

Inside this issue:

Healthcare Costs Challenge Americans	1
As We Look into the Future: Anticipated Trends for 2024 Healthcare Delivery	2-3
New Cancer Cases Increase by More Than 2M in 2023	4
Gender Dysphoria Diagnoses Rise Nationwide	4
COVID – Not Over Yet	4
A.I. Will Speak With You Now. . .	5
It May Be Lonely Out There	5
The Importance of Sleep – zzzzz Answer?	6
Physicians at the Table - Unionization	6
Focus on Quality and Safety - With a View of the Future	7
Private Practice is Still in the Ring	7
Nurse Tenure	8
Trends and Facts About Medical Residents in Training – By the #s!	8

Healthcare Costs Challenge Americans

According to Kaiser Family Foundation, an independent source of health policy research, about half of U.S. adults say it is difficult to afford healthcare costs, and 1 in 4 say they, or a family member in their household, had problems paying for healthcare in the last 12 months and therefore they skipped or postponed getting healthcare, in some cases. Notably 6 in 10 uninsured said they went without needed care because of the costs.

The cost of prescriptions and drugs lead 1 in 5 adults to say they have not filled prescriptions.

Those who are covered by healthcare insurance are not immune – about 4 in 10 insured adults worry about affording their monthly health insurance premiums and 48% worry about affording their deductibles before health insurance kicks in.

Notably, there are a significant number of adults that say they are worried about affording medical costs such as unexpected bills, deductibles, and long-term care services for themselves or for a family member – about half of the adults in the report stated they would be “unable to pay an unexpected medical bill of \$500 in full without going into debt.” ^M



The Riner Group, Inc.
802 Anchor Rode Drive
Naples, FL 34103



As We Look into the Future: Anticipated Trends for 2024 Healthcare Delivery

◆ **Continued growth of ambulatory outpatient settings** – Site of care challenges for health systems are growing at a steady pace. For example, there is significant growth in ambulatory infusion pharmacy services being driven by consolidating market and increased consumer demand for new technologies and techniques, and payment reforms and reimbursements that are suited for outpatient and ambulatory surgical centers.

◆ **Patient volumes continue to increase following the COVID pandemic** – This is causing strain in capacity capability and is leading to strategic discussions concerning operational changes to redesign care team sites, workforce, and locations capabilities.

◆ **Challenges with specific AI strategies** – Artificial intelligence is often easily spoken about, but more difficult to put in place. There is a plethora of AI-touted solutions to any number of problems. There remains a significant scatter of thought concerning which ones are *most applicable* and which hospitals, health systems, and locations will utilize which technologies.

◆ **Increasing compliance issues, rules, regulations, and complexity of documentation** – Significant dialogue exists around addressing denials from payors for procedures and services rendered. Despite changes in regulations, there continues to be significant challenge concerning *prior authorization* and *denials* for service due to the complexity of payors rules, regulations, and lack of transparency and rapid turnaround of requests for adjudication of denials.

◆ **Shortages of critical staff** – There are an estimated 30,000 physicians who will join the U.S. workforce; not enough to meet the growing demand for care and to cover numbers of doctors retiring. Of note is the fact that there 71,309 physicians left the workforce from 2021 to 2022 alone. It is felt that the United States faces an estimated shortage of between 37,800-124,000 primary care and specialist physicians by 2034.

◆ **The growing size of the payor sector** – The largest payors are ten times the size of the largest healthcare systems. This causes problems in negotiation of payment contracts. The challenge of negotiating rates is just one aspect of the payor size community. Denials, slow payments, costly and inconsistent approaches to reimbursement for services compound the complexity of our healthcare system and impact virtually all aspects of healthcare delivery. Medicare & Medicaid are combined to be larger than commercial payor sources. Reliance on government-funded programs continues to increase. (Of note, Medicaid fee-for-service payments for physician services are nearly 30% below Medicare payments, which, in turn, are usually well below commercial rates.)

◆ **Technology** - Technology adoption will continue to be a significant component of healthcare delivery. As stated above, many technological solutions that are being proposed are in development and there is significant variation on the theme across all healthcare delivery sites given this ongoing trend and how technology aides and/or complicates matters at this juncture in its evolution.

