Health Care Transformation:

Business Requirements for Information In Population Health

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Today's Overview

The *Business* of Population Health Management

1. *My history.*

2. *What is Population Health?*

3. *Who is* Propel Health*?*

4. *How will* Propel Health *accomplish its purpose?*

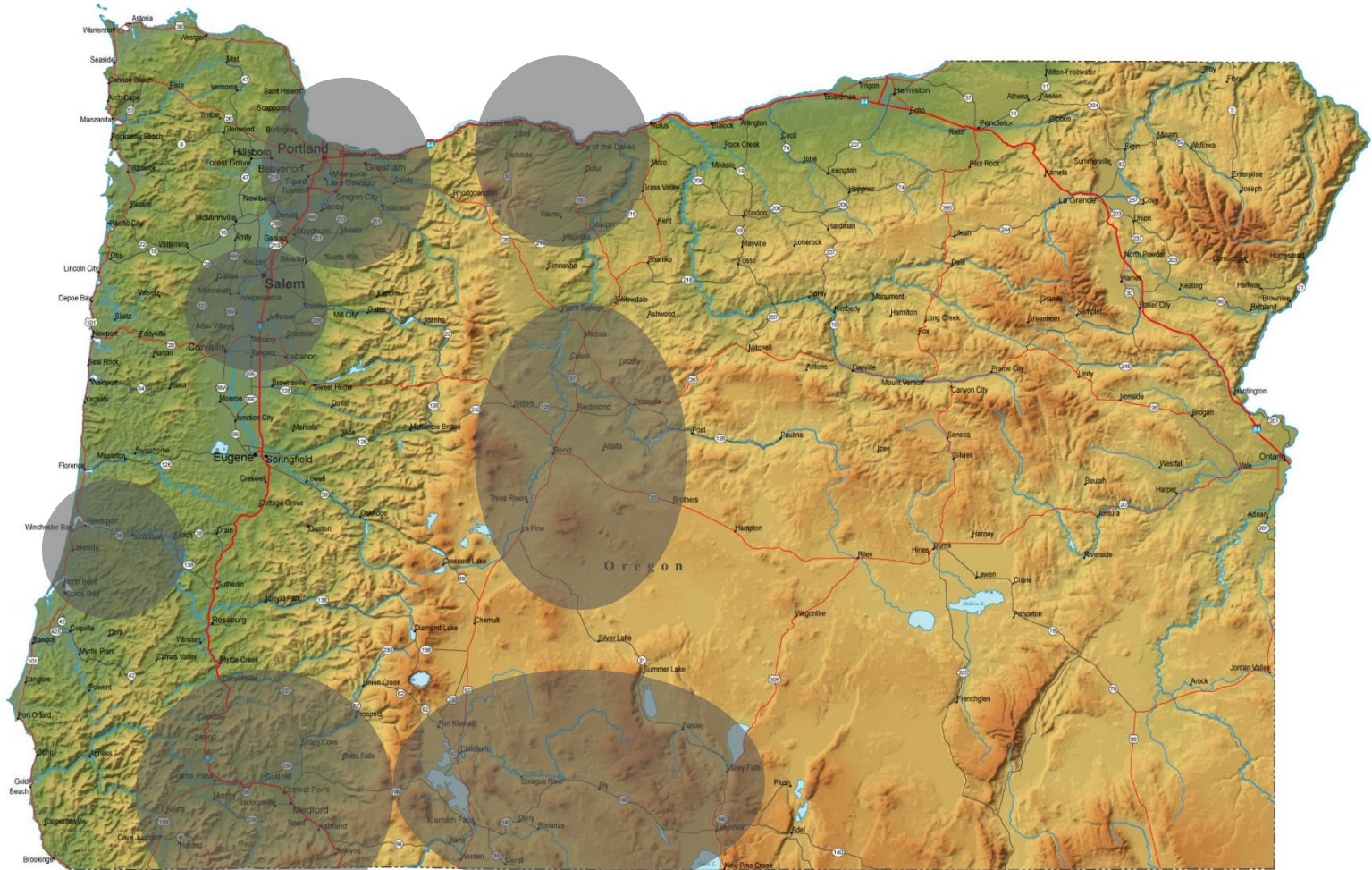   (The key role of information in transformation)

My History

- Family Medicine Physician

- President of St. Luke's Health Partners
  - Regional Clinically Integrated Network in Southwest Idaho
  - 1800 Providers
  - > 100,000 lives with almost $1 Billion total revenue

- Board Chair of BrightPath
  - Idaho statewide collaboration
  - Three general regions of Idaho positioned into an entity
  - Anticipating further market consolidation

