

Healthcare in Flux: Strategies for Survival

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Healthcare in Flux: Strategies for Survival

- Understand current healthcare trends and demographics.
- Manage the transitions defined by the Affordable Care Act (ACA), especially in regard to Medicare, Medicaid, and the Accountable Care Organization (ACO) model.
- Leverage the Patient Centered Medical Home Model to improve healthcare outcomes and business performance.
- Create the Technology “Enabled” ACO-Health System of the Future.



Life Expectancy at Birth, by Race and Sex in US

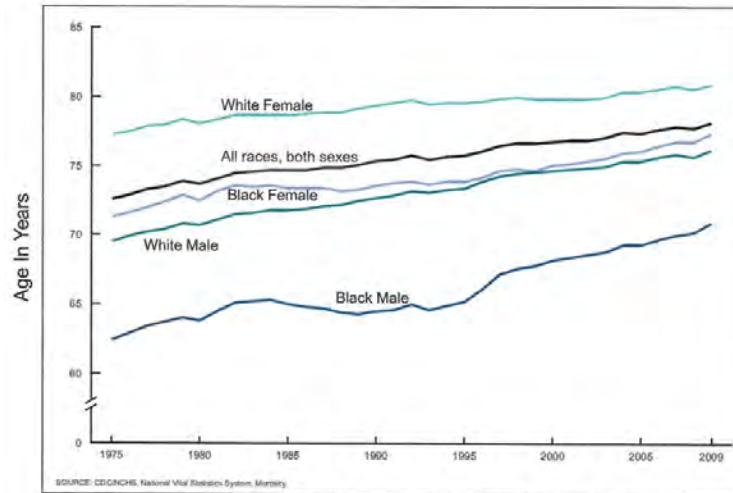
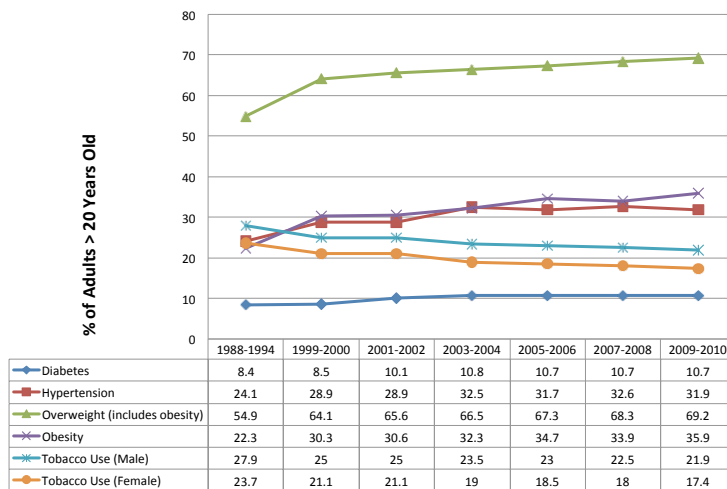


Figure 2. Life expectancy at birth, by race and sex: United States, 1975–2007 final and 2008–2009 preliminary

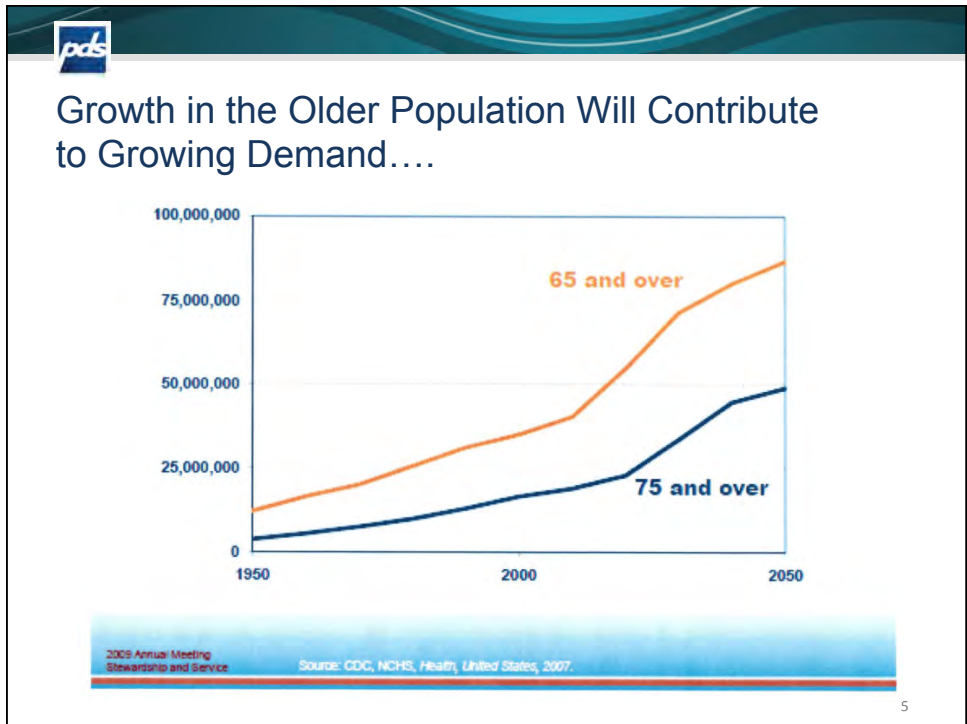
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