


Iowa Health - Des Moines

The Future of Healthcare Financing

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June 10, 2009



IOWA HEALTH
DES MOINES
Methodist • Lutheran • Blank

compassion • openness • respect • excellence

Outlook for Payors Strategic Organizational Impact

- **Regulatory Compliance**
 - Medicare Reform
 - RACs
 - Electronic Health Record
 - Quality Reporting
- **More Physician Integration**
 - Employment
 - Medical Co-management Arrangements
 - Accountable Care Organizations
- **More Focus on Continuum of Care**
 - Palliative Care
 - Accountable Care Organizations

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Pay For Performance & Consumerism Strategic Impact

- **PPF = Demonstrated Quality & Outcomes**
 - Electronic Health Record
 - Physician Coding & Documentation
- **Increase in Patient Questions/Challenges**
 - Defendable Pricing
 - Negotiated Settlements
 - Increased Financial Assistance on high deductible plans
- **Price Shopping**
 - Global Billing
- **Convenient Access**
 - MRI Extended Hours
 - HyVee Clinics

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Issues & Challenges on Charity Care

- **Level of Charity Care Increasing**
 - Presumptive Eligibility
 - Collection Agency Involvement
- **Iowa Cares**
 - Impact as a Trauma Center
 - Deposits for non-emergent patients
- **Tax-exempt Challenge**
 - Regulatory Requirements
 - Joint Venture Implications
 - Pilots & Utility Franchise Fees

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Adjusting in the Current Financial Environment

- **Debt Restructure**
- **Capital Preservation**
 - Contractually Committed & Life Safety Only
 - Business Plans
- **Cost Reductions**
 - Manage to volume adjusted budgets
 - Overhead reductions (5 to 10%)
 - FTE Controls
 - Pension

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Monitoring Changes

- **Use Your Whole Team**
 - Communicate
 - Share newsletters
 - Group Think
- **External Resources**
 - Professional Organizations
 - Consultants
- **Board Updates on Regulatory and Market Changes**

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