DEFINING HIGH-VALUE PROVIDERS FOR ACO PARTNERSHIPS

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33

PRESENTATION OVERVIEW

▶ Partnering for accountable care
▶ Decision-making framework
▶ Providers for ACO partnerships
▶ High-value provider criteria

GRANT-FUNDED RESEARCH

18-month research project funded by the Robert Wood Johnson Foundation

Title: Defining High-Value Providers for ACO Partnerships

Grant ID: 72549

QUESTIONS WE'LL BE ADDRESSING

- **Why** do ACOs need partnerships?
- **How** should ACOs approach partnering?
- **Who** are ACOs partnering with?
- **What** characteristics should ACOs look for in their partners?
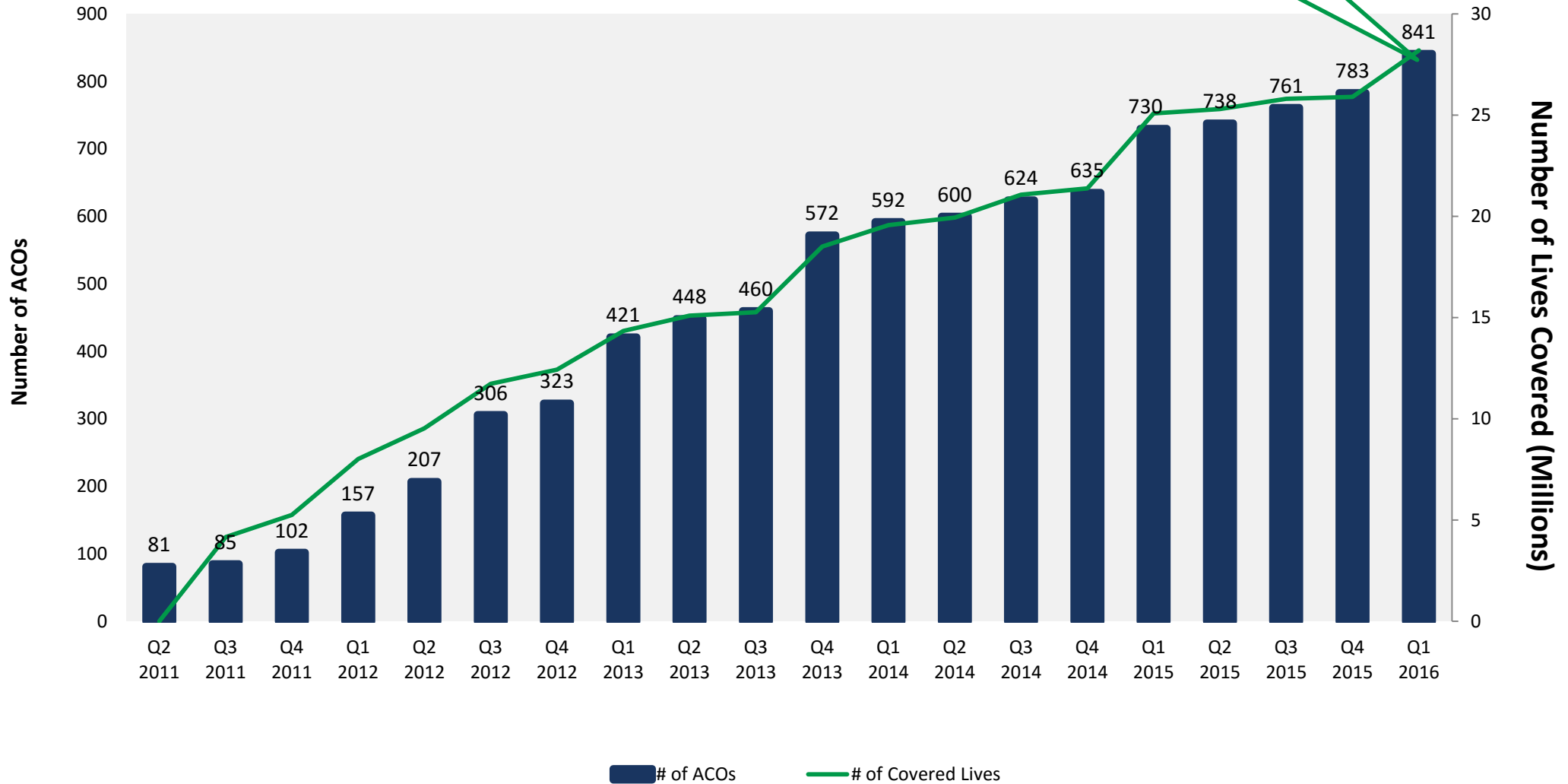
WHY DO ACOS NEED PARTNERSHIPS?

MORE THAN EVER, PROVIDERS ARE PARTNERING

Why do ACOs need partnerships?

