# Healthcare Affordability: Leading at the Tipping Point

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# Dear Claude...

You're a leading U.S. healthcare finance consultant and economist. Summarize the state of healthcare finance and healthcare affordability in Iowa. The conclusions are intended to paint an accurate picture of the leading concerns of healthcare professionals and the communities they serve in that geographic area.

**Conclusions: what's top of mind for healthcare professionals**

Hospital administrators and physicians are operating in survival mode. Rural facility leaders are making real-time decisions about which service lines they can still afford, obstetrics, general surgery, mental health, and which they'll have to cut or refer out. Recruitment is a compounding problem: physicians in border communities describe difficulty attracting primary care staff even before factoring in reimbursement pressure, since shrinking hospital capacity makes those postings less attractive on their own. Community mental health providers are bracing for funding cuts that will land on some of the state's most vulnerable patients first. The dominant concern among professionals isn't quality of care in the abstract, it's institutional solvency and whether the doors stay open long enough to keep serving the community at all.

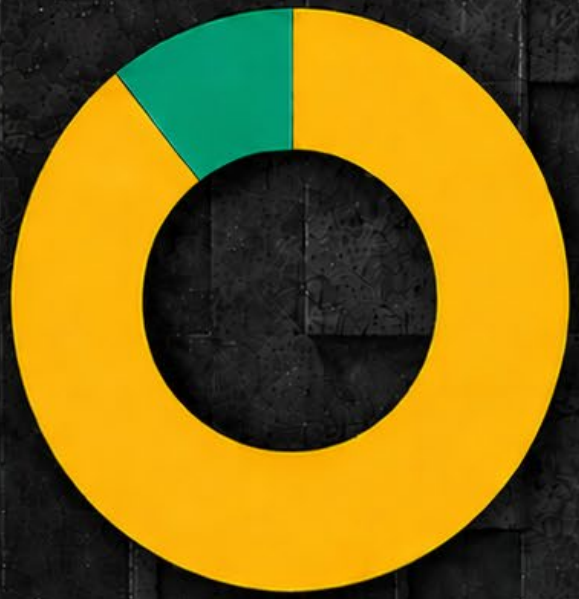
**Conclusions: what's top of mind for the communities they serve**

Families are weighing two compounding risks: losing local access to a hospital, and losing the ability to afford insurance even where access remains. Small business owners and farmers are recalculating whether earning more income is worth it, since crossing subsidy thresholds can mean thousands of dollars in additional premium cost. Residents in their 50s and 60s without subsidy eligibility are seeing marketplace plans that could consume a fifth to half of household income. In towns where the hospital doubles as a major employer, a closure threatens not just healthcare access but local jobs, property values, and long-term population retention.

# Is the current U.S. healthcare system financially sustainable?

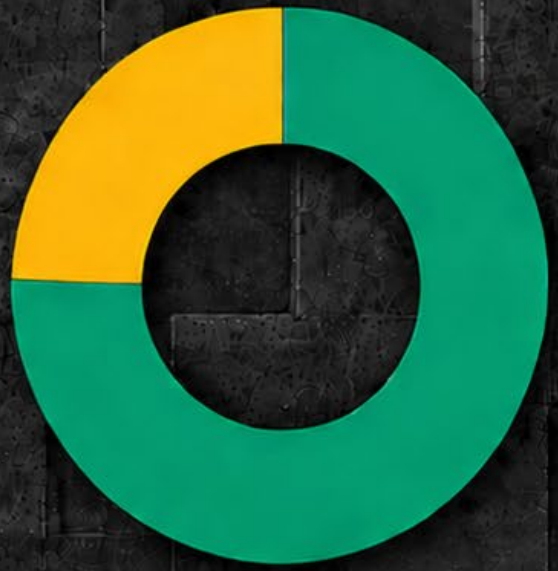
**Is the U.S. healthcare delivery model at, or within the next 3 years will it reach, an existential tipping point?**

## Q: IS THE CURRENT U.S. HEALTHCARE SYSTEM FINANCIALLY SUSTAINABLE?



90%
NO
10%
YES

## Q: Is the U.S. healthcare delivery model at, or within the next 3 years will it reach, an existential tipping point?



77%
YES
23%
NO

Photo courtesy of Truman Library

“We should resolve now that the health of this Nation is a national concern; that financial barriers in the way of attaining health shall be removed; that the health of all its citizens deserves the help of all the Nation.”

President Harry S. Truman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# What does financial sustainability in healthcare ultimately require?