◆ **Value-Based Care** - Despite the fact that “value-based care” is being touted, there is significant variation on the theme and much work to be done. Most health systems and payors are looking at it as a “work in process.” More to come. . .

◆ **Medicare Advantage** – Medicare Advantage covers more than half of the Medicare population and until recently has shown continued growth. It has been very successful financially for payors and largely a challenge for healthcare providers and health systems. It is estimated that the influence and



political clout of the Medicare Advantage payor community has led to CMS overpaying Medicare Advantage organizations by an estimated \$16.6 billion dollars in fiscal year 2023. Medicare Advantage programs are garnering greater regulatory attention.

◆ **Mental and behavioral health services** – These are critical and facing increasing demand which places more stress on healthcare systems. There appears to be a shortage of psychiatrists, psychologists, and social workers to address the increasing mental and behavioral issues of the country currently, and the situation is predicted to be worse by 2050.

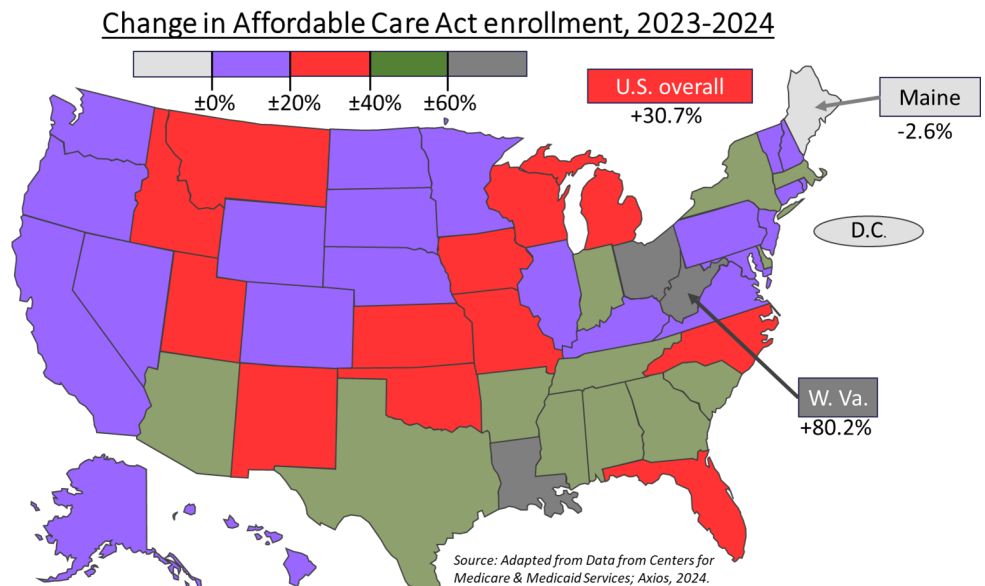
◆ **Private Equity** – New financial players in the healthcare arena will garner scrutiny. Nine percent of private hospitals and 30% of propriety for-profit hospitals (which make up 36% of all hospitals) are private equity-owned hospitals. There is going to be increasing scrutiny about pricing, competition, and quality of care linked to private equity-backed organizations. Private equity is also continuing the acquisition of medical groups, which furthers the presence of these financial players in the healthcare delivery system.

◆ **Aging** – Aging and preventive health services are growing in interest and garnering increased resources.

◆ **New drugs for diabetes and obesity** – These will potentially have large, positive, long-term impact on healthcare. The demand for GLP-1 agonist drugs is likely to continue increasing. This comes with concerns and the need for scrutiny in terms of noncompliant manufacturing of these agents that have become available in the market. There will also need to be continuing oversight of side effects, compounded by the fact that the weight reduction and beneficial effects of the GLP-1 agonists plateau and appear to gradually disappear if the medications are stopped. The cost and necessity for long-term use obviously are complicating factors that need to be discussed with users and prescribers.