⚙ Manage services across the continuum of care
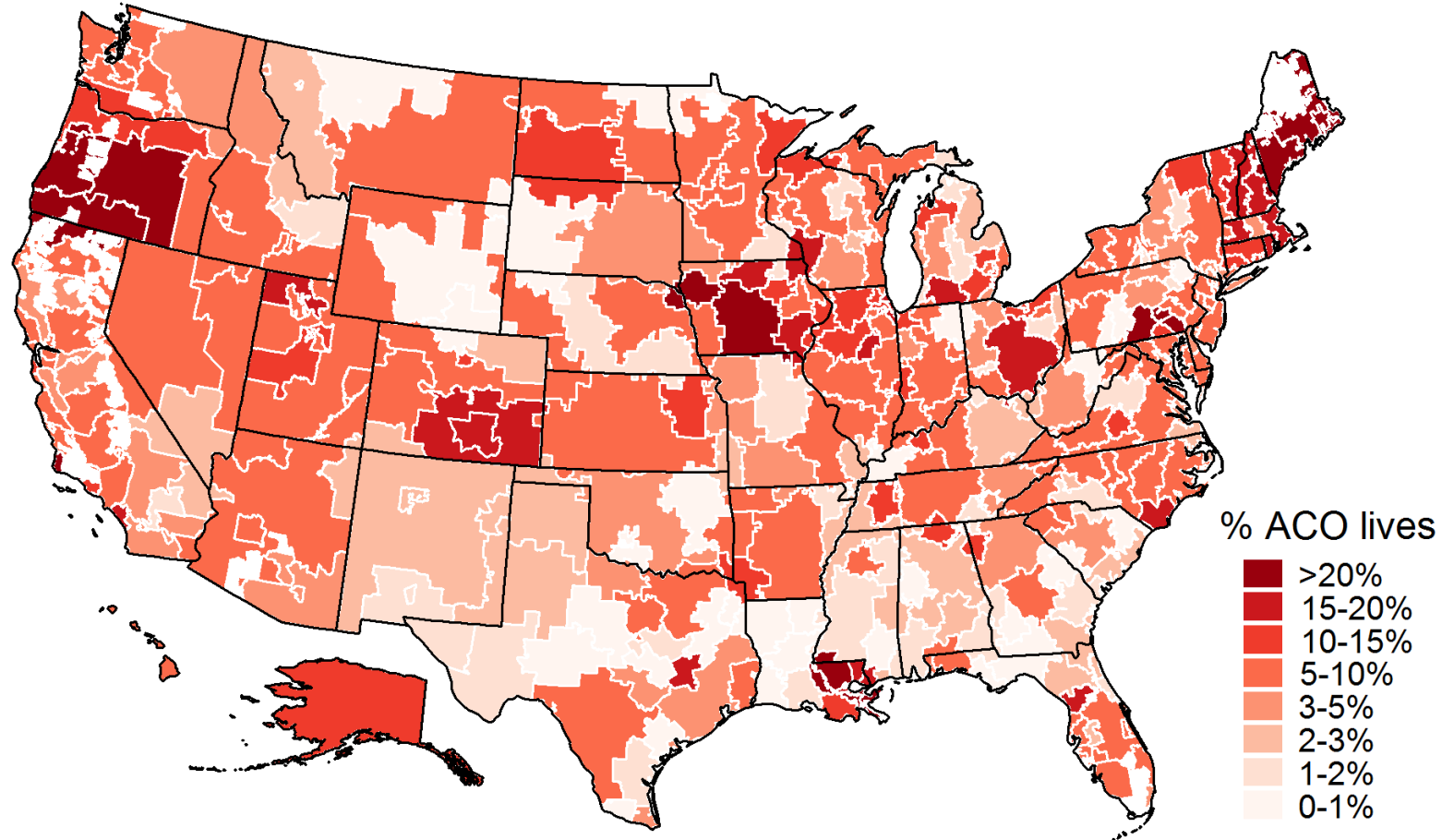
⚙ Share risk

⚙ Build infrastructure

⚙ Aggregate lives

ACO GROWTH

Overall Trajectory

28.2 Million Lives

Source: *Leavitt Partners Center for Accountable Care Intelligence*

ACO PENETRATION OF LIVES OVER TIME

Estimated ACO Penetration by Hospital Referral Region
2015

% ACO lives

- >20%
- 15-20%
- 10-15%
- 5-10%
- 3-5%
- 2-3%
- 1-2%
- 0-1%

Source: *Leavitt Partners Center for Accountable Care Intelligence*

GROWING NEED, BUT LITTLE DIRECTION

Project Objectives

Establish criteria for evaluating high-value providers that will help to:

1. Identify high-value provider partners for ACO arrangements

2. Transform existing provider partners to yield higher value

3. Inform providers on what is required to be considered high value as they work to become sought after partners themselves

HOW SHOULD ACOS APPROACH PARTNERING?

