OVERVIEW

- Health services are redesigned around the patient, helping patients manage their health.
- Care teams are patient-focused, multidisciplined, and include nutritionists, social workers, and coaches.
- Care teams are integrated with a shared patient health plan across organizations.
- Economic models are population-based and reward value, not volume – and the marketplace competes on total value through risk-based pricing.

POPULATION HEALTH MANAGEMENT

- Population-focused care management.
- 45% Pyramidal value redemptions.
- 20% Chronic and at risk.
- 75% Healthy, normative.

PERFORMANCE PROMISE

- Net cost reduction: New trend -0.5%.
- Trend: 5.5%.
- Consumer value: 7.5%.

WAVE 1
PATIENT-CENTERED CARE
2010-2016

WAVE 2
CONSUMER ENGAGEMENT
2014-2020

WAVE 3
SCIENCE OF PREVENTION
2018-2025

- Relevant cost and performance transparency information available via web/mobile enable consumer shopping.
- Consumers demand ‘better everything’ and use social media to drive shifts in market share.
- Value-based benefits, social platforms, coaching, and gaming combine to boost consumer engagement in health activities.
- Population health managers make healthcare easier, convenient, 24/7, web-enabled and personalized.

ECONOMIC MODEL

Core economic engine: population health and clinical risk management

- Pricing reflects total services, experiences, outcomes.
- Improved health management at the top of the pyramid generates value capture.
- Improved engagement and patient health experience drives trend and promotes retention.
- Health services, like acute care, become "cost-center" or investments in patient well-being.

CONSUMER ECONOMICS

Core economic engine: clinical risk management and à la carte consumer-paid services

- Competitive consumer pricing, service mix and performance history drive the initial sale.
- Personalization, consumer experience and health improvement leads to better retention.
- Brand recognition and brand premiums for innovation and distinctive service.
- Consumer lifestyle companies blend "benefit covered" services with "consumer pay" health products.

CONSUMER SCIENCE ECONOMICS

Core economic engine: share of consumer-directed spend for best value services – with a lifetime relationship perspective

- Lifetime value and well-being models, integrating health, well-being, and financial planning.
- Personalized, web-enabled marketplace for best value therapy, based on 100% accurate diagnoses.
- Lifestyle advocacy companies partnering consumers with preventive and preventative information to optimize value and well-being.

ABOUT OLIVER WYMAN

Oliver Wyman is a global leader in management consulting. With offices in 50 cities across 20 countries, Oliver Wyman combines deep industry knowledge with an unrivalled blend of strategic, financial, and operational expertise. The firm’s 5,000 professionals help clients respond to the most critical challenges they face, and accelerate their transformation and growth.”

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