◆ **Rural hospital issues** - Hospital margins have improved in 2023, but continued long-term financial challenges will remain across healthcare systems. In significant numbers of communities throughout the country, particularly rural areas, there are financial pressures heightening the risk of closure due to the severity of their financial problems.

◆ **Affordable Care Act** – A record-breaking number of Americans have signed up for the Affordable Care Act coverage and that number is expected to grow. This growth was enhanced by premium subsidies, the uptick in outreach, and substantial Medicaid disenrollment following the COVID pandemic. Watch for healthcare and the ACA Plan to be major topics for voters in various states. [M](#)





MEDISCENE™

Trends Impacting Health & Healthcare Delivery

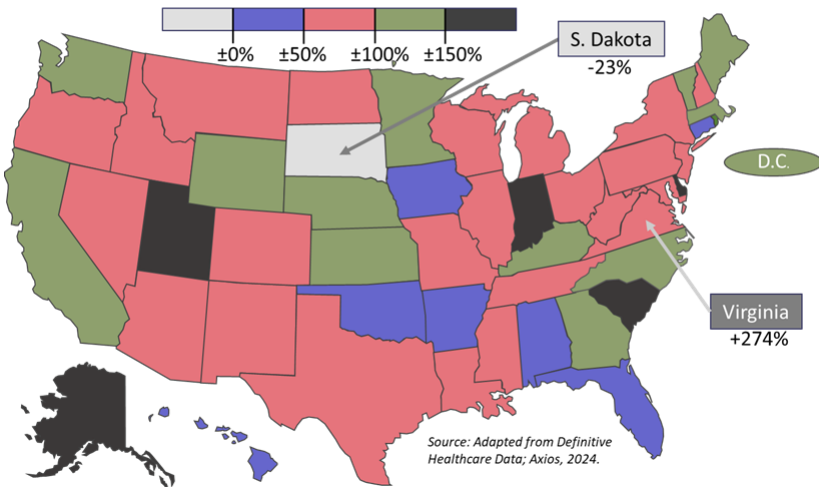
New Cancer Cases Increase by More Than 2M in 2023

Cancer deaths in the United States were falling with 4 million deaths prevented since 1991, according to the American Cancer Society’s annual report. However, the Society reported that the number of new cancer cases had ticked up by more than 2M in 2023 from 1.9M in 2022. Among adults younger than 50, colorectal cancer has become the leading cause of cancer death in men and the second leading cause in women – only behind breast cancer. [M](#)

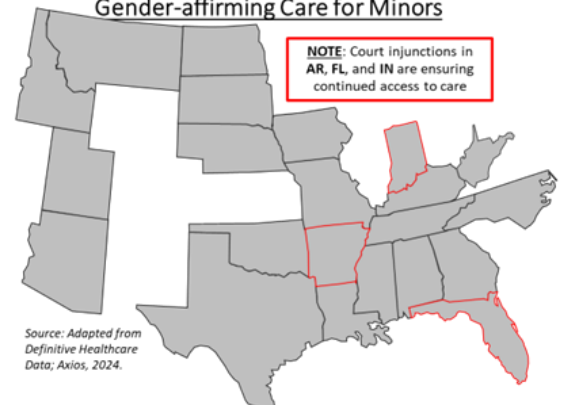
Gender Dysphoria Diagnoses Rise Nationwide

Gender dysphoria diagnoses rose in nearly every U.S. state between 2018 and 2022, according to a new, Definitive Healthcare report. The only state that the number of diagnoses fell was in South Dakota, which just last year restricted gender-affirming care for minors. [M](#)

Percentage Change in Gender Dysphoria Diagnoses, 2018-2022



States That Have Passed Laws/Policies RESTRICTING Gender-affirming Care for Minors



