

# ECONOMIC PERSPECTIVES 2012 HEALTH SECTOR

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## Year 2010:

- Health care expenditure per capita:
  - \$2,863
- Total health expenditure:
  - \$10,666 millions
- Percent of GNP:
  - 16.9%

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Source: Estudios Técnicos

- Sources of reimbursement:
  - >60% under government programs (Medicare and Medicaid (Mi Salud), ACA, State Insurance Fund, other Government programs),
  - 10% uncovered population,
  - Insured population:
    - Employees,
    - Individually.

- Challenges:
  - Financial:
    - High operating costs,
    - Cash flow,
    - Access to financial sources for capital expenditure and high technology,
    - Increasing complexity of medical conditions.

- Human Resources:
  - Shortage,
  - Turnover.
- Malpractice claims,
- Market competition.

- Trends:
  - Decreasing reimbursement for physicians, hospitals and other providers:
    - Quality-Patient Safety-Patient Satisfaction-Incentives,
    - Bundling.
  - Increase in long-term care and post acute needs.
  - Increase in ambulatory care.

- Prevention Vs. Illness.
- Information technology (EMR) (EHR).
- Increase in life expectancy:  $>78$  years.
- Health professionals shortage.

- Mi Salud:
  - Contract models:
    - TPA,
    - Risk Contract,
      - First year experience.
  - Outcomes,
  - Financial,
  - Political.



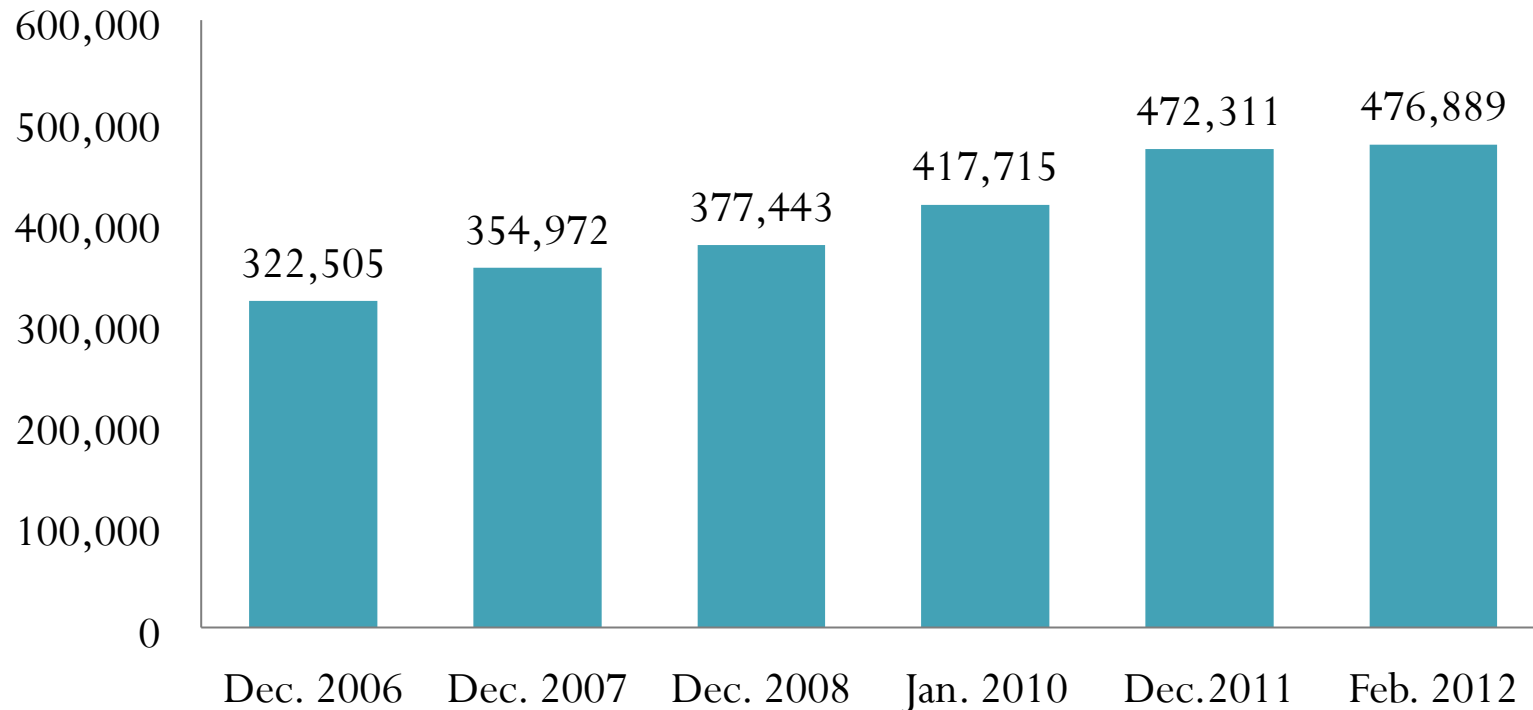
- Outcomes:
  - Population health indicators,
    - Preventive health,
    - Quality Vs. Utilization.

