Elements of Successful Population Health Management Programs

Laura Ramos Hegwer

A CFO CAN SUPPORT AN ORGANIZATION'S POPULATION HEALTH MANAGEMENT EFFORTS BY CREATING A CULTURE OF ACCOUNTABILITY AND INVESTING IN TOOLS PHYSICIANS CAN USE TO IMPROVE CLINICAL AND FINANCIAL PERFORMANCE.

For health systems, the success of a population health management program hinges in large part on what happens day to day in physician practices. Executives from Continuum Health Alliance, LLC, Marlton, N.J., a company that provides population health management services, share the following strategies for engaging physicians in these efforts.

Set appropriate goals. "Too often, C-suite executives view population health programs primarily as opportunities to strengthen their affiliations with physicians rather than as strategies to transform care," says Christopher T. Olivia, MD, president. Providers need to set data-driven goals based on the Triple Aim of improving the health of populations, enhancing the patient experience, and lowering costs.

Most population health management programs are designed to help providers focus on clinically high-risk patients with complicated disease states. Rather than using rigid treatment protocols to manage such patients, Olivia says, "The best approach is to apply evidence-based guidelines at the point of care and let providers hold themselves accountable for that care."

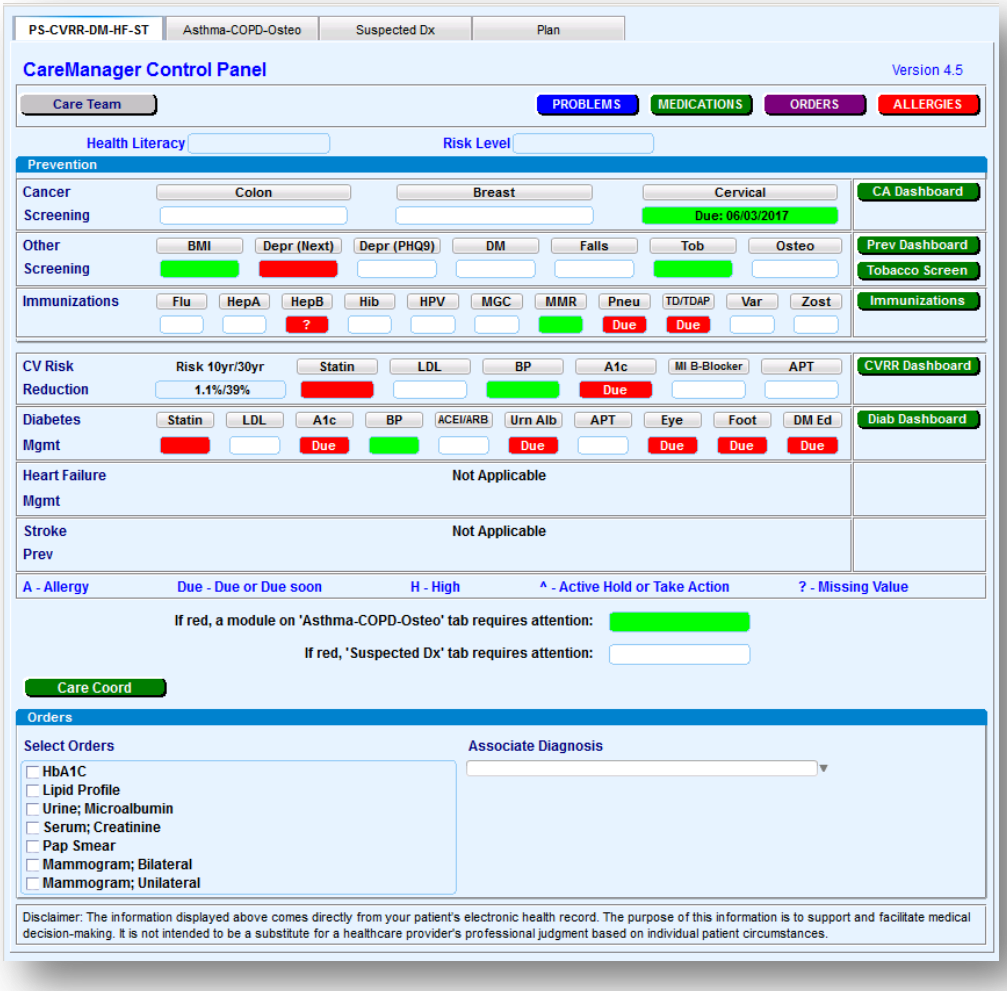
Design meaningful physician incentives. "Financing these population health management activities at the practice level is the single most important factor driving the success of population health management programs," says Michael Renzi, DO, chief medical officer. Physicians often find it much more difficult to understand the potential payouts of shared savings programs than to recognize the benefit of monthly care-management fees to the practice. Renzi suggests that CFOs help structure population health management programs so practices receive an up-front, per-member-per-month fee in addition to shared savings. Practices that follow a patient-centered medical home model should receive an additional monthly payment, he says.