# Who ultimately reshapes how Americans access and experience healthcare?

# Vitalic Health

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**MY ORGANIZATION MUST SHARE IN THE RESPONSIBILITY OF MAKING U.S. HEALTHCARE MORE AFFORDABLE.**

**100%**
**YES**

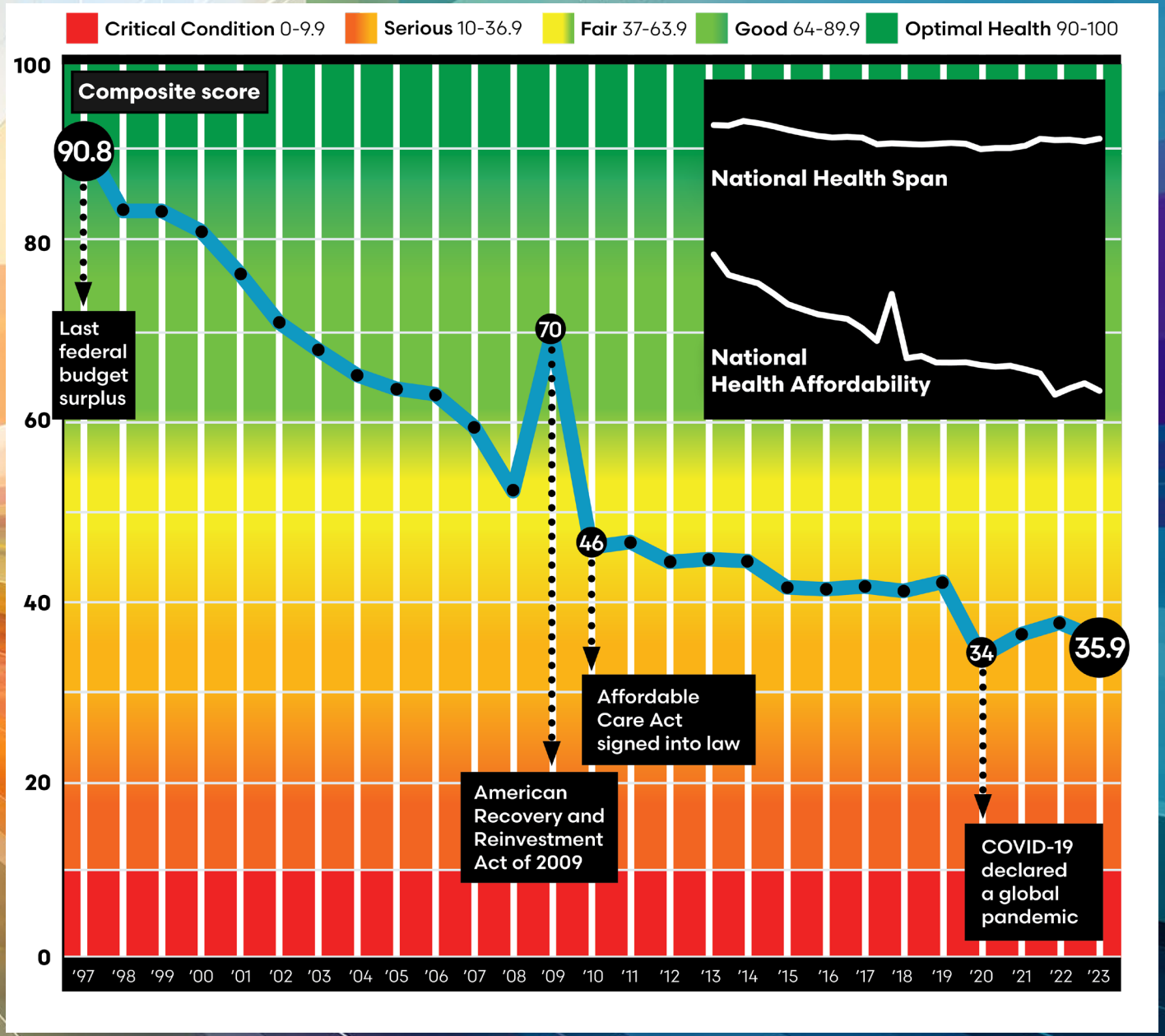
**DO YOU BELIEVE THE HEALTHCARE SYSTEM IS STRUCTURALLY CAPABLE OF GIVING SAVINGS BACK TO PATIENTS?**

**53%**
**NO**

**47%**
**YES**

# The Healthcare Affordability Paradox

Over nearly 30 years, despite medical discoveries, technological breakthroughs and legislative action, health span has not improved while affordability continues a downward trajectory.



