

FIRST, KNOW THYSELF: HOW DIFFERENT TYPES OF PROVIDERS ARE ENGAGING – AND SUCCEEDING – IN ALTERNATIVE PAYMENT MODELS

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AN ACO IS LIKE A UNICORN

Or, if you've seen one ACO, you've seen one ACO

Rather, ACOs are like animals...



**Each different,
but similarities exist**

DEVELOPMENT OF THE ACO TAXONOMY

Goal to identify the structural differences of ACOs

- **Integration**

Range of services directly furnished by the ACO

- **Differentiation**

Total range of services either directly provided or through contracted provider

- **Centralization**

Number of decision-makers that comprise the ACO

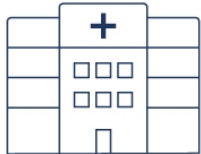
6 ACO TYPES



FULL SPECTRUM INTEGRATED

All services are provided directly by the ACO.
May include one or multiple organizations

~108 ACOs ~6.5 Million Lives



INDEPENDENT HOSPITAL

A single organization that directly provides inpatient care

~81 ACOs ~2.1 Million Lives



HOSPITAL ALLIANCE

Multiple organizations with at least one that directly provides inpatient care

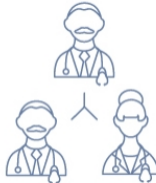
~89 ACOs ~2.6 Million Lives



INDEPENDENT PHYSICIAN GROUP

A single organization that directly provides outpatient care

~177 ACOs ~4.8 Million Lives



PHYSICIAN GROUP ALLIANCE

Multiple organizations that directly provide outpatient care

~120 ACOs ~2.2 Million Lives



EXPANDED PHYSICIAN GROUP

Directly provides outpatient care and contracts for inpatient care

~169 ACOs ~5.6 Million Lives

TAXONOMY LEARNINGS – CHALLENGES BY TYPE



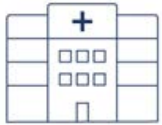
FULL SPECTRUM INTEGRATED

- Hospitals still viewed as revenue driver
- Many moving parts, change occur slowly



INDEPENDENT PHYSICIAN GROUP

- Limited access to capital and heightened actuarial risk for losses given smaller patient populations
- Limited ability to influence inpatient or post-acute care



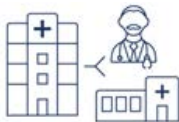
INDEPENDENT HOSPITAL

- Reliance on inpatient revenue
- Don't provide as many subspecialty or post-acute care services



PHYSICIAN GROUP ALLIANCE

- Steep organizational learning curves
- Increased time requirements & complexities to integrate care coordination programs



HOSPITAL ALLIANCE

- EMR interoperability is a hurdle given the multiple owner structure
- Requires certain cultural compatibilities

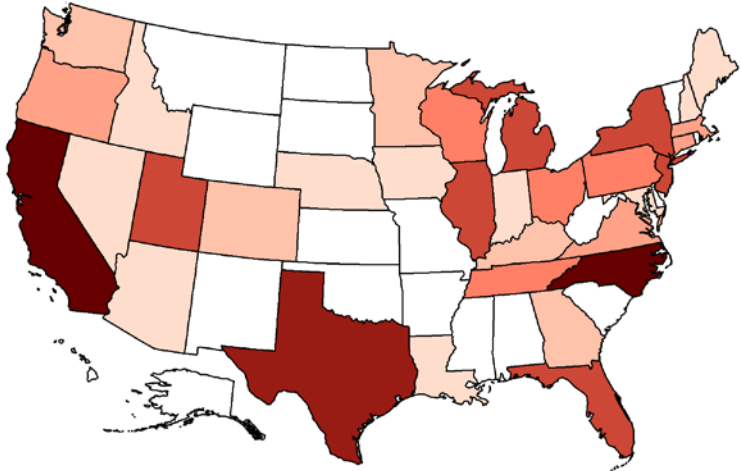


EXPANDED PHYSICIAN GROUP

- Barriers to establishing operational arrangements with hospitals
- Often include multiple disparate EMR platforms