"Because the payment model will not be based on RVUs [relative value units], CFOs must ensure that their providers understand the importance of value over volume," Renzi says. In addition, any provider participating in the population health management program should benefit financially from quality improvements or cost reductions. "Having 'skin in the game' helps drive the sort of transformation required to be successful in these programs," he adds.

Shift care from the inpatient to the outpatient setting. In population health management programs, more care should be delivered in ambulatory settings and less care should be delivered in the hospital. Yet this mind-set can be difficult for CFOs to adopt, Renzi says.

Physicians need to change their attitudes as well. Traditionally, outpatient care has revolved around episodic, symptom-based protocols. Yet under population health programs, providers need to be willing to do more. “Physicians can no longer be focused solely on what the patient’s chief complaint is,” Renzi says. “They need to be focused on all of the patient’s existing problems at the point of care.” This requirement drove leaders at Continuum to create a dashboard of quality indicators to help physicians manage their patients (see the exhibit below)

Point-of-Care Physician Dashboard



Courtesy of Continuum Health Alliance, LLC and Enli Health

Allow medical assistants to work at the top of their credentials. Before physicians see patients, for example, medical assistants can conduct a medication reconciliation to update the patients' current list of drugs, regardless of the reason for the visit. Medical assistants also can assist physicians by conducting a depression screening or immunization inventory each year. Renzi refers to these types of activities as "checking value-based vital signs."

Retrain existing office staff to serve as care directors. Hiring nurse care coordinators to manage patients is expensive and drives up the total cost of care, Olivia says. Continuum leaders recommend retraining nonclinical office staff to act as care directors. "The best care directors possess good communication and computer skills," he says. These individuals can help coordinate pre-visit testing for patients and schedule other needed services.

Normalize data to make them usable. The problem with claims data is that they may be five months old before practices can use them, Renzi says. "The patient who was a high spender in March may not be a high spender in August," he adds.

Pharmacy and claims data can be combined with clinical data from the EHR, helping to provide more meaningful information to physicians regarding opportunities to improve quality and manage costs, says Bryan Wellens, senior director, clinical informatics. An electronic master patient index can be used to normalize disparate data sources, giving each patient a unique identifier. Claims, pharmacy, EHR, and lab data then can be consolidated to tell a more complete story of the patient's clinical history. "The art is in understanding which data elements are inherent 'noise' as opposed to elements that provide actionable information," Wellens says.

Make sure physicians know who their attributed patients are. Providers should be aware of both their attributed patients and the other providers caring for these patients, Wellens says. "It's essential for providers to understand each of their attributed patients and take an active lead in holistic case management," he says.

Consider building a clinically integrated network (CIN). Renzi says hospital CFOs should invest in creating CINs if they have not done so already. "If a hospital is part of a CIN, it has the best chance of lowering overall costs because there are built-in primary, specialty, ancillary, and acute care services available to patients with comorbidities, which are the most significant contributors to the cost of care," he says.

Share your successes. Advocare, one of the largest physician practices in New Jersey, and Continuum are working with a large commercial payer to manage 20,000 of the plan's commercial and Medicare Advantage members. By following the previously mentioned strategies, Advocare has lowered the cost of care at its 23 physician practices by 17 percent during the past four years. The organization has increased ambulatory volume by 8 percent and reduced inpatient admissions by 18.8 percent. In addition, it has reduced 30-day hospital readmissions to 12 percent, down from 18 to 20 percent. Provider revenue has increased 5 to 10 percent through value-based rewards.

"Once physicians begin to see results, they become fully engaged," Renzi says.

Laura Ramos Hegwer is a freelance writer and editor based in Lake Bluff, Ill

This article is based in part on a presentation at the Congress of the American College of Healthcare Executives, March 2015, Chicago.

Interviewed for this article:

Christopher T. Olivia, MD, president, Continuum Health Alliance, Marlton, N.J.

Michael Renzi, DO, chief medical officer, Continuum Health Alliance, Marlton, N.J.

Bryan Wellens, senior director, clinical informatics, Continuum Health Alliance, Marlton, N.J.