- Recruited to Propel Health in mid-2015
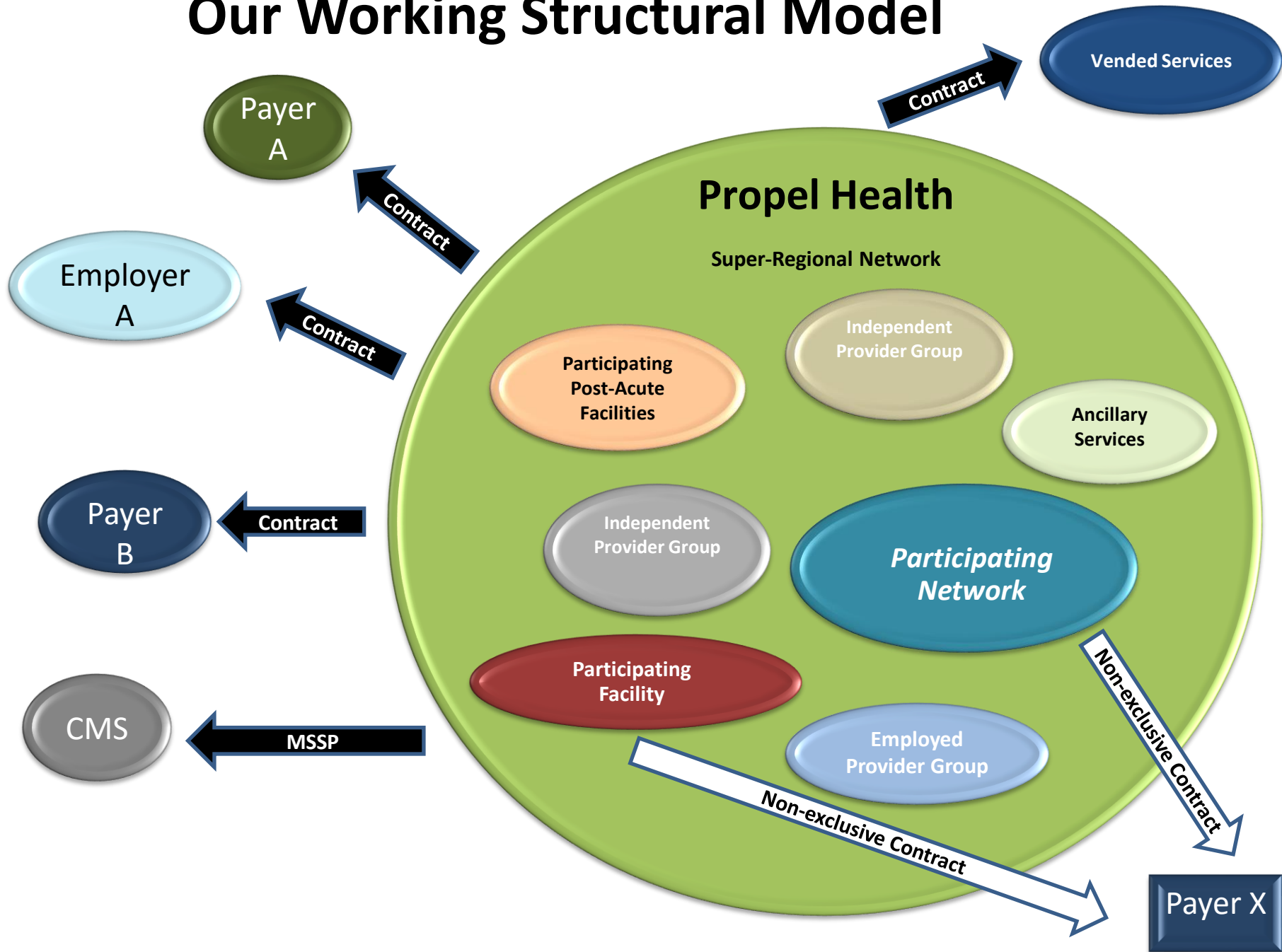
Who is Propel Health *currently*?

"Us *managing* Us"

Propel Health

Oregon Health & Science University (OHSU)

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Asante

MCMC | Mid-Columbia Medical Center

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St. Charles Health System

Sky Lakes Medical Center

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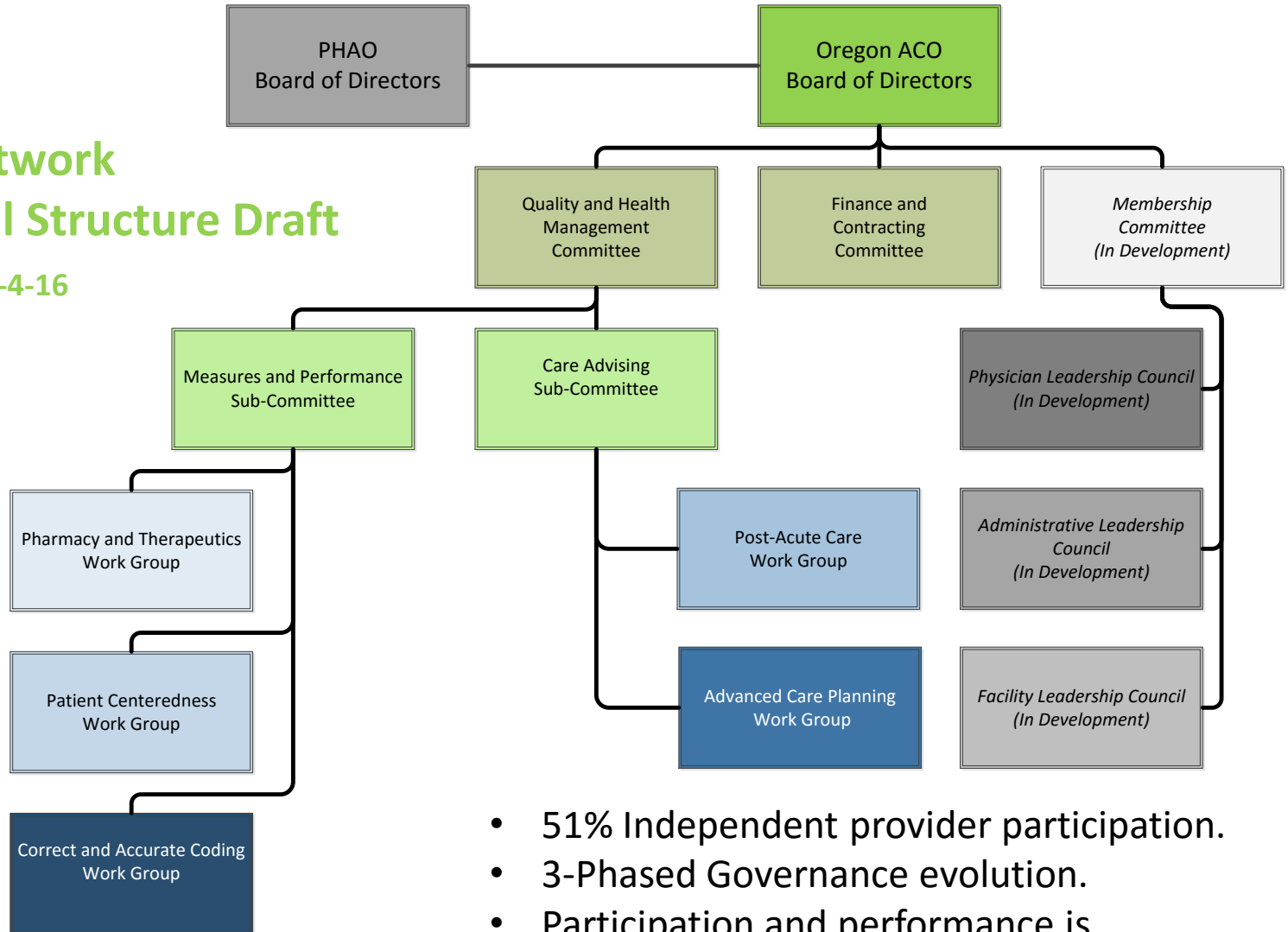Bay Area Hospital