**Framework**

DEFINING THE TERMS: WHAT IS HIGH VALUE?

Value in health care: Health outcomes achieved per dollar spent

High-value provider: A provider (organization or individual) who delivers care in a way that yield high quality outcomes at the lowest possible price/cost

High-value system (ACO): A system that facilitates the development of high-value providers, and encourages them to interact in ways that increase overall value for its patients, its community, and society.

DECISION-MAKING FRAMEWORK

1. An assessment of the needs of the population for which the ACO is taking responsibility

2. A self-assessment of what the ACO itself can do to fulfill the population needs based on its current competencies

3. An assessment of the remaining gaps in care and the potential partners available in the market who could fill those gaps.
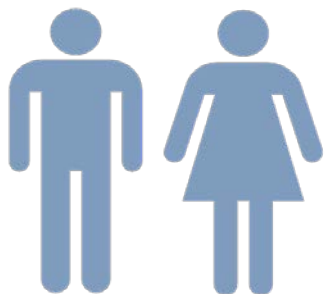
**Population
Needs**

**Existing
Capabilities**

**Potential
Partners**

UNDERSTANDING YOUR POPULATION: WHY IS IT IMPORTANT?

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The needs of the population will define your partnership strategies as it relates to:

- Access
- Health IT
- Care management infrastructure
- Additional staff
- Community resources

> **What does understanding your population allow you to do?**
>
> **Customization** – Build strategic competencies to fulfill specific, predetermined needs.

WAYS TO THINK ABOUT YOUR ACO POPULATION

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Population defined by **contracted payer**

- Medicare
- Medicare Advantage
- Medicaid

- Commercial
- Direct-contracting with Employer

Population defined by **demographics**

- Age
- Race
- Sex

- Economic Status
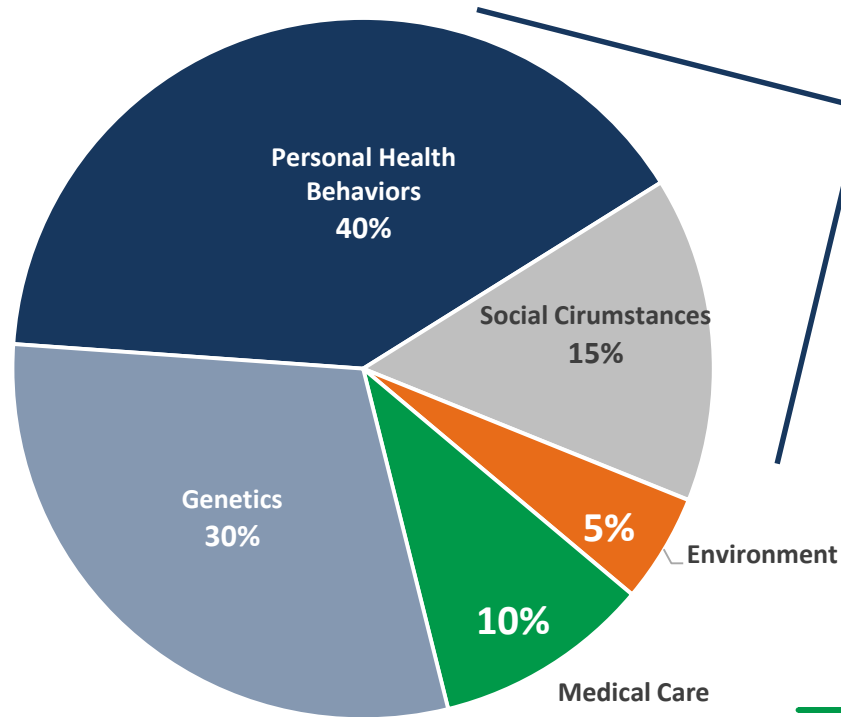- Social Needs

Population defined by **clinical needs**

- Diagnosis
- Disease State
- Utilization

WHO ARE ACOS PARTNERING WITH?

Provider Categories

WHICH PROVIDERS WILL HAVE AN IMPACT?