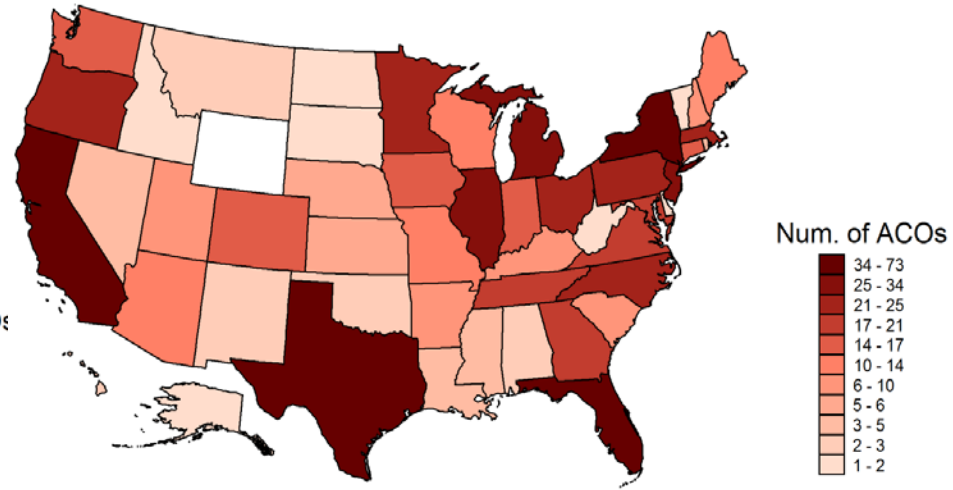
SURVEYING THE FIELD

Surveyed ACOs by State



n=104

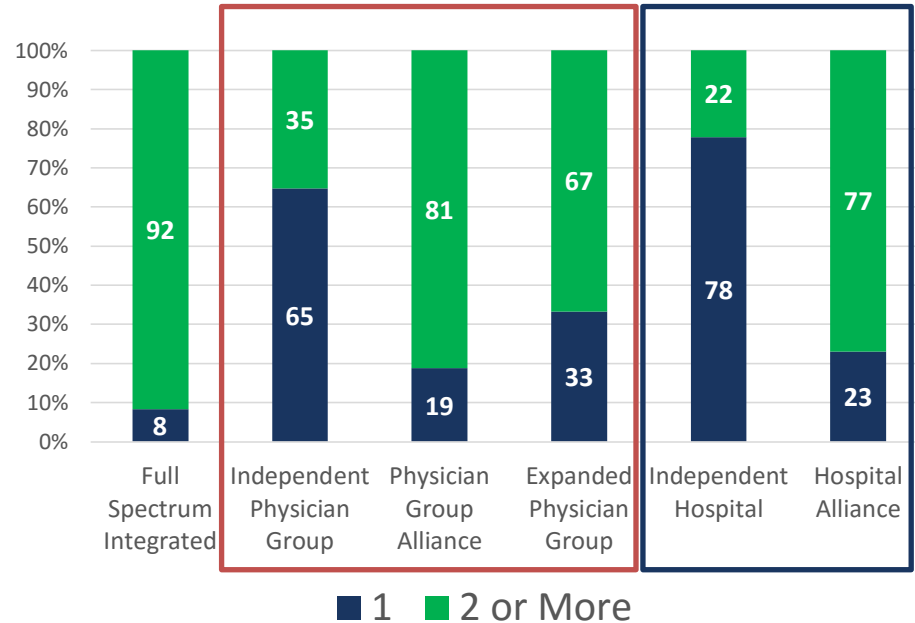
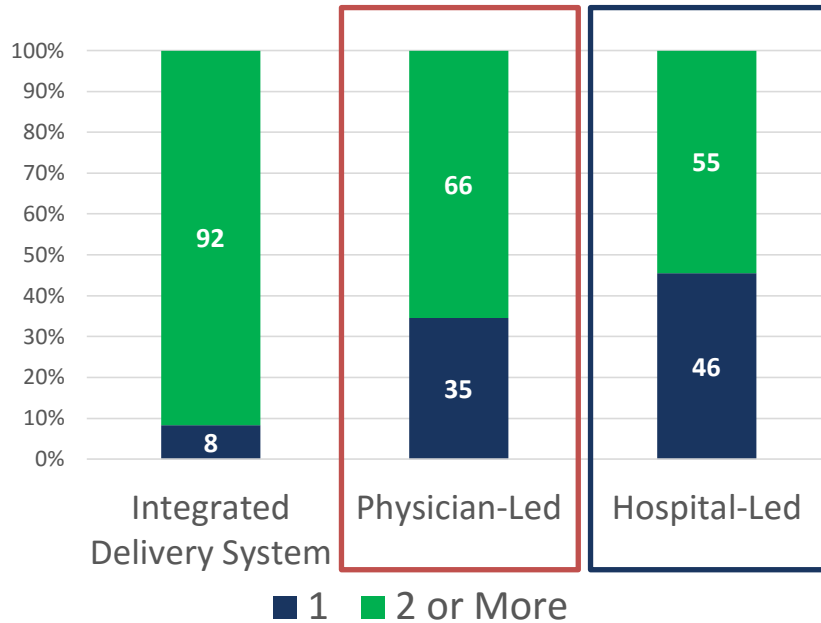
Existing ACOs by State