Salem Health

moda

Our Working Structural Model

Governance and Structure

**Network
Organizational Structure Draft**

5-4-16

- 51% Independent provider participation.
- 3-Phased Governance evolution.
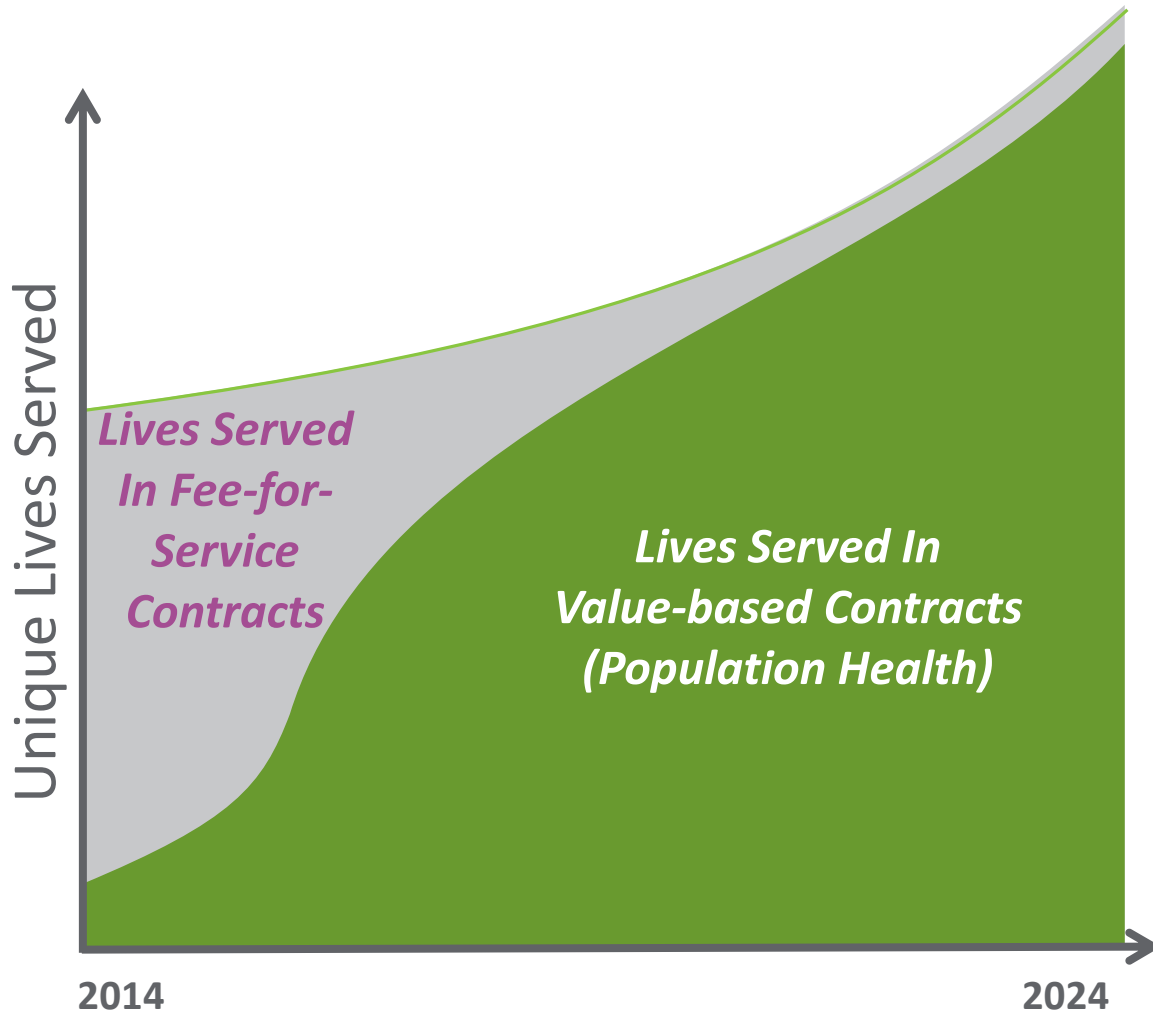- Participation and performance is separated from ownership.

Population Health Management (*to me*) is:

"The programs, services, tactics, and initiatives that a business entity uses to differentiate its clinical and financial accountability for the outcomes and cost of care for a defined population, only some of whom may currently be patients."

The Collision of Two Business Models

Unique Lives Served (y-axis)

Lives Served In Fee-for-Service Contracts

Lives Served In Value-based Contracts (Population Health)

2014 — 2024

Current Value-based populations:

1. Medicare 50% and rising
2. Medicaid 100%
3. Commercial ?% and rising

KEY QUESTIONS

1. Do we have information that helps us transition this payment model?
2. Do we understand our opportunities?
3. How do you provide the information and action to survive and sustain in a value-based model?

Why does a population health business need information?

Strategy: *Transform to a model of population health*

Objectives:

1. Create insights into opportunities
2. Form a sustainable business model
3. Change stakeholder behavior
4. Reduce irrational variance
5. Reward performance (value v. volume/alternative payment)
6. Provide consumer value