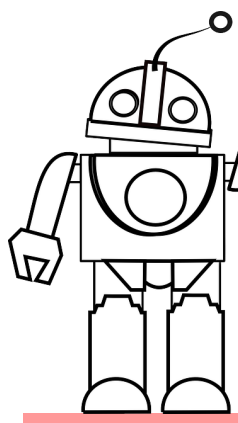
COVID – Not Over Yet

CDC data on long COVID in the United States is impacting adults. The World Health Organization statement about long-term impact underscores the pandemic’s lingering, debilitating effects for some individuals. The concept of a long COVID event following COVID exposure is garnering heightened, additional study. The healthcare community is now becoming an advocate and supporter for additional evaluation of “Long COVID.” It is now felt that long COVID is real, prevalent, and impactful. In the latest CDC data, just over 15% of adults have had Long COVID and 5.8% (about 15 million) currently have it. There has been a dearth of clinical trials that have looked at Long COVID. However, now more attention is being paid to the issue. . .watch for more details as studies continue. [M](#)

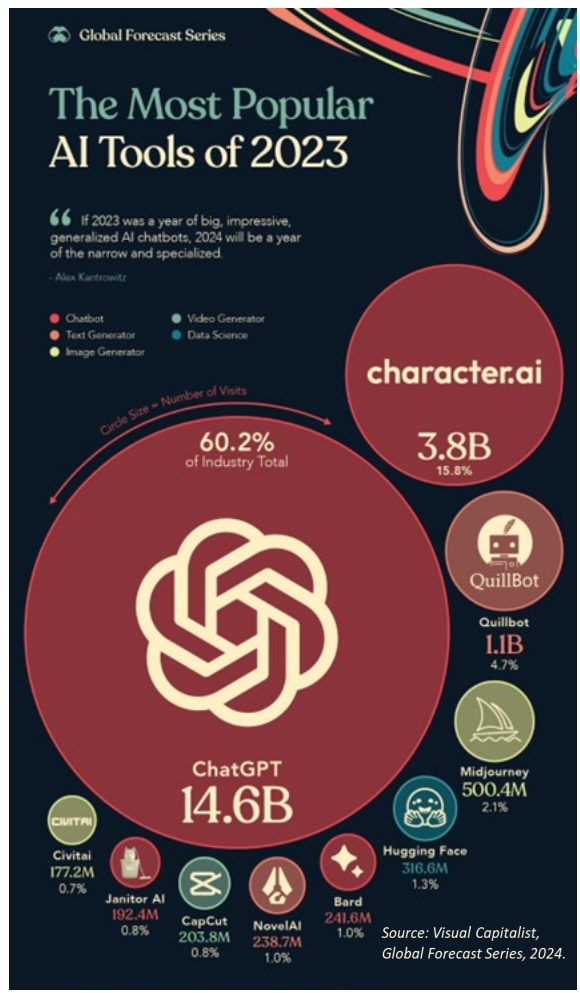
A.I. Will Speak with You Now and...

Despite the fact that software creation and tech adoption cycles continue to be in the relatively early stages of development, artificial intelligence (AI) has produced tools that have garnered billions of visits and thousands of paying users for premium versions of AI products. AI had its inaugural year in 2023 with large language models (LLMs) and text imaging generators capturing great attention.

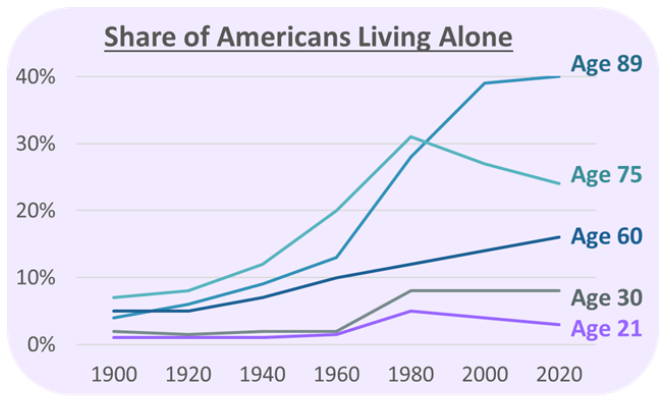
While the first wave of AI tools is arguably way beyond what could have been imagined a couple of years ago, we are all anticipating more powerful and unique AI tools and products. The graphic on the right shows tech adoption cycles. Despite the rosy outlook for AI, considerable focus is being placed upon agencies and appropriate specialty societies and organizations to establish standards for safe and trustworthy AI as well as policies for ensuring those standards are met. The downside risk of AI is beginning to be recognized as a significant concern, especially in healthcare, but certainly across all disciplines, if not handled appropriately. [M](#)



