

# **Managing Transformation Across Healthcare: Key Highlights from MOVE 2017**

In late January, Magellan held its second annual Magellan Open Vision Exchange (MOVE) conference in Scottsdale, Ariz. MOVE brings together a large cast of voices from the healthcare industry to discuss the future of healthcare for patients, plans and providers. Over two days, we heard from private industry experts, government leaders, as well as other subject matter experts and thought leaders both from inside and outside the healthcare industry.

## **The Future of Healthcare Beyond the Affordable Care Act**

Obviously, the continuing debate over the future of healthcare and the Affordable Care Act were a central topic of the conversation at this year's MOVE. A number of speakers talked about the impact of the Trump Administration's efforts to repeal the Affordable Care Act. Former Utah Governor Michael Leavitt, who also served as the secretary of the Department of Health and Human Services, said that while he expects repeal and replace legislation will pass, significant parts will be deferred for three or four years. Brian Coyne, VP of federal affairs at Magellan Health, said that he feared gridlock over the next couple of years.

## **Managing Transformation in the Healthcare World**

One of the key topics discussed at this year's event was the immediate future of the healthcare industry. After a long period of explosive innovation, there was consensus that disruptive change will continue. Magellan Healthcare CEO Sam Srivastava posited that we are currently in a tech-bubble that is about to burst. The industry is waiting to see which of the early healthcare technology entrants will survive and how

technology and healthcare will continue to interface with each other.

Leavitt spoke extensively of the need to manage transformation, especially in healthcare. Leavitt stressed that systematic healthcare change takes hold over three to four decade cycle, and he believes we are less than mid-way through the current transformation. Using an analogy of a cattle herd, Leavitt made the point that you can't drive a herd too quickly, or you risk a stampede. You also can't push the herd too slowly or it will meander. Applied to healthcare, the idea is simple but true: If we push change too quickly there will be chaos, but if we fail to adapt and change, we will stagnate. Allowing ourselves to be "lulled into inaction" is a recipe for disaster.

### **Value-Based Healthcare**

A critical area of discussion was the expansion of value-based care. Speakers agreed that demand for value-based care is accelerating. Leavitt said he believed this was true regardless of the Trump Administration's plans for healthcare. Billy Millwee, President and CEO of BM&A Public Policy, cited broad bipartisan support for the value-based model and agreed that it was here to stay.

Chet Burrell, president and CEO of CareFirst BlueCross BlueShield, spoke clearly on the approach that his company was taking: "We started and ended with common sense." He went on to explain that they had built their model with the primary care physician at the center (PCP). The PCP knows the patient best and is therefore in the best position to make decisions regarding who to refer and to whom. By taking this approach, Burrell relayed, CareFirst was able to build a patient centered medical home model that improved care while reducing costs.

Despite the level of change being experienced throughout healthcare, a common theme was one of our industry being

grounded in helping people get the high-quality care they need, affordably. This is the essence of why healthcare is our chosen industry and why we are driven to innovate.

An interesting takeaway was that across the conference and speakers, there was a clear common theme: while the ultimate structure of the pay-for-value transformation is uncertain, the movement will continue. Experimentation, promoted by both public and private payer initiatives, will drive innovation and change. Some will be better prepared than others to handle this paradigm shift.