Tactics: *(Addressed as actionable information flows)*

Navigating the Vision

Network
Transformation
MACRA

Payment
Reform

Clinical
Integration

New Business
Partners

ACO
PPO
CCO

Health Care Disruption

Fee for
value

Insurer Relations

Accountable
Care

Consolidation

HMO
Commodity
MSSP

Affordable Care Act

Payer Relations

Change
Systems

Aspiration

- *Fee for Outcome*
- *Population Health*
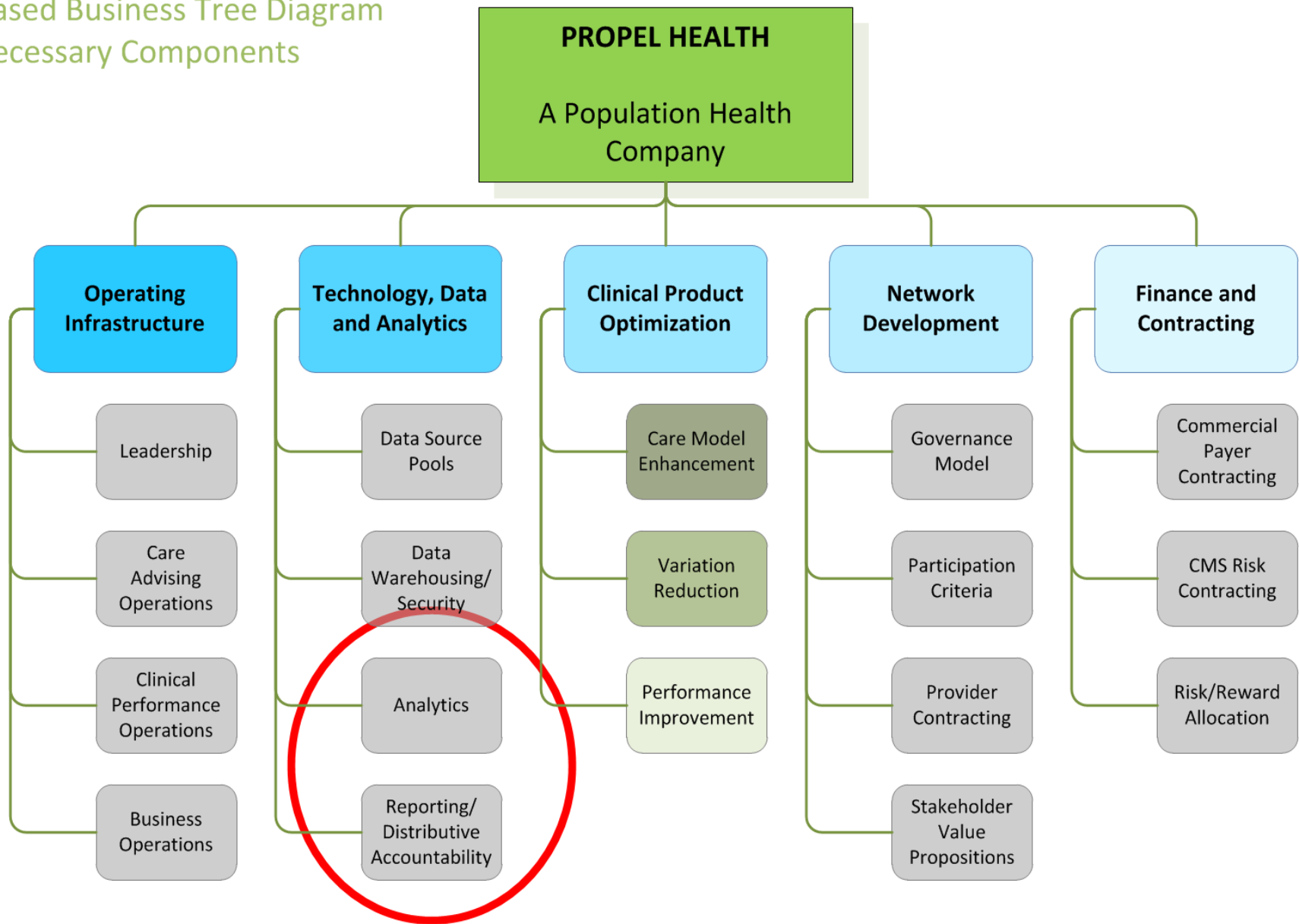- *Compete at Premium*

Reality

- *Fee for Service*
- *Volume*
- *Singular Success*
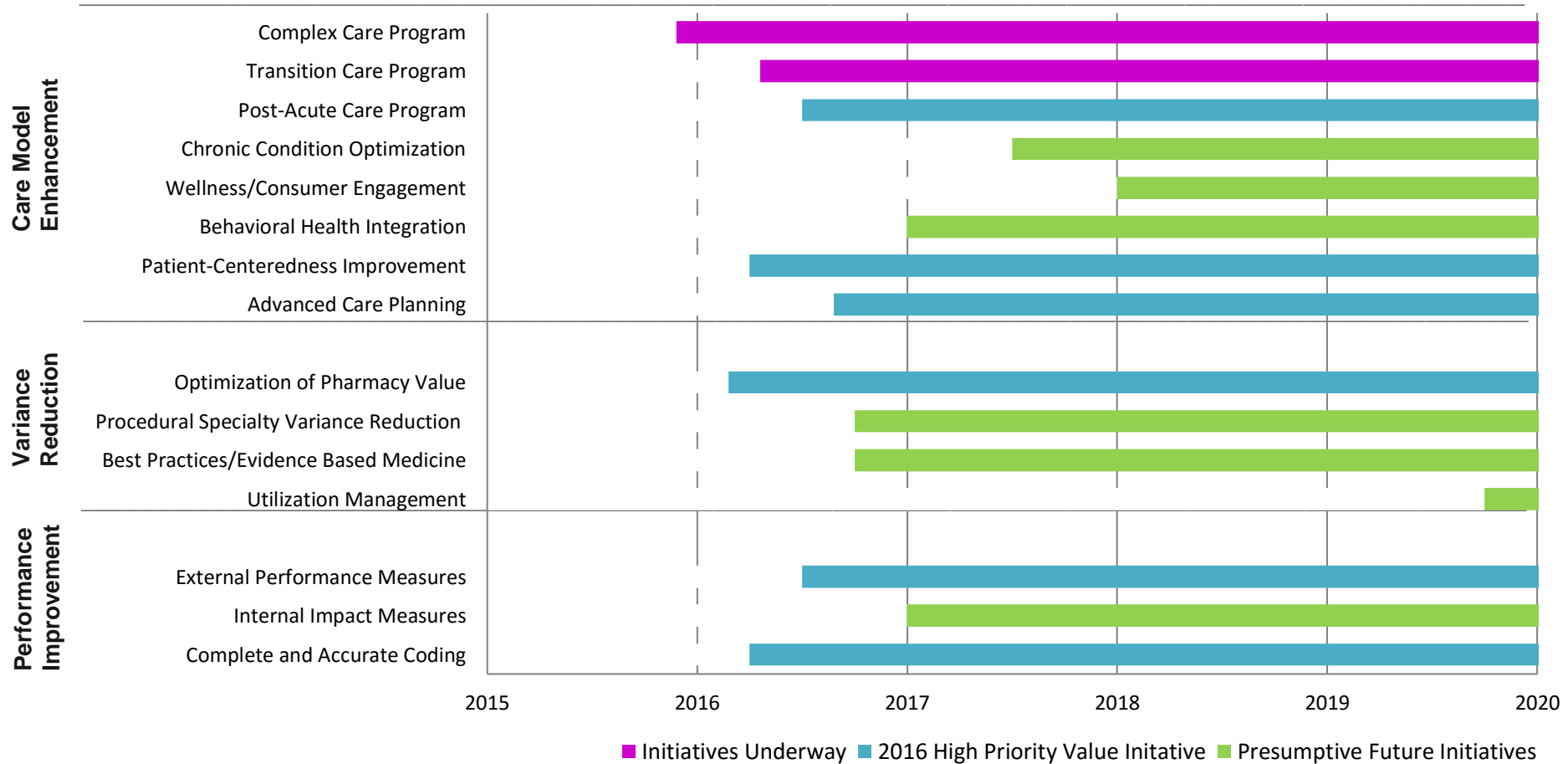- *Conventional Competition*