THE MOST VISITED AI WEBSITES OF 2023		
AI TOOL	TOTAL WEB VISITS (Sep '22-Aug '23)	SHARE OF INDUSTRY TOTAL
ChatGPT	14.6B	60.2%
Character.AI	3.8B	15.8%
QuillBot	1.1B	4.7%
Midjourney	500.4M	2.1%
Hugging Face	316.6M	1.3%
Google Bard	241.6M	1.0%
NovelAI	238.7M	1.0%
CapCut	203.8M	0.8%
JanitorAI	192.4M	0.8%
CivitAI	177.2M	0.7%



It May Be Lonely Out There



Living solo is on the rise. Overall, the share of people living alone in the United States has been inching up, according to a report by Axios [Dec. 2023]. Over the past 50 years, the marriage rate in the United States has dropped by nearly 50%. Many people are also delaying marriage into their 30's, early 40's, or beyond. This obviously means that more people in their 20's and 30's are living alone. According to the Census Bureau, "solitaries" made up 8% of all households in 1940, solo households doubled to 18% in 1970, and more than tripled to an estimated 29% by 2022. [M](#)

The Importance of Sleep – zzzzz Answer?

There is more attention being paid to the association between sleep irregularity and dementia risk. Inconsistent sleep patterns and sleep irregularity may be a risk factor for incident dementia among older individuals, according to some recent studies that have appeared in neurosciences publications. This is a trend that is being monitored along with other components of the aging cycle as the population ages and the incidents of neurologic impairment continue to rise. Of note, many animal studies show that aging varies between individuals as well as between organs within an individual. Whether this is actually true in humans and has an effect on age-related diseases is still under significant study. While many methods to measure molecular aging in humans have been developed, most of them provide just a single measure of aging for the whole body, and, as a consequence, it is difficult to interpret the data given the complexity of human aging trajectories. This is an area of significant focus in research and more information should be forthcoming on a regular basis – watch for this trend on aging and its complexities to evolve. **M**



Physicians at the Table - Unionization

There has been a recent flurry of unionization efforts by seasoned physicians as well as those who are early in their careers. Now that more physicians are being employed rather than heading their own practices, union organization efforts at many different institutions have kicked off a chain of similar events across the country. Last year, researchers reported in the Journal of the American Medical Association that unionization among healthcare workers had remained low in recent years, even though union membership or coverage has been notably tied to higher weekly earnings and better non-cash benefits. Lately, however, there appears to be a resurgence in such efforts to unionize. Of note is the fact that there appears to be a particular increase in unionization efforts among early career physicians or Residents and Fellows across the country. During the past year there have been efforts at unionization across firms such as TeamHealth, Ascension St. John Hospital in Detroit, Minneapolis-based Allina Health, Northwestern Medicine in Chicago, Mass General Brigham in Boston, University of Pennsylvania Montefiore Medical Center in the Bronx in New York City, and Stanford Healthcare in California at the University of Southern California's Tech School of Medicine in Los Angeles - among others. The most frequently heard rationale for the increased unionization is the need for a "seat at the table."



As physicians are looking at more unionization activities, certainly their colleagues on the nursing side of the equation have also looked at increasing unionization activity. There have been a number of large contracts for nurses at systems such as HCA Healthcare and Tenet Healthcare. New organizing contracts may have set a standard that will have inspired more workers to organize. Kaiser Permanente members reached an agreement in October covering more than 85,000 healthcare staff. More than 8,000 New York State Nurses Association members working for New York City health and hospitals want a 5-year contract mandating the development of subcommittees to mediate and address staffing disputes. A main focus of workers, especially nurses, is bargaining this year to secure contract language confirming safe staffing levels. **M**

