Predictions 2020 from Forrester: What’s expected for healthcare

The US is projected to spend $3.8 trillion on healthcare in 2019.¹

Climbing mortality rates have resulted in the US having the lowest life expectancy of all developed nations.²

Rising out-of-pocket medical costs have driven consumers to take on record levels of personal debt to cover medical expenses.³

Unsustainable trends will bring healthcare reform into the spotlight in 2020

Health system leaders can expect

1. Health insurers will win in the Medicare-for-All debate
   - Calls for a single-payer health system will give way to a more tangible and publicly supported plan to expand Medicare Advantage availability, creating new growth opportunities for health insurers.

2. Demand for virtual health visits will soar
   - Consumer demand for convenience and lower costs will shift primary care and mental health visit volumes to virtual delivery, driving job growth.
   - Approximately 43% of outpatient visits could be shifted to virtual delivery.⁴
   - Virtual care adoption will soar with more than 36 million new visits in 2020.⁴

3. Price transparency will force providers to compete on cost
   - New mandates will require providers to disclose the rates that they negotiate with health insurers.
   - Public disclosure will empower consumers, pressuring providers to differentiate on cost.

In 2020, hospitals and health systems will need to ensure upcoming legislative changes don’t undermine current priorities – while providing a more in-depth health experience for providers and patients that extends beyond the traditional clinical setting.

To see how you can get ahead of the curve, read the whole report at: ibm.biz/wh2020pred

¹ "National health expenditures are projected to grow 4.6% in 2019, up from 4.4% growth in 2018, and to reach $3.8 trillion in 2019. The United States, on a per-capita basis, spends much more on healthcare than other developed countries; the chief reason is not greater healthcare utilization, but rather higher prices, according to a study from a team led by a Johns Hopkins Bloomberg School of Public Health researcher. Source: "Health spending," Organisation for Economic Co-operation and Development (https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/Proj2018Tables.zip)

² "The USA now has the lowest life expectancy levels among high income developed countries, and Americans fare poorly across a broad set of ages, health conditions, and causes of death compared with their counterparts in these countries." Source: Jessica Y. Ho and Arun S. Hendi, "Recent trends in life expectancy across high income countries: retrospective observational study," The BMJ, August 15, 2018 (https://www.bmj.com/content/362/bmj.k2562).


⁴ Approximately 383 million visits, or 43% of potential outpatient volume, could be shifted to virtual care visits. This is based on Forrester’s analysis of historical 2015 claim volumes (from the CDC’s National Ambulatory Medical Care Survey: 2015 State and National Summary Tables) for all outpatient visits by visit type, adjusted to expected 2020 volumes by applying a 1.2% growth rate for 2016 to 2020. This growth rate is based on the actual outpatient volume increase of 1.2% from 2016 to 2017. This includes outpatient visits for the following: progress visit, not otherwise specified; general medical exam; medication; counseling; post-op visit; cough; knee symptoms; back pain; other and unspecified test results; shoulder pain; diabetes mellitus; skin rash; pre-op visit; symptoms related to throat; and other special visits. We included visits related to abdominal pain at a rate of 25%; some virtual care vendors can support these visit types. We excluded visits related to gynecological exam, prenatal exam, well baby exam, and all other reasons.