Value Based Business Tree Diagram
Necessary Components

PROPEL HEALTH

A Population Health Company

Operating Infrastructure	Technology, Data and Analytics	Clinical Product Optimization	Network Development	Finance and Contracting
Leadership	Data Source Pools	Care Model Enhancement	Governance Model	Commercial Payer Contracting
Care Advising Operations	Data Warehousing/ Security	Variation Reduction	Participation Criteria	CMS Risk Contracting
Clinical Performance Operations	Analytics	Performance Improvement	Provider Contracting	Risk/Reward Allocation
Business Operations	Reporting/ Distributive Accountability		Stakeholder Value Propositions	

Working Clinical Product Optimization Timeline

Care Model Enhancement
- Complex Care Program
- Transition Care Program
- Post-Acute Care Program
- Chronic Condition Optimization
- Wellness/Consumer Engagement
- Behavioral Health Integration
- Patient-Centeredness Improvement
- Advanced Care Planning

Variance Reduction
- Optimization of Pharmacy Value
- Procedural Specialty Variance Reduction
- Best Practices/Evidence Based Medicine
- Utilization Management

Performance Improvement
- External Performance Measures
- Internal Impact Measures
- Complete and Accurate Coding

2015 2016 2017 2018 2019 2020

■ Initiatives Underway ■ 2016 High Priority Value Initative ■ Presumptive Future Initiatives

Actionable Information
(*How to manage performance*)

We aren't quite

where we need to be...