Focus on Quality and Safety - With a View of the Future

Hospitals' acquisition by private equity firms is linked to a rise in adverse events, despite a pool of lower risk patients they tend to admit, according to a Medicare Part A claims analysis published in the Journal of the American Medical Association [JAMA-Dec. 2023]. The study compared thousands of hospitalizations at 51 private equity-acquired hospitals to date on millions of hospitalizations across 259 matched control hospitals from 2009 to 2019. The combination of 25% higher rate of hospital-acquired adverse events and beneficiaries who tended to be younger and less often duly eligible for Medicare and Medicaid, led researchers to conclude that 51 hospitals were possibly delivering a poorer quality care after the acquisitions. These findings heighten concern and implications for private equity in healthcare delivery, the researchers wrote in JAMA Network. These findings are garnering increased attention as more medical practices are also acquired by private equity entities. The long-term impact of these acquisitions is yet to be fully understood but, as stated, is gaining scrutiny. [M](#)

Public Health Needs the Doctors



Private Practice is Still in the Ring

- ◆ Despite current trends toward employment of physicians by hospitals and health systems, there are a significant number of physicians who say private practice is their preferred mode of healthcare delivery. Without question, physicians are less likely to work in private practice than they were 10 years ago, according to a recent analysis by the American Medical Association [July 2023]. However, physicians who continue to practice privately still see value in doing so, cognizant of the challenges that exist. The biggest draw to private practice is the level of autonomy physicians have in running their practice and in the way they interact with patients. This allows them the flexibility to practice in the way they see best. Much of this same rationale exists for the growing number of physicians who practice in a concierge model of healthcare delivery.
- ◆ Private practices, as well as practices owned or financed by larger organizations such as private equity firms or insurance companies, are currently under discussion by those who have entered into those relationships. Virtually all physicians' practices are actively looking at their strategic options and initiatives. The mantra of private practitioners is that they can continue to provide dedicated care to health insurance members at a fraction of the cost sometimes seen in other employment settings. In reality, there is also a group of people who are leaving those modes of practice to return to other alternatives. [M](#)



MEDISCENE™

Trends Impacting Health & Healthcare Delivery

Nurse Tenure

Nurse tenure varies as we pull out of the COVID pandemic. Staffing across all segments of the healthcare service industry has been challenging, not the least of which is in bedside nursing. The average tenure for registered nurses nationwide is 5 years, according to an ADP research report. The graph at the left shows the average registered nurse tenures and the percentage change since 2018 for 20 major city areas. [M](#)



AREA	STATE(s)	AVE. RN TENURE IN YRS.	TENURE % CHANGE SINCE 2018
San Jose-San Francisco-Oakland	CA	7.8	3
Charleston-Huntington-Ashland	WV OH KY	7.5	0
New York-Newmark	NY NJ CT PA	7.3	-16
Charlotte-Concord	NC SC	6.9	-13
Philadelphia-Reading-Camden	PA NJ DE MD	6.6	7
Hartford-West Hartford	CT	6.4	13
Cleveland-Akron-Canton	OH	5.6	3
Pittsburgh-New Castle-Weirton	PA OH WV	5.5	-14
Minneapolis-St. Paul	MN WI	5.3	7
Chicago-Naperville	IL IN WI	5.1	-22
Seattle-Tacoma	WA	4.9	11
Atlanta-Athens-Clarke County-Sandy Springs	GA	4.6	-10
Los Angeles-Long Beach	CA	4.5	-20
Indianapolis-Carmel-Muncie	IN	4.3	0
Detroit-Warren-Ann Arbor	MI	4.1	5
Dallas-Fort Worth	TX OK	4.1	-17
Boston-Worcester-Providence	MA RI NH CT	3.8	-24
Washington-Baltimore-Arlington	DC MD VA WV PA	3.1	-27
Miami-Fort Lauderdale-Port St. Lucie	FL	3	-24
Cincinnati-Wilmington-Maysville	OH KY IN	2.3	9

Source: Adapted from "Nurse tenure in 20 major cities", Becker's, 2024.

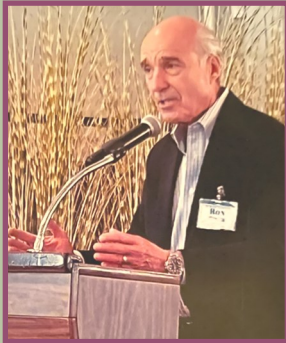
Trends and Facts About Medical Residents in Training—By the #s!

