

Key Healthcare Trends: And Legal Work & Issues Arising From Them

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01

Consumers continue to react to high deductible coverage incentives, and struggle for a new home for their primary care and navigation: concierge model?, retail clinics/pharma?, web?, urgent care?, “none of the above”?

- Ambulatory facility M&A ↑
- PE sponsored platforms ↑
- Physician Group M&A ↑
- Telehealth solution contracts ↑

02



High deductibles, insurer pre cert changes, plan design changes and competition with physicians drain elective surgeries from hospitals

- Referral source joint ventures ↑
- ASC development & M&A ↑
- Referral source acquisitions ↑

03



Remote technologies proliferate as clinical options but struggle for reimbursement

- Coverage, coding & payment consulting/law ↑
- FDA compliance for health care AI ↑
- Utilization by Medicare Advantage plans ↑

04



Large hospital systems seek alignment to gain: favorable access to capital; scale for innovation and opportunities for direct contracting; and scale for provider sponsored MA

- Hospital system M&A ↑
- Provider sponsored plan development ↑
- Employer direct contracts ↑



05

Hospital systems accelerate their embrace of sponsoring Medicare Advantage

- Provider sponsored health plan formation ↑
- Physician incentive plan compliance ↑
- Risk coding compliance/risk management ↑
- Marketing rule compliance ↑

06



Employers rethink the health consequences of high deductible plans and create and experiment with encouraging the chronically ill to buy into cost effective high quality care paths

- Plan design work (non-discrimination compliance) ↑
- Wellness plan innovation ↑
- Direct contract negotiation ↑

07



Proliferation of remote monitoring, data enabled population health, compels boards to enhance their understanding of data security controls particularly in the new web deployments

- Security compliance work ↑
- Focus on IT governance ↑
- Incident evaluation for possible reporting ↑

08



Personalized medicine, gene therapy excites consumers but raises coverage and payment challenges.

- Coverage/medical necessity work ↑
- FDA reviews ↑

09



Outpatient drugs, infusion drugs and biologics increase to 25% of total spend, employers and government search for solutions — physician incentives?, formulary?

- Plan redesign work ↑
- Rebate compliance issues ↑
- Prescribers get shared savings ↑



10

Optum will continue to lay the foundation for a nationwide company of physicians.

- Medical group M&A ↑
- Antitrust reviews ↑
- Defensive upgrades to comp programs of existing groups ↑

Questions?

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