The "Good/Bad Guy" Model
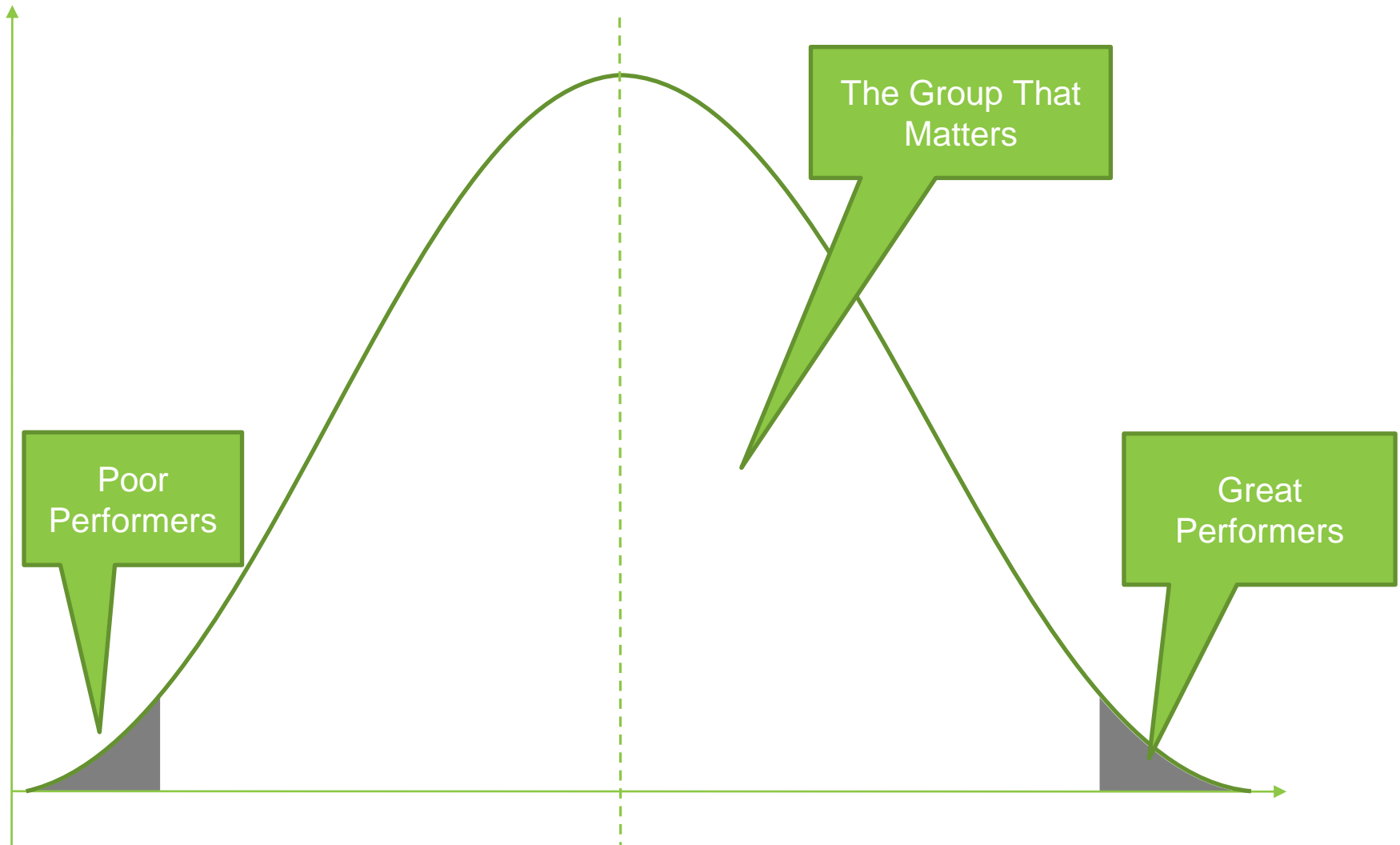
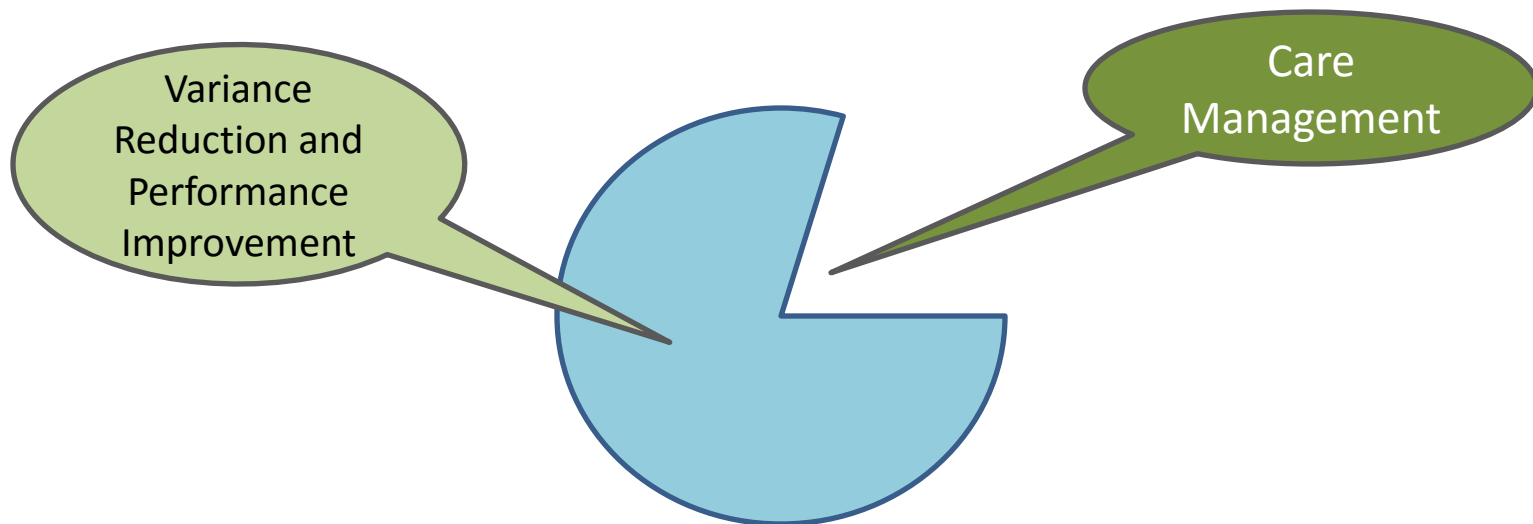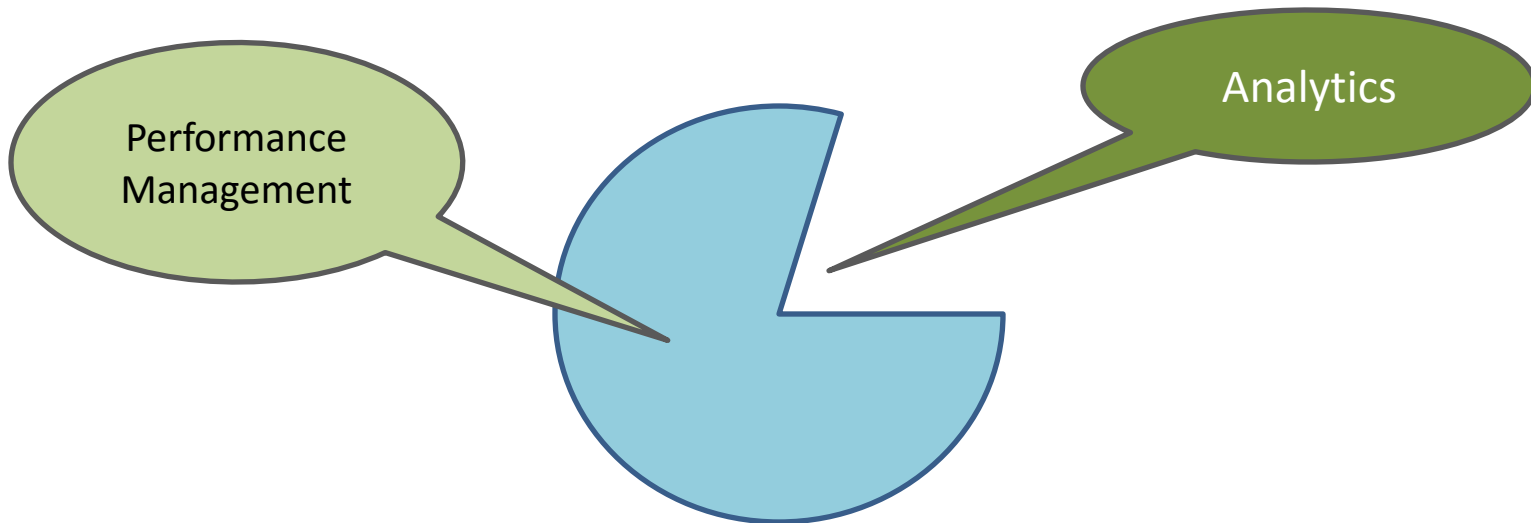# Harnessing the Power of Clinicians