- Political:
  - Insured responsibilities.
- Financial:
  - Managed care model with fee for service characteristics,
  - Substantial decrease in fees:
    - On average 20 percent less for hospitals,
    - Impact on physician fees.
    - DRG's??

- Federal Government.
- Affordable Care Act:
  - Increase in Medicaid Funds:
    - 2011-2019
- Accountable care organizations.
- Affordable Insurance Exchange.

# Medicare Advantage Program

MA Membership growth in PR in the past five years:  
(over 150,000 + Net growth)

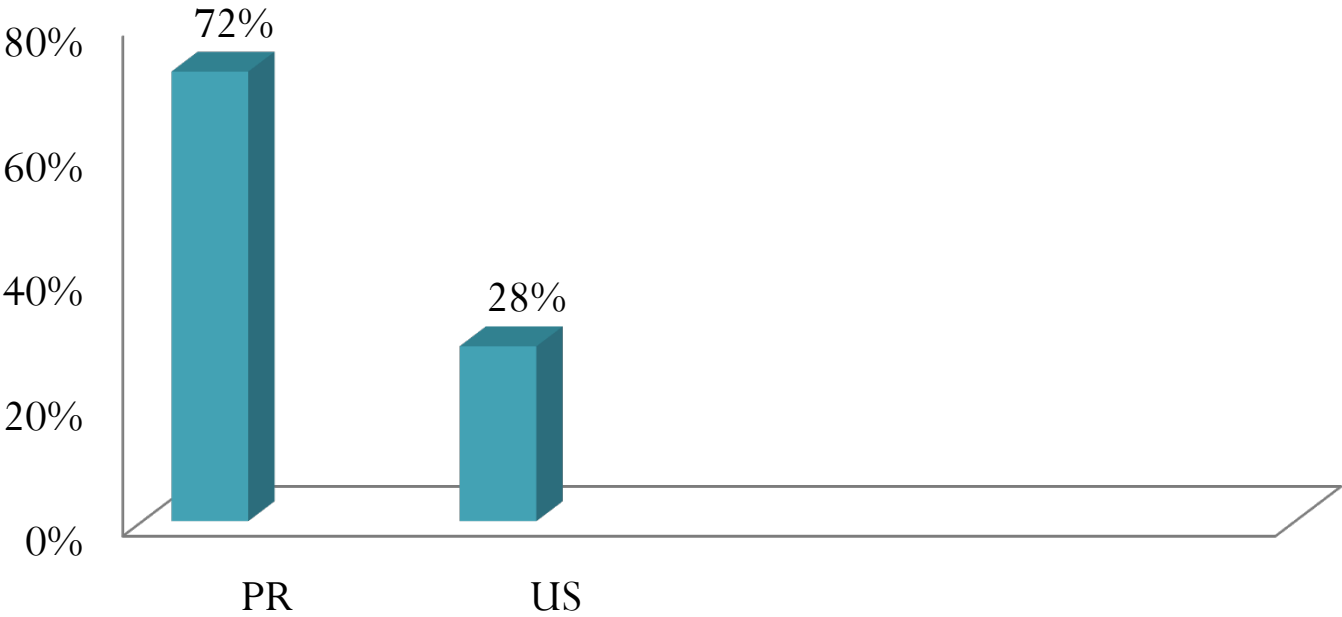


- Selected background data and reference material.

PR Chamber of Commerce/Health Committee, Wellness Unit, February 2012

# MA Penetration Feb 2012

	Puerto Rico	US
MA	477,000	12,800,000
AB	530,000	43,000,000
AB,B or B	660,000	46,500,000



- Selected background data and reference material.  
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# Questions?



Thank you!