5 Key Health Care Trends to Watch for in 2023

written by Theresa Hush | December 14, 2022



After an intense few years in health care, will 2023 deliver more punches? While 2022 was dubbed a COVID “recovery” year, as

patient volume rebounded, health care staffing shortages festered. Burnout prompted physicians to retire, sell practices to corporate owners, or leave traditional health care for other employment. Simply put, 2022 was short on recovery and stability.

Even still, 2022 fostered important new trends and discoveries. Despite inflation and recession fears, corporate health care continued its growth undaunted, with new startups and equity-backed practice expansion. Value-Based Care spurred corporate territorial reach into legacy health care preserves. Optum, ACO enablers like Aledade, and CVS and Walgreens all expanded their patient care services. Physician employment in corporate health care outpaced hospitals and traditional organizations.

Meanwhile, CMS and commercial health plans reaffirmed the push to Value-Based Care. CMS new rules assuaged provider concerns about financial risk and enticed providers to participate in VBC. Private health plans expanded ACO Agreements with providers, some shifting emphasis to population-based payments. CMS also initiated ACO Reach for organizations willing to participate in risk.

Consumers also weighed in on Value, choosing health care based on convenience and costs via retail clinics for basic primary care and digital apps for health maintenance. Older adults favored private Medicare Advantage plans over traditional Medicare to lower their costs, continuing a trend.

Finally, scientific knowledge made big advances in 2022, regarding Artificial Intelligence; breakthrough pharmaceuticals for patients with diabetes, obesity, and high cholesterol; and

cost -effective medical technology.

What’s next? In 2023, watch for these fledgling trends to take flight:

1. Medicare Advantage growth will tip the balance toward Medicare privatization.

Inflation and rising out-of-pocket costs have strained consumers’ pocketbooks. As more older consumers opt for Medicare Advantage to save on health care, politicians who want to revamp entitlement programs may push for privatization. If traditional health care doesn’t lead health care transformation, economic realities will prevail.

2. Corporate health care will continue its advance on legacy primary care.

Expect to see further partnerships, acquisitions, and encroachments. Amazon will create more access points, as will corporations like Optum, Walgreens, and CVS—and more corporate players will join in. Employers, following Chase, will create dedicated health care teams for employees. Expect regional battles between corporate health care and legacy health systems, as this sorts out geographically.

3. Specialty care will increase private equity standing, and bundled payments will fuel returns.

Equity-backed specialty practices are growing and will continue to expand, especially those with common procedures like cataract surgery and plastic surgery. Expect them to create

dedicated facilities to lower expenses. Lured by bundled payment plans promised by Medicare and private players, equity-backed professionals want to preserve their independence and grow.

4. Provider-owned ACOs and Value-Based Care initiatives will remain stable. Don’t expect new payment models.

The future of provider-driven VBC is a toss-up. Investment by some health systems and physician-backed ACOs have had variable results; some delivered good savings, others had weaker returns. ACOs’ failure to deliver more savings or limit cost escalation will inevitably reduce support. Pressure is mounting. Is health care listening?

5. Artificial Intelligence will leverage data for Value-Based Care.

VBC success hinges on actionable data. Corporate health care uses data to gain strength, develop platforms, and increase clinician access to data for decision-making. As AI matures, it can harness better interventions for outcomes and costs, especially building on patient episodes of care. As more data—including genomics and social determinants—flood systems, AI will be key to convincing clinicians to buy into the transformation.

Founded in 2002, Roji Health Intelligence guides health care systems, providers and patients on the path to better health through Solutions that help providers improve their value and succeed in Risk.

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