The *Real Impact* Narrowing the curve and moving the mean
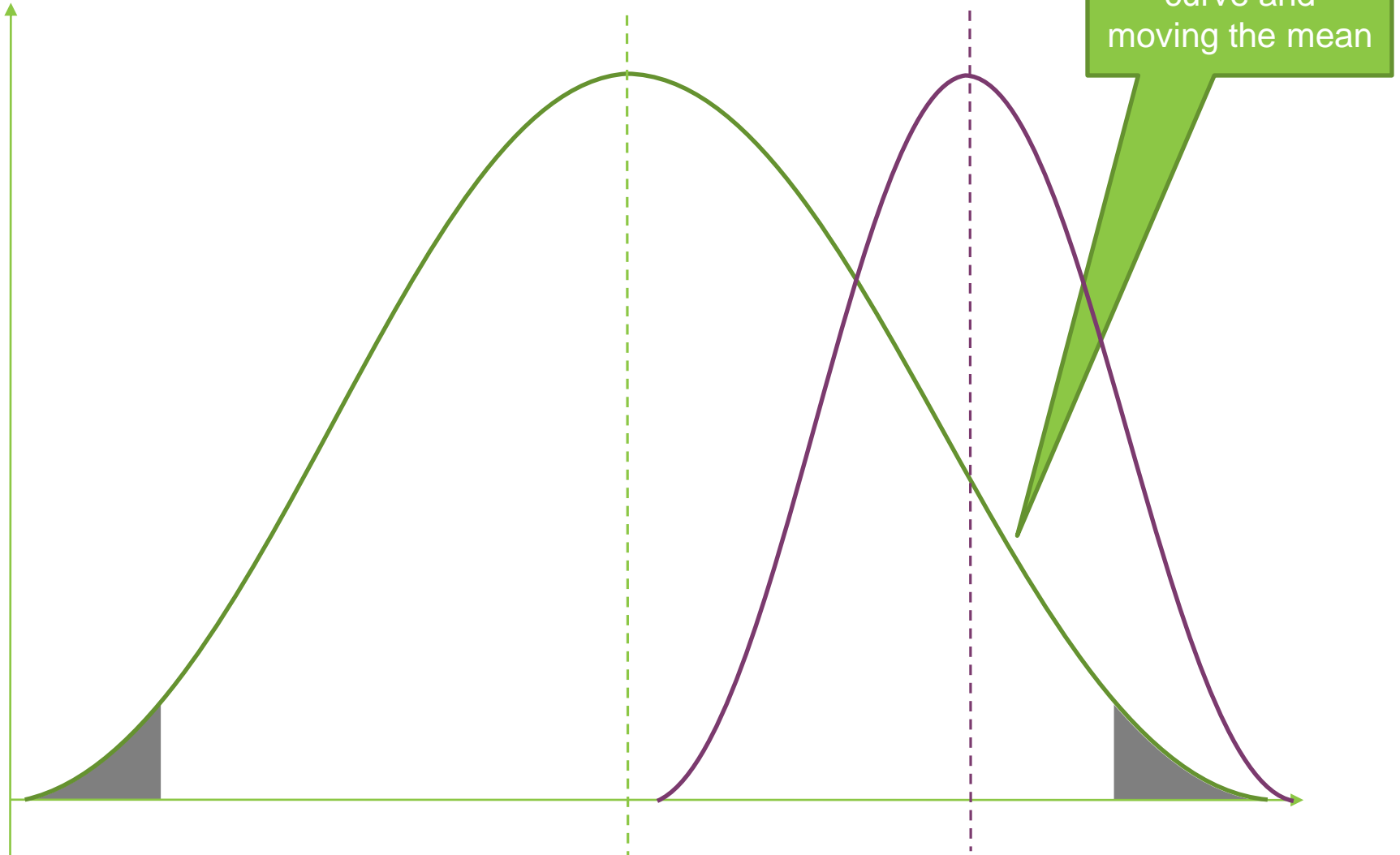
Population Health
is more than
Care Management

Variance Reduction and Performance Improvement

Care Management

Managing Performance is more than Analytics

Information Audiences/Customers

1. <u>Network Business Entity</u>
   a. Leadership
   b. Governance structures
   c. Operations/Work groups
2. <u>Providers</u>
   a. Employed
   b. Independent
   c. Ancillary
3. <u>Facilities</u>
   a. Acute care hospitals
   b. Post acute services
   c. Ambulatory services
4. <u>Payers</u>
   a. Employers
   b. Insurers
   c. Individuals
5. <u>Consumers</u>
   a. Patients
   b. People

Who needs to see what?

What do they need to see?

When do they need to see what?

Where do they need to see it?

How do they need to see it?

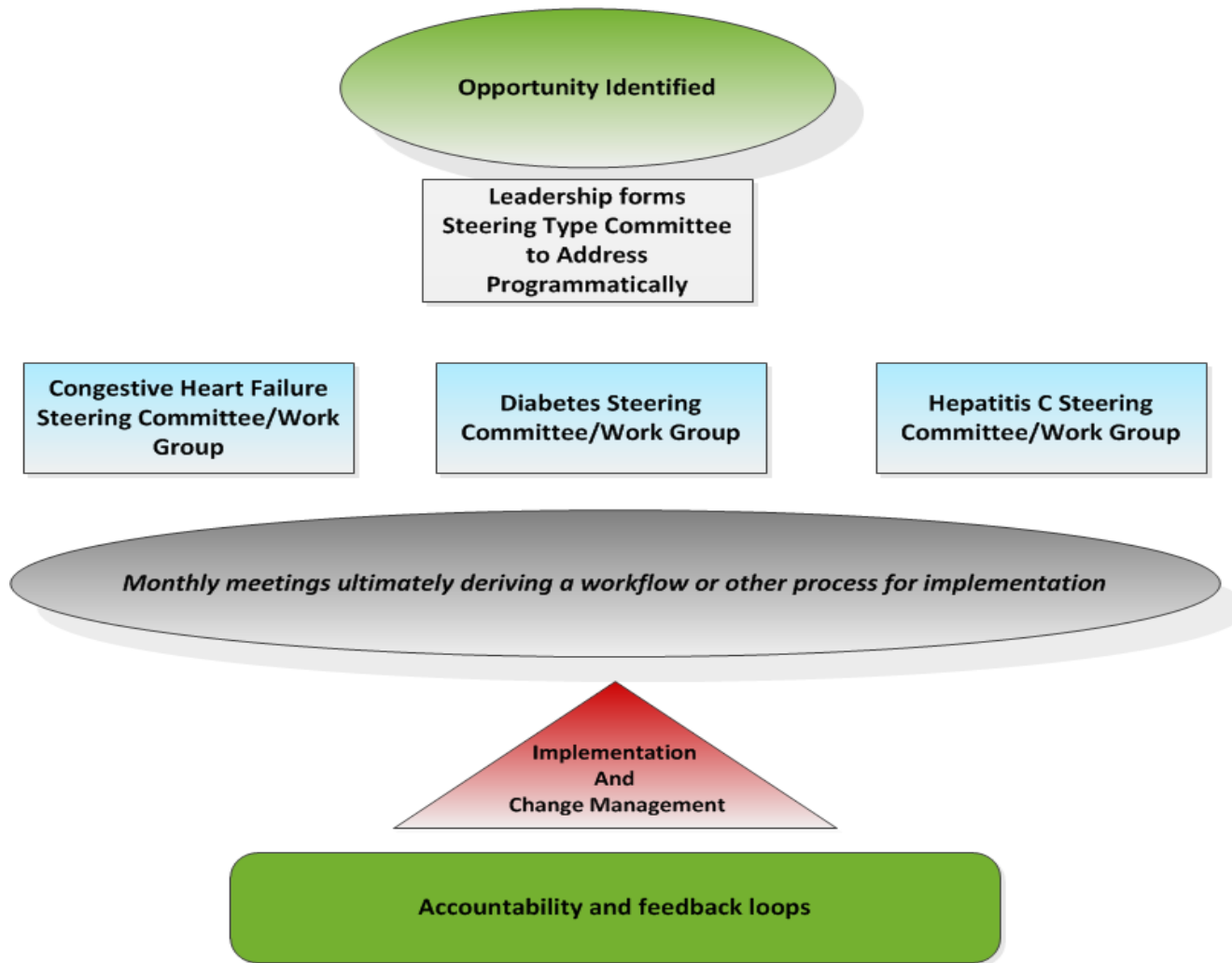*How* do they align their incentives?

