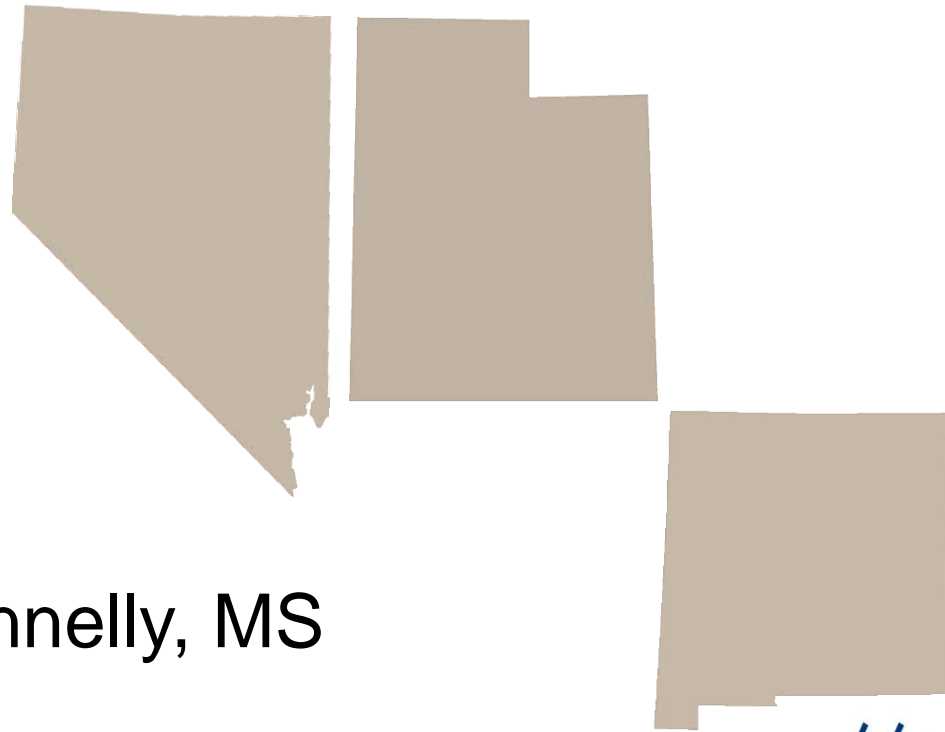


Thriving in Times of Transition: Practice transformation to prepare for value-based payment



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Today's Objectives

- Examine direction and impact of transitioning payment models on outpatient care
- Discuss one framework and roadmap practices can use to transform their practice in order to excel
- Introduce an emerging opportunity from CMS that may fund assistance to practices in this transformation



Transitioning Practice Environment

Fee For Service Model



Clinicians/ACOs need help to begin transforming



Redesign of care and relationships up and running



Begin to be able to produce and show payers results

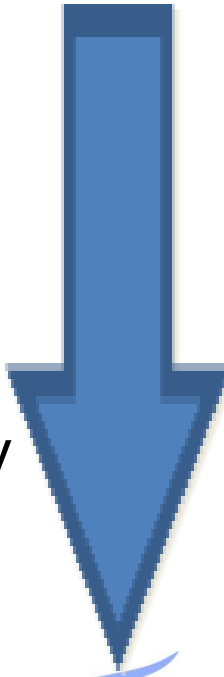


Buy help to achieve outcomes or built internal capacity



Fixed or Mixed Payment Model (pay-for-value)

More payers change payment model



Payer Perspective of Payment Reform

Payment for Units of Service



Add pay for performance



Subtract pay for preventable complications



Medical homes: holistic pay for primary care



Episode-based (bundled) payment concepts



Global Payment, Shared Savings (capitation)

Financial risk shifts from payers to providers



M Rosenthal via J Berkmeyer presentation at HIMSS14

Pay-for-Value (P4V)

(value = excellent, effective care)





- P4V: improved outcomes, non-clinicians provided services, shared savings ≠ incentive
- P4V removes barriers to doing what they already want to do – provide best possible care to meet their patients' needs and desires
- Complex transition from systems aligned with FFS to P4V - that produces and measures value