# Vitalic Health

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# Affordability is a movement.

## Join us.


hfma.org/VitalicHealth

# We are building deliberate pathways to sustainability.


## The Vitalic Payment Model Consortium

Accelerating the transition from volume to value.

Meeting organizations at their exact contract and risk management level.

Reversing structural complexity to build deliberate pathways toward institutional sustainability.

# Standardization is the infrastructure that makes automation work.

# Optimization requires rigorous understanding of Total Cost of Care

## The Obligation of Knowledge

No professional community understands the precise mechanics of healthcare's structural complexity better than this one.

That knowledge carries a distinct obligation to solve it.


## System-Wide Rigor

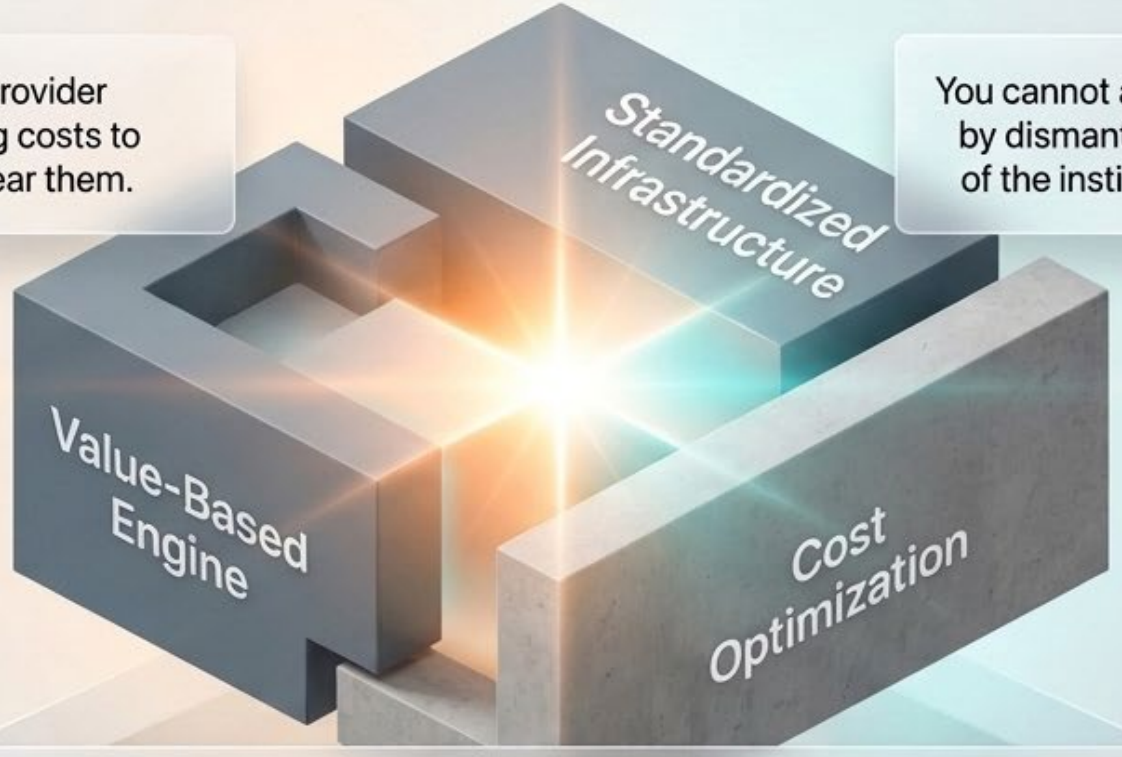
Driving shared understanding and best practices across the entire system.

**We will not simply admire the problem.**

# Financial health at the institutional level must align with financial health at the human level.

You cannot achieve provider sustainability by shifting costs to patients who cannot bear them.

You cannot achieve patient affordability by dismantling the operating models of the institutions that care for them.




These are not competing priorities. The leaders who design for this alignment deliberately will define what this industry becomes.

**Dear Claude…**

The throughline for both groups is the same underlying economics: the gap between what care costs to deliver and what payers, public and private, are willing to reimburse. Professionals feel that gap as a balance-sheet problem. Communities feel it as a monthly bill and a longer drive to the nearest open hospital.

**Financial health at the institutional level must align with financial health at the human level.**

**These are not competing priorities. The leaders who design for that alignment deliberately will define what this industry becomes.**

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