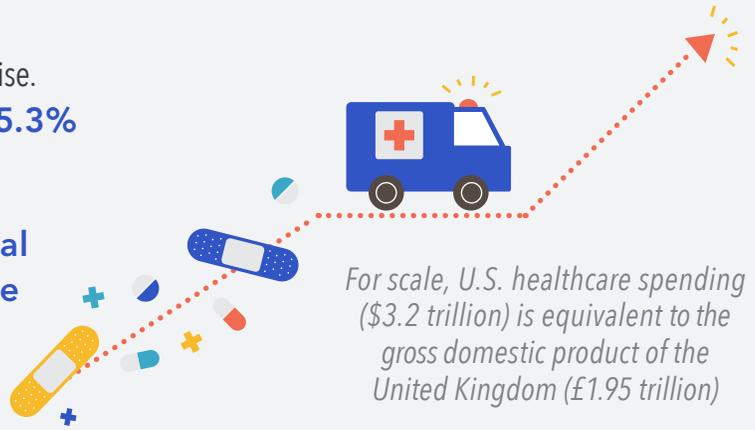


Improving Patient Outcomes With Health Data Analytics

The cost of healthcare in the United States continues to rise. **In 2015, costs are projected to rise by 5.3%** to a per capita cost of \$9,695.

The challenge is **how do federal, state, & local governments cut the growth of healthcare costs without sacrificing quality?**



For scale, U.S. healthcare spending (\$3.2 trillion) is equivalent to the gross domestic product of the United Kingdom (£1.95 trillion)

What's driving up the cost of U.S. healthcare?



Misaligned incentives for fee-for-service healthcare models

Fee-for-service models encourage consumption of health services



Lack of health data available for patients, consumers, and physicians

1 in 4 U.S. hospitals lacks a basic electronic health records system



Aging U.S. population

1.6 million Americans become eligible for Medicare each year



Medical Fraud, Waste & Abuse (FWA)

\$60-80 billion in Medicare alone is lost annually to FWA



High readmission rates for chronic conditions

40% of Medicare patients are readmitted within 90 days

Big data analytics offer new capabilities to control costs and improve quality of care, allowing state governments and healthcare providers to



SUCCESS STORY:

Arkansas Healthcare Payment Improvement Initiative (AHCPII)

Facing a \$140 million budget shortfall in 2011, Arkansas introduced an innovative episode-based payments model and data analytics, yielding a program savings of \$720 million while expanding coverage to hundreds of thousands of uninsured Americans.



Medicare cost growth has fallen from 8% per year to 2% per year



AHCPII has issued 19,000 performance reports to 2,000 providers reflecting 3.18 million medical claims



73% of Arkansas Medicaid providers have improved cost performance or remain in good standing



AHCPII was recognized by CMS as an innovative model for payments transformation

Government Business Council

ABOUT GBC

Government Business Council (GBC), the research arm of Government Executive Media Group, is dedicated to advancing the business of government through analysis and insight. GBC partners with industry to share best practices with top government decision-makers, understanding the deep value inherent in industry's experience engaging and supporting federal agencies.

GENERAL DYNAMICS Health Solutions

ABOUT GENERAL DYNAMICS HEALTH SOLUTIONS

General Dynamics Health Solutions, part of General Dynamics Information Technology, provides end-to-end solutions and professional services to health organizations in the defense, federal civilian government, state and local government, commercial and international sectors. Headquartered in Fairfax, VA, with major offices worldwide, company capabilities include health data management and analytics, multi-channel health communications, health facility outfitting and logistics, clinical staffing and medical research services, healthcare administrative services, and IT services and infrastructure.

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