Contribution to Total Health

Pie chart:
- Personal Health Behaviors 40%
- Genetics 30%
- Social Cirumstances 15%
- 10% Medical Care
- 5% Environment

Care Categories	Setting/Organization Example	Provider Examples
1. Preventive Care	• Social service agencies • Community-based organizations • Faith-based organizations • Schools	• Social worker • Volunteer • Church leadership • School nurse
2. Mental/ Behavioral Health	• Psychiatric hospital • Treatment & addiction center • Outpatient clinic	• Social worker • Psychologist • Psychiatrist • Pharmacist
3. Primary Care	• Retail clinic • Ambulatory clinic • Outpatient clinic • Patient residence (home care)	• Diagnostician • Family/Internal Physician • Mid-level practitioner • Pharmacist • Chronic-disease specialist
4. Acute Care	• Hospital (secondary & tertiary) • Urgent care clinic • Free-standing emergency room • Ambulatory surgical center	• Diagnostician • Specialist • Mid-level practitioner • Pharmacist
5. Post-acute Care	• Skilled nursing facility • Patient residence (home care) • Long-term acute care facility	• Mid-level practioner • Physical therapist • Pharmacist

J.M. McGinnis et al., "The Case for More Active Policy Attention to Health Promotion" Health Affairs

WHAT CHARACTERISTICS SHOULD ACOS LOOK FOR IN THEIR PARTNERS?
High-Value Provider Criteria

NO MATTER THE TYPE, ALL PROVIDERS SHOULD HAVE THE CHARACTERISTICS OF HIGH VALUE

▶ High Value Culture

▶ Patient-Centeredness

▶ System & Public Accountability

▶ Team -Based Care

▶ HIT Systems

▶ Performance Improvement Systems

▶ Financial Readiness

HIGH VALUE CULTURE

All levels of the organization demonstrate an internally motivated commitment to excellent patient outcomes (quality) that are achieved at the lowest possible cost.

Example criteria for all provider types:

- Do they understand the changing environment and their role in health reform?
- Do they demonstrate a willingness, even eagerness, to participate and engage?
- Do they have specific processes and dedicated resources to promote appropriate utilization?
- Do they utilize staff to their highest potential?
- Are they willing to report and improve on broader metrics, even ones they don't like?
- Are they willing to collaborate with others they haven't traditionally worked with?

PATIENT-CENTEREDNESS

The organization's clinical and business processes reflect a deep commitment to creating a health care system designed around the patient.

Example criteria for assessing the patient-centeredness of Pharmacy providers:

- Can they create efficiencies without sacrificing care quality and patient experience?
  - *E.g., Med sync, automated dispensing, staffing model*

- Do they look for ways to maximize value for the patient and the ACO?
  - *E.g., Patient reminders, disease management, motivational interviewing, MTM, nutrition counseling*

SYSTEM & PUBLIC ACCOUNTABILITY

The organization can account to internal and external stakeholders the cost and quality of care, and is transparent in its approach for quality improvement.

Example criteria for assessing the system and public accountability of Specialty providers:

- Do they have peer review programs in place?
  - *E.g., clinical standardization initiatives, variation review committee*

- Do they make clinical or cost data available to the public?
  - *E.g., Treatment Tracker, Hospital Compare, internally generated data*

TEAM-BASED CARE

All employees can work collaboratively within multi-disciplinary care teams and with those outside of the system to provide comprehensive, integrated and coordinated care.

Example criteria for assessing the team-based care abilities of Hospital providers:

- Can they facilitate safe and effective transfers from the in-patient setting?
  - *E.g., Care transition protocols, joint committee or task force with PAC providers to periodically review processes and results*

- Are they able to connect patients with community resources?
  - *E.g., ED diversion program*

HIT SYSTEMS

> *The organization has information systems that capture the care experience on digital platforms for real-time generation and that deploy defined processes of care along the care continuum for quality improvement.*

Example criteria for assessing the HIT systems of Mental/Behavioral Health providers:

- Do they have patient stratification tools to help target various patient types?
  - *E.g., disease registry, frequent flyer or multiple co-morbidity list*

- Are they able to connect with an ACO's EHR for shared record access and coordination?
  - *E.g., EHR with APIs, regional HIE access*

PERFORMANCE IMPROVEMENT SYSTEMS

The organization is capable of refining complex care operations through ongoing team training and skill building; systems analysis and information development; and creation of feedback loops for continuous learning and system improvement.

Example criteria for assessing performance improvement in Post-Acute Care providers:

- Do they demonstrate enthusiasm for ongoing improvements by way of innovative improvement initiatives? Any results?
  - *E.g., Transition of care teams who look at readmissions, specific clinical protocols, quality checklists*

- Can they commit to joint performance improvement activities with other ACO providers?
  - *E.g.,* Participate in clinical collaboration committees, align on discharge goals

FINANCIAL READINESS

The organization has demonstrated experience in, is currently under, or is ready to engage in value-based contracting.

Example criteria for assessing the financial readiness of Primary Care providers:

- Do they have past experience with risk-based contracting? For a similar population?
  - *E.g., Medicare Advantage, HMOs*

- Have they made investments that demonstrate their commitment to the model?
  - *E.g., Technologies, staff, PCMH journey (certification not necessary)*

KEY TAKEAWAYS

* Population needs should inform partnership strategies

* The types of providers considered to be necessary for ACOs are expanding

* Characteristics of high value are manifested differently based on provider type