermediate consumer-centric strategy.
- 18 percent of provider executives and 24

percent of payer executives said they had a full consumer-centric strategy.

There are many reasons payers might be further along with regard to consumer-centric strategies.

“One might be that payers provide the lead in benefit design and in broad efforts in member acquisition, which requires a focus on consumer experience in healthcare,” Mr. Taylor said. “They also have had a basic customer service department for many years, while providers are just now beginning to look beyond their patient community to all consumers.”

Payers and providers agreed, however, when asked what improvements are needed to increase consumer satisfaction. About 70 percent of both factions said plain-language explanation of benefits and simplified invoicing as well as online appointment scheduling would improve satisfaction.

On the transition to value-based care

Once again, payers appeared further along in the move toward value-based care, with 87 percent of C-suite executives at payer organizations saying they had alternative payment arrangements or full capitation (and no fee-for-service business models) as compared to 50 percent of c-suite executives at provider organizations.

C-suite executives from provider and payer organizations were also asked to plot their current value-based care status on a similar four-point maturity continuum. C-suite executive responses indicate very different assessments of progress:

All payer executives reported having fee-for-service arrangements with links to quality measures, but 14 percent of provider executives said their organizations have fee-for-service arrangements with no links to quality.

- 13 percent of payer executives said they had at least a portion of their payments linked to quality, as compared to 38 percent of provider executives.

- 67 percent of payer executives said they had alternative payment arrangements linked to effective care management versus 50 percent of provider executives.
- 20 percent of payer executives said they had achieved full capitation, but none of the provider executives reported having moved completely away from fee-for-service.

“Providers may be more conservative when it comes to assessing their progress toward value-based care even if they do participate in some value-based contracts with large payers in their region,” said Mr. Taylor.

One-fourth of the payer executives (25 percent) blamed lack of IT infrastructure as the primary barrier to integrating value-based care models, while 29 percent of provider executives cited unclear or conflicting performance measures as the main barrier.

On social determinants of health

Both payers and providers gather a variety of social determinants of health data, including tobacco/vaping usage, language barriers, food, transportation, housing and income.

But collecting data isn’t enough. Healthcare organizations need to leverage the data to improve care and access to care. About 30 percent of survey respondents said that they provide support services for patients, including transportation and housing.

Also, 14 percent of respondents said they are actively coordinating with community-based organizations and resources, up 10 percent who said they were doing the same in last year’s survey.

“It’s good that there is finally recognition that what happens outside the doctor’s office has more of an impact on health than medical treatment does,” Mr. Gallegos said.

To learn more about Change Healthcare, [click here](#), and view the webinar [here](#). ■