

## VALUE BASED CARE NEWS

### The Future of Value-Based Care Hinges on Fixing These Five Concerns

By Theresa Hush, CEO and Co-Founder of Roji Health Intelligence

**A**t the recent Spring Managed Care Forum in Orlando, I had the chance to speak with a wide range of physician leaders about health care funding cuts and the future of Value-Based Care. I've been involved in cost control efforts across many parts of the healthcare system, including payers, providers, and regulators, but this conversation felt different. While there's still a lot of belief in the potential of value-based models to improve care, the mood in the room was restrained. People are worried. They see major changes at the federal level that will impact their finances and patient care, and potential shifts in Medicare and Medicaid. Unless there is a way of managing cost through Value-Based Care, they see impacts on access and quality. If we want these models to succeed, we have to face their issues head-on.

Here are five challenges I heard loud and clear from the front lines:

#### **1. Physician workforce shortages are a growing threat.**

Physician leaders expressed deep concern about the dwindling supply of both primary care physicians and specialists. The success of Value-Based Care depends on team-based coordination, data-driven outreach, and strong primary care foundations. But ongoing shortages, made worse by proposed budget cuts to medical education and residency programs, risk undermining that foundation entirely. Without enough doctors, even the best-designed models cannot deliver on their promises.

#### **2. Medicare reimbursement challenges could drive physicians out, exacerbating the physician shortage.**

Another concern that came up repeatedly was the potential exodus of providers from Medicare because of health care funding cuts that impact ability to absorb Medicare's lower payment levels. Many physicians said that concierge practices and refusals to accept Medicare coverage are increasing. The combination of lower payments, added risk, and administrative hurdles will lower physician supply more. Under that scenario, older or medically complex patients face growing barriers to access.

#### **3. Research and public health funding cuts leave physicians clinically stranded.**

Several attendees pointed to recent cuts to NIH and CDC programs as a major concern. These institutions provide the data and guidance that many providers rely on to make good clinical decisions. Reducing that support impairs physicians' ability to address patient needs and increases utilization of alternative care like emergency rooms. Cutting these resources will cost the system.

#### **4. Medicare Advantage is disliked by physicians.**

Despite its growth, Medicare Advantage drew strong criticism from physician leaders, particularly around prior authorizations and claims denials. Several described the extra cost of fighting for reimbursement and pursuit of good patient care. For many, these challenges are leading them to scale back or exit participation. That will impact access to care for patients already enrolled.

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### 5. Physician optimism that health care can use Value-Based Care tools to control costs is good.

Most physicians seem to believe that Value-Based Care can bring good changes to health care and can control costs. There's a clear call for measured adoption of value-based payments to ensure financial sustainability of physician practices. The belief in the model is still there, but it needs reinforcement to keep moving forward.

These conversations remind me that progress in healthcare reform comes from listening to the people doing the work. Value-Based Care has growing support among physicians, but "payment models" alone can't drive efficiency or better care. The stability of the health care system and physician services is an essential foundation for Value-Based Care. Delivering both excellent care with better cost control depend on that foundation.

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