



Snapshot 2020

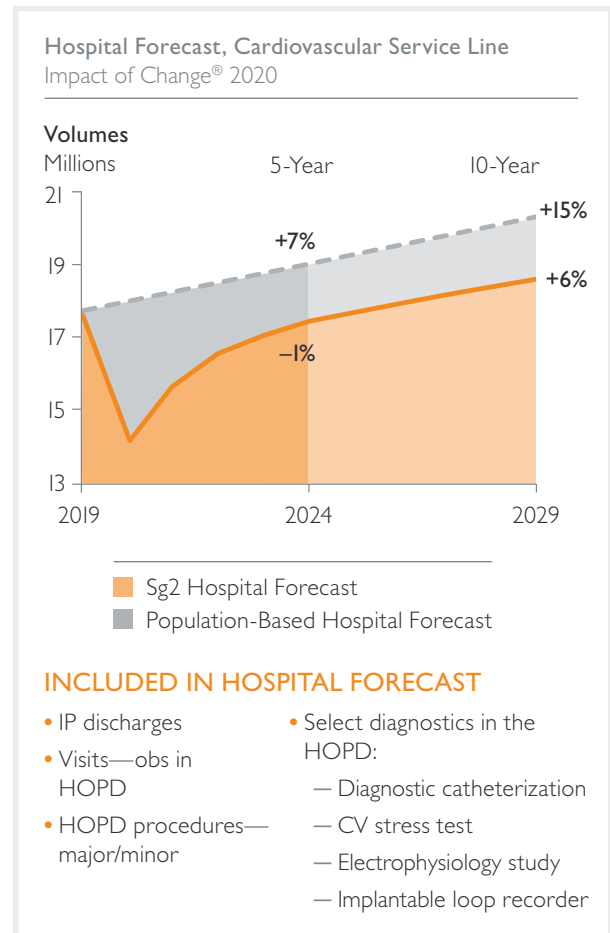
CARDIOVASCULAR

LANDSCAPE

Nearly 50% of Americans have some form of cardiovascular disease, and this population is growing in incidence, prevalence and complexity. Successful programs prioritize resources that enable high-quality care delivery while reducing costs. Rising hospital volumes, increasing length of stay and payers encouraging shifts to lower-cost settings will force organizations to enhance access channels and coordination across the care continuum. Financial strategies such as bundled payments, direct-to-employer products and partnerships with industry will push leaders to take on risk and deliver a broader episode of care with improved coordination. Acquiring, integrating and successfully utilizing data to risk stratify and deploy resources are needed to manage service delivery across numerous sites of care. Clinical, quality and financial success require a committed workforce, actionable data and coordinated delivery across the continuum.

TOP TRENDS

- Increasing hospital volumes and longer IP lengths of stay challenge hospitals on delivering services to more complex patients. Rising disease prevalence results in additional short-stay hospital outpatient procedures and growth in observation volumes, increasing overall hospital utilization.
- Reimbursement of additional procedures in the ASC sees some organizations shift procedures to ambulatory sites, but HOPD remains the focus for outpatient procedures. While market-dependent factors (eg, CON regulations, physician alignment, HOPD lab utilization) will impact the pace of shift, multiple payers are encouraging utilization of lower-cost sites of care (eg, ASCs, OBLs, clinics) when clinically appropriate.
- Technology continues to transform EP as patient-generated data and implantable devices monitor growing AF and CHF populations.
- The heart team concept is more critical than ever for areas such as structural heart. This team-based approach is equally critical when working together with oncology, neurology and pulmonology to deliver newer types of team care.
- CMS is updating its requirements for TMVr. While this could lead to increased procedure volumes, small programs will remain financially challenged.
- Movement to value-based care, especially bundles, increases the emphasis on physician alignment to develop standardized protocols to deploy throughout the care continuum.

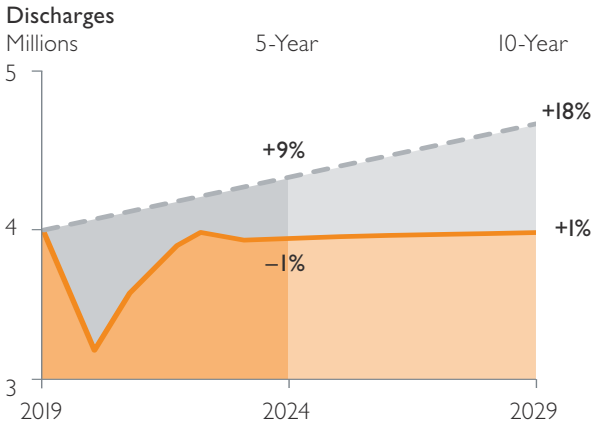


Note: Analysis excludes 0–17 age group. AF = atrial fibrillation; ASC = ambulatory surgery center; CHF = congestive heart failure; CON = Certificate of Need; EP = electrophysiology; HOPD = hospital outpatient department; OBL = office-based laboratory; obs = observation; TMVr = transcatheter mitral valve repair. **Sources:** Impact of Change®, 2020; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2016. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2018; The following 2018 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2020; Sg2 Analysis, 2020.

