

WSHF

Annual Board Development

February 1, 2016

Health Care Reform Update

What to Watch for in 2016

- Mega-mergers and acquisitions
 - Providers – Hospitals-Advocate/NorthShore
 - Physicians-employment model
 - Pharmacies-Walgreens/Advocate
 - Insurers/Providers-BCBS/Advocate
 - Insurers-Aetna/Humana, Anthem/Cigna
 - Impact on price and competition, FTC review

Health Care Reform Update

What to Watch for in 2016

- 2016 Elections

ACA: Repair

Repeal

Replace

Delay implementation

“Cadillac tax”

IPRB

Health Care Reform Update

What to Watch for in 2016

- **Narrow Networks**
 - Response to ACA-Focus on value/quality over quantity
 - Attempt to control costs-eliminate low quality/high cost providers
 - PCPs, Specialists, Academic Medical Centers may be out-of-network
 - Continuity of care
 - Network adequacy
 - Discriminate against high risk populations
 - Outdated provider directories

Health Care Reform Update

What to Watch for in 2016

- Insurance Exchanges
 - More than 50% of products HMOs or EPOs (Exclusive Provider Organization)
 - 2/3rds of insurance offering PPOs last year have dropped or reduced plans
 - Premiums on most popular Silver plans up average 11% in Illinois along with higher deductibles
 - Co-op plans going out of business
 - 11M enrolled in Health.gov plans thru 12/26/15
 - 3M (26%) between 18-34 (actuary goal 40%)