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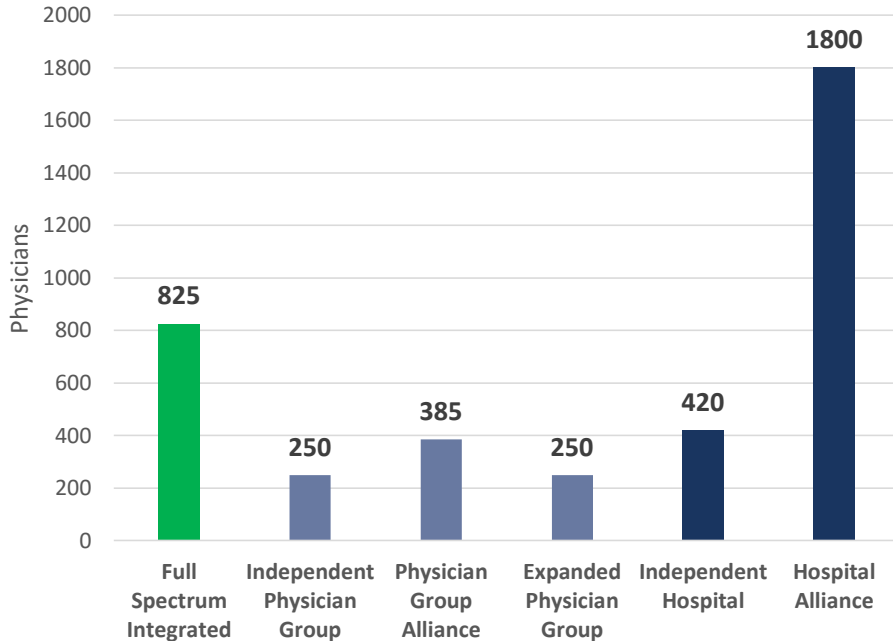
NUMBER OF CONTRACTS

