Health sector trends

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We have a spending problem...
...but what is it?

• It’s not the amount of spending per se
  – NHE 19.7% of GDP in 2020, up from 17.6% in 2019
  – Ability to spend, preferences, unforeseen emergencies – no “correct” amount

• Financing mechanisms fail to promote efficiency

• Delivery mechanisms fail to promote efficiency

• No magic solution(s)
Aging

Oldest-old population growing faster than other age groups
• 50% more seniors (65+) by 2040
• 150% more people over 85 by 2040

Working age population won’t keep pace
• 3.6 people 18-64 for every senior in 2020, dropping to 2.7 by 2040
• 30.2 people 18-64 for every person over 85 in 2020, dropping to 14.9 by 2040
Aging impact on health sector

- Boomers living longer with multiple comorbidities and chronic disease, including Alzheimer’s
- Aging health workforce
- Increased demand for long-term services and support
- Increased demand for geriatricians, direct care workers
- Impact on family caregivers
Nurse shortage(?)

- Burn-out in the news
- Age-out may be more significant
- Short-term responses
- Longer-term responses
  - Medical education
  - Community outreach
  - Technology and telemedicine
  - Redefine the job
The economy and social determinants

• Faltering local economies and community health
• Rural health challenges
• Broadening perspective on inputs to health