WHAT IS OUR TIMELINE TO VALUE?

Our future…

1. We must have an information system that:

   a) Accesses all of our EMR data, claims data, health risk assessments and other types of consumer data.

   b) Is nimble, cost-effective and gives us the relevant information necessary to perform and intervene in impactful ways and supports acuity-adjusted alternative payment models.

   c) Targets the financial and clinical opportunities to remove waste.

   d) Shows relevant individual and small group performance to self-generated and impactful metrics in a relevant and meaningful context.

   e) Shows information that comprehensively impacts the entire spectrum of health/wellness, ambulatory, acute, and post-acute metrics.

   f) Minimizes provider abrasion and engages our clinical care teams in an organized way to harness their innovation.

   g) Clearly demonstrates our value and differentiation to our various audiences.

Familiar Health Care Model

Opportunity Identified

Leadership forms Steering Type Committee to Address Programmatically

Congestive Heart Failure Steering Committee/Work Group

Diabetes Steering Committee/Work Group

Hepatitis C Steering Committee/Work Group

Monthly meetings ultimately deriving a workflow or other process for implementation

Implementation And Change Management

Accountability and feedback loops

Observations with the *Familiar Model*

1. Centrally led and organized
2. Competes for resource and attention with other organizational priorities
3. Generally focuses on a few (3-5) efforts
4. Difficult change management
   a) Steering Committee determines a solution
   b) Dispenses the solution to others in the organization
   c) Only those involved are generally part of the solution
5. Slow and deliberate
6. Works well for certain problems—mostly in the inpatient setting

Viral "Lean" Model

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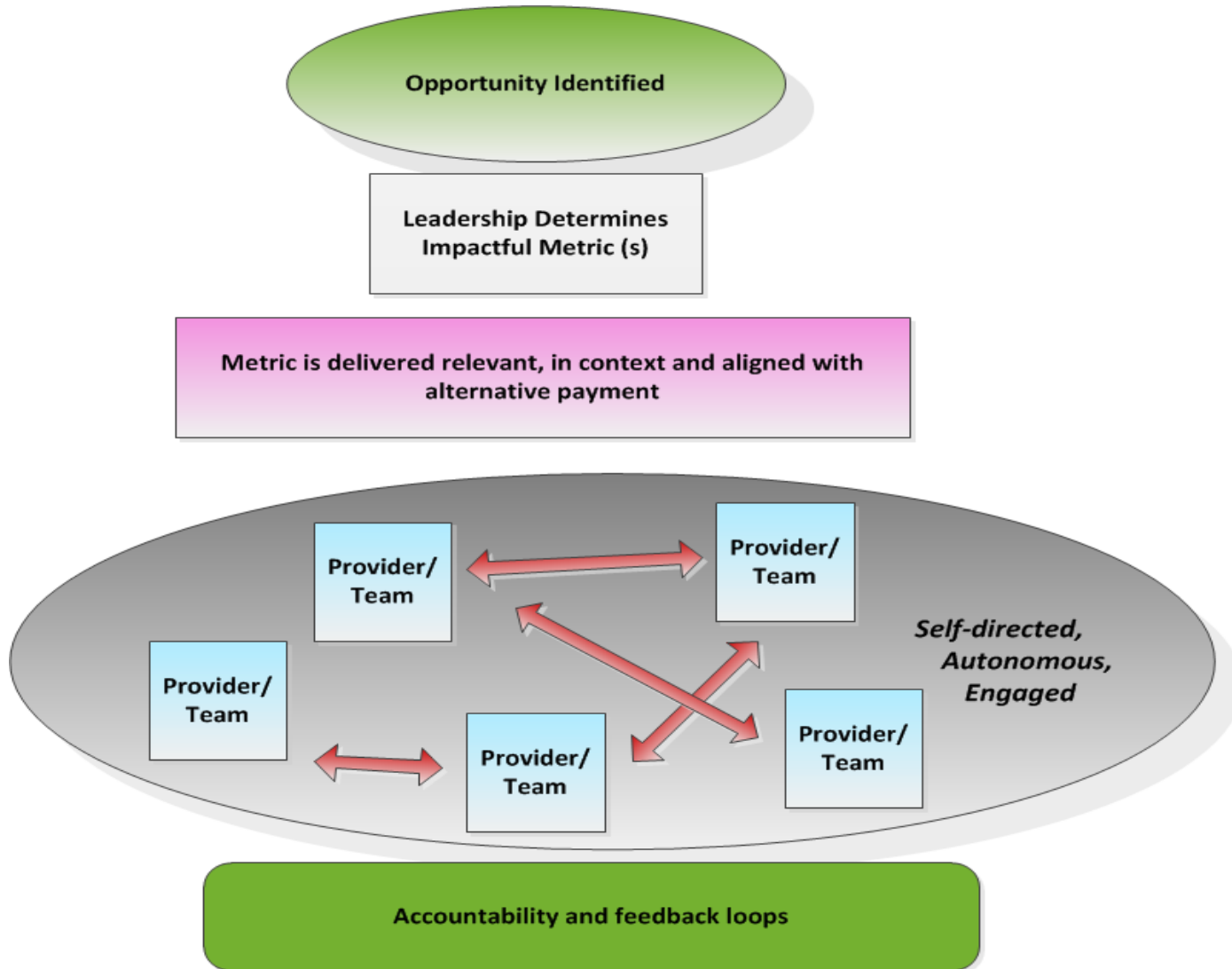
Observations of the *Viral Model*

1. Harnesses the problem-solving skills of the highly intelligent clinician work force
2. Utilizes a disseminated work force that is not generally dependent upon central resources
3. Can focus on a myriad of problems that are dynamic based on the relevance and context of the metrics
4. Easier change management as creates collaboration, competition and gamification
5. Flexible and quick
6. Works well for certain problems—mostly in the ambulatory and consumer settings

Questions and Discussion

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