Required Competencies for Success in Emerging Environment¹

Management	Technology /Analytics	Processes
Governance and leadership	HIT and analytics for population care and care coordination	Patient education tools Expertise in engaging and activating patients
Culture of teamwork and improvement	Infrastructure to monitor, manage and report <u>quality</u>	Experience in process redesign and quality improvement
Provider relationships management	Infrastructure to monitor, manage and report <u>costs</u>	Able to connect to community resources (social and behavioral)
Manage financial risk and contract negotiation	Track, receive, distribute savings	Infrastructure and protocols for collaborative care

Provider Readiness Roadmap

Assess Status 	Choose Starting Point(s) 	Plan/Do 	Track/Reassess 
Technology and Analytics	Adopt/change EHR HIE connection & registries Meaningful use Reporting functions	Aims	Using full functionality, consistency across staff? Assess and address barriers, retrain.
Management (Leadership and Culture)	Leadership CQI culture Patient centeredness Team-based Performance metrics	Meetings Leader(s) Team Time Line (Pacing)	Resurvey staff and management self- assess. Measurement systems working?
Processes (Clinical and Business)	Process redesign w/care teams Access redesign Care coordination Quality and safety Care management Practice management	Resources Communication Celebrate Successes!	Remap processes and check for waste. Assess impact and remaining gaps. Re-scan local environment for related initiatives underway.



Choose next steps and iteratively continue improvements



Some References

[1] Informed by: American Hospital Association. 2010 Committee on Research. AHA Research Synthesis Report: Accountable Care Organization. Chicago: American Hospital Association, 2010.

<http://www.aha.org/research/cor/accountable/index.shtml>

HIMSS14 slide: *Direction of Payment Reform* adapted from J. Berkmeyer 's presentation, attributed slide to M. Rosenthal

Cracking the Code on Health Care Costs: A Report by the State Health Care Cost Containment Commission, The Miller Center, U of Virginia, 1/14

Key Components: See blogs and articles from Cynthia Kilroy, Kevin Fuller, David Muhlestein, Erin Bartolini, Bob Spoerl, in addition to 1 above, *AHA's 2010 Report*

Phasing out FFS Payment: Schroeder and Frist



Emerging Opportunity for Support in Transforming Clinical Practices

- CMS' Goals:
 - Assisting 150,000 clinicians (~ 16% of total) by:
 - creating Practice Transformation Networks (PTN) for on-the-ground support and
 - Support and Alignment Networks (SAN) for aligning medical education, maintenance of certification...
 - Program eventually expanded to all clinicians
 - Reduce unnecessary admissions and other costs, generating over \$800 million in savings to the Medicaid and Medicare programs.



CMS: What is the opportunity for Transforming Clinical Practice?

Today's Care	Transformed Practice
Patient's chief complaints or reasons for visit determines care.	We systematically assess all our patients' health needs to plan care.
Care is determined by today's problem and time available today.	Care is determined by a proactive plan to meet patient needs.
Care varies by scheduled time and memory/skill of the doctor.	Care is standardized according to evidence-based guidelines.
Patients are responsible for coordinating their own care.	A prepared team of professionals coordinates a patient's care.
Clinicians know they deliver high quality care because they are well trained.	Clinicians know they deliver high quality care because they measure it and make rapid changes to improve.
It is up to the patient to tell us what happened to them.	You can track tests, consults, and follow-up after the ED and hospital.

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CMS: Stages of Practice Transformation

- CMS identified five stages of practice transformation:

Set aims →

Use data to drive care →

Achieve progress on aims →

Benchmark status →

Thrive as a business through pay-for-value approaches



What May Be Coming Soon...

- Request for proposal (RFP) may be coming out soon for both PTN and SAN entities to support primary care and specialty providers
- CMS may target assistance to small independent providers as they did with the regional extension center (REC) program
- Or they may open the opportunity to any size provider group as was the case with the hospital engagement networks (HEN)



Questions?

Comments?

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