The number of Medical Residents in the United States and Canada has increased, and so has the percentage of Residents from historically underrepresented groups, according to the American Association of Medical College 2023 Report on Residents:

- ◆ In the 2023 academic year, there were 153,883 Residents with an average increase of 5,000 Residents each year since 2019.
- ◆ The percentage of women represented across all specialties increased slightly from 47.3% in 2021-2022 academic year to 48.3% in 2022-2023.
- ◆ Among Residents and Fellows with MD degrees, the percentage of those identifying as Hispanic, Latino, or of Spanish origin inched up from 8.1% to 8.3% and the percentage of those identifying as Black or African American also increased slightly from 6.1% to 6.3%. The percentage of Residents and Fellows with MD degrees identifying as White (47.8%) and Asian (21.3%) decreased, and the percentage of those identifying as American Indian/Alaskan Native/ or native Hawaiian/Other Specific Islander stayed flat at 0.6% and 0.2% respectively.
- ◆ Among the larger specialties, women are the majority for family medicine, obstetrics and gynecology, pediatrics, and psychiatry, while men remain the majority in anesthesiology, emergency medicine, internal medicine, radiology, and surgery. Men make up more than 76% of neurological surgery Residents while women account for more than 87% of obstetrics and gynecology Residents.
- ◆ About 19% of all Residents with MDs in 2022-2023 were non-US citizens or non-permanent residents. One third of all MD graduate internal medicine Residents, as well as one half of MD graduate nuclear medicine Residents were non-US citizens. Of the more than 27,000 Residents with Doctor of Osteopathy degrees in 2022-2023, 11.4% were non-US citizens or non-permanent Residents.
- ◆ More than half of the Residents (57.1%) who completed their Residency training between 2013-2022 went on to practice in the same state or territory as their Residency. The states/territories that retain the highest percentage of Residents were California (77.5%), Puerto Rico (74.8%), and Alaska (70.8%). The states or territories with the lowest retention rates were the District of Columbia (38.5%), Delaware (39.2%), and New Hampshire (40.8%). [M](#)

The Riner Group, Inc.

CONTACT US to discuss speaking engagements on a current topic pertinent to your organization
800-965-8485



Speaking Engagements

Dr. Riner and his colleagues frequently speak at events across the U.S. The topics offer interesting perspectives on healthcare issues and trends pertaining to strategy and future opportunities for a variety of healthcare practices and healthcare businesses. Some examples of recent topics include:

- ▶ Preparing for Success: Understanding the Past to Build the Future
- ▶ The Anchors of Successful Patient Care
- ▶ Cardiovascular Service Lines of the Future
- ▶ Healthcare's Transfer of Place
- ▶ Leadership for Our Time
- ▶ Skills and Knowledge Necessary for Effective Healthcare Boards

With over 35 years of business experience in healthcare, anchored by national, operational and governance experience, we have successfully assisted our clients with:

- ◇ STRATEGY,
- ◇ NEW BUSINESS ALLIANCES
- ◇ HEALTHCARE PROGRAM EVOLUTION
- ◇ LEADERSHIP COACHING & DEVELOPMENT.

We specialize in the necessities of understanding the unique business and clinical components of healthcare delivery.

The Business, Art & Science of Medicine

Please visit our updated website:
www.rinergroup.com



OUR PRIORITY

**Excellence in the Business,
Art and Science of Medicine**

OUR SPIRIT

Superb Patient Care

The Helm Club—Executive and Peer-to-Peer Coaching



- ◆ PURPOSE
- ◆ DIRECTION
- ◆ INFLUENCE
- ◆ RESULTS

Leadership anchors all successful businesses. Leadership styles vary and the ability for organizations to develop future leaders is dependent on mentoring and coaching at all levels of the organization, including the Board. This is particularly true in healthcare.

The Helm Club features credible, knowledgeable coaching and mentoring programs provided by experts who have been in the shoes of those they instruct.

Our programs are customized to the needs of our organizational and individual clients.