Hospitals and physicians have same average number of contracts

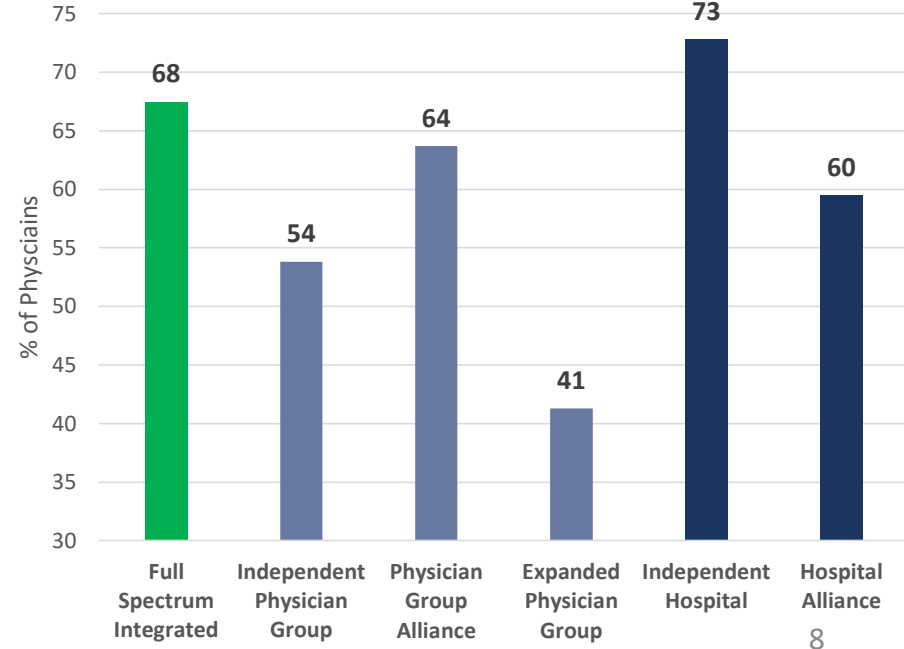


WORKING WITH PHYSICIANS

Median Number of Physicians

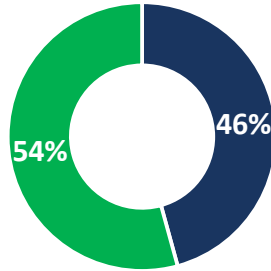


Mean Percent of Physicians Employed

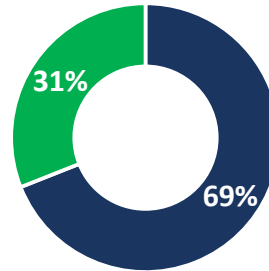


PREVENTABLE INPATIENT ADMISSIONS PROGRAM

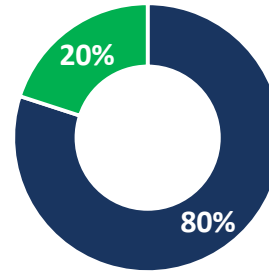
Independent
Physician Group



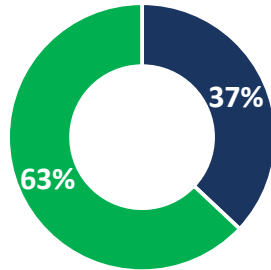
Physician Group
Alliance



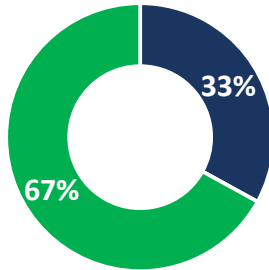
Expanded
Physician Group



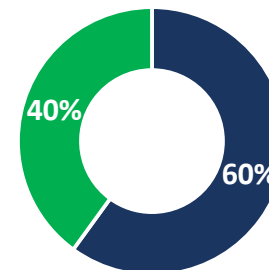
Independent Hospital



Hospital Alliance



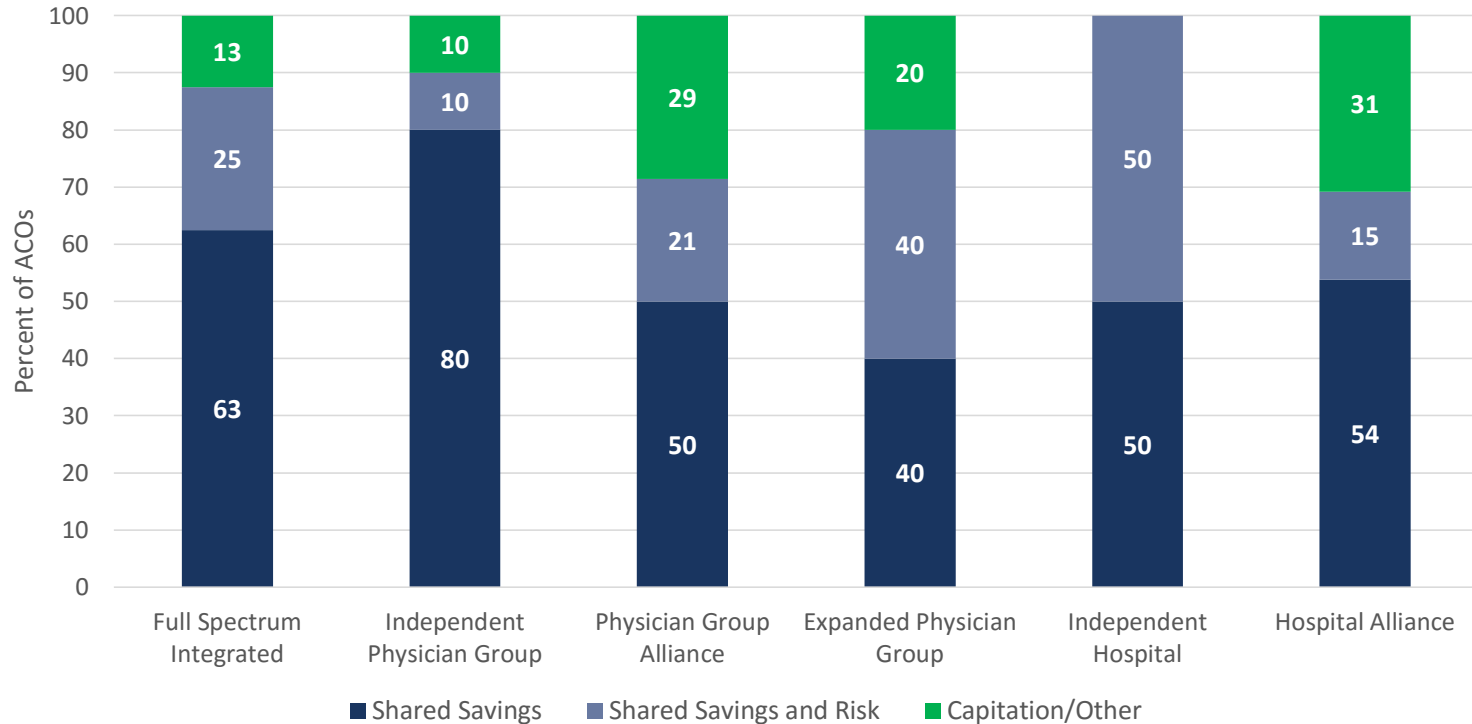
Full Spectrum






■ Implemented ■ Not Implemented

MOST LIKELY NEXT CONTRACT

Reluctance to move toward downside risk



EACH ACO IS NOT LIKE THE OTHER

	Montefiore	Rio Grande Valley	Memorial Hermann
Type:	 FULL SPECTRUM INTEGRATED	 PHYSICIAN GROUP ALLIANCE	 FULL SPECTRUM INTEGRATED
Market:	Bronx, NY	Donna, TX	Houston, TX
Participants:	Employed Physicians: 1,800 Non-employed Providers: 2,000 Hospitals: 4	19 Physicians & 15 Mid-Levels	Employed Physicians: 170 Affiliated Physicians: 4,800 Hospitals: 13
Covered Lives:	>200,000 patients	~6,000 patients	>100,000 patients
Programs:	Pioneer, Medicaid HMO, Commercial (UH, National Benefit Fund, EmblemHealth)	MSSP Round 1	MSSP Round 2, Commercial (Aetna, BCBSTX), Self-funded health plan
Medicare Bonus Payments:	Average savings \$11.8M/year	Average savings \$9.7M/year	Average savings \$25.5M/year

MONTEFIORE ACO



○ Structure/Leadership & Governance

- Close alignment between employed and community providers

○ Care Management Strategies

- Target high-risk patients using patient assessments, prioritize substance abuse, mental health and financial distress
- Experience with identifying patients' total universe of needs – medical, mental, social

○ HIT

- Comprehensive data structure with shared accessibility