Cardiovascular Snapshot 2020

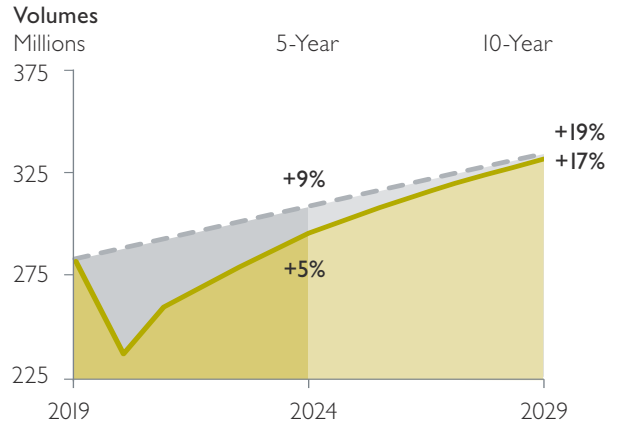
Inpatient Cardiovascular Forecast

Impact of Change® 2020

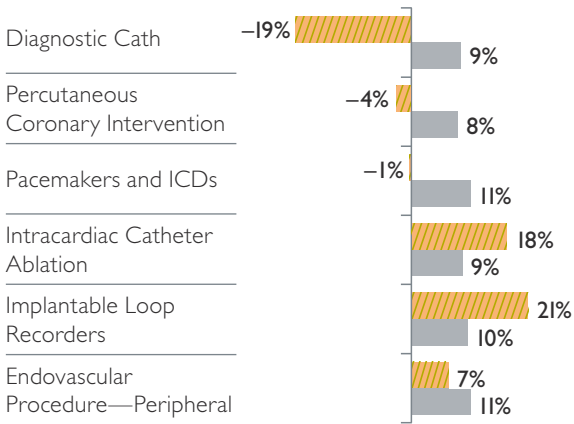


Outpatient Cardiovascular Forecast

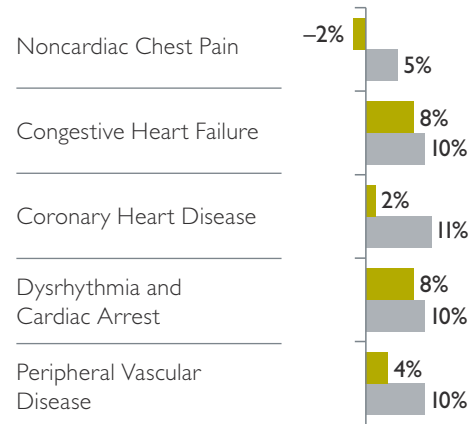
Impact of Change® 2020



Inpatient and Outpatient Cardiovascular Procedure Volumes, Impact of Change® 2020, 2019–2024



Outpatient Cardiovascular Volumes for Select CARE Families, Impact of Change® 2020, 2019–2024



▨ Sg2 IP/OP Forecast
 ■ Sg2 IP Forecast
 ■ Population-Based Forecast
 ■ Sg2 OP Forecast

ACTION STEPS TO DRIVE VALUE

- ✓ **Develop comprehensive standardized care pathways to optimize care regardless of delivery site (eg, inpatient, HOPD, ambulatory).**
 - Ensure collaboration between hospital services and other sites of care through physician workflows, shared staffing models and coordination of data.
- ✓ **Engage clinicians to anticipate and integrate remote monitoring devices as a component of a comprehensive CV program, particularly for chronic diseases like AF and CHF.**
- ✓ **Create robust heart team models for procedures that cross sub-service lines (eg, structural heart).**
- ✓ **Proactively collaborate with other specialties through differentiated programs that more effectively manage and treat patients with comorbidities.**
- ✓ **Use a data-driven approach with your physicians to engage their support when moving toward value-based care models such as bundled payments.**

Note: Analysis excludes 0–17 age group. Cath = catheterization; ICD = implantable cardioverter defibrillator.

Sources: Impact of Change®, 2020; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2016. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2018; The following 2018 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2020; Sg2 Analysis, 2020.