- Pioneered own IT solutions to meeting complicated care coordination requirements
- System-wide EMR, Clinical Looking Glass software to measure quality & identify gaps, Bronx Regional Health Information Organization (RHIO) registry

RIO GRANDE VALLEY ACO



● Structure/Leadership & Governance

- Smaller leadership structure allows nimble & quick decisions/actions
- Rapid learning cycle, fast implementation

● Care Management Strategies

- LPNs execute high-touch chronic care management
- Help patients immediately post-discharge
- Care coordination system that provides similar services as home health companies at much lower price

● HIT

- 12 different EMR platforms lead to development of homegrown HIE & data warehouse solutions
- Technology has been biggest challenge as they are outgrowing their solution

MEMORIAL HERMANN ACO



- Structure/Leadership & Governance
 - Clinically integrated hospital and physician network
 - Strong foundation of PCPs who understand the concepts of cost and quality
 - Active, collaborative physician committees

- Care Management Strategies
 - Care coordinators focused on high-risk patients, 24/7 physician phone service
 - Meeting patient demand for convenient care – 5 retail care clinics

- HIT
 - HIE to connect primary, inpatient & outpatient centers
 - Crimson Care Registry, a population management tool
 - Capabilities to track total cost of care

KEY TAKEAWAYS

- Providers are meaningfully different
 - Recognize your needs, capabilities and opportunities
 - Know your population
- Don't reinvent the wheel
 - Constant, voracious learning
 - Learn from others, like you, that have made progress
- There is no single approach to managing a population
 - Start where you are
 - Specific payment models don't work for all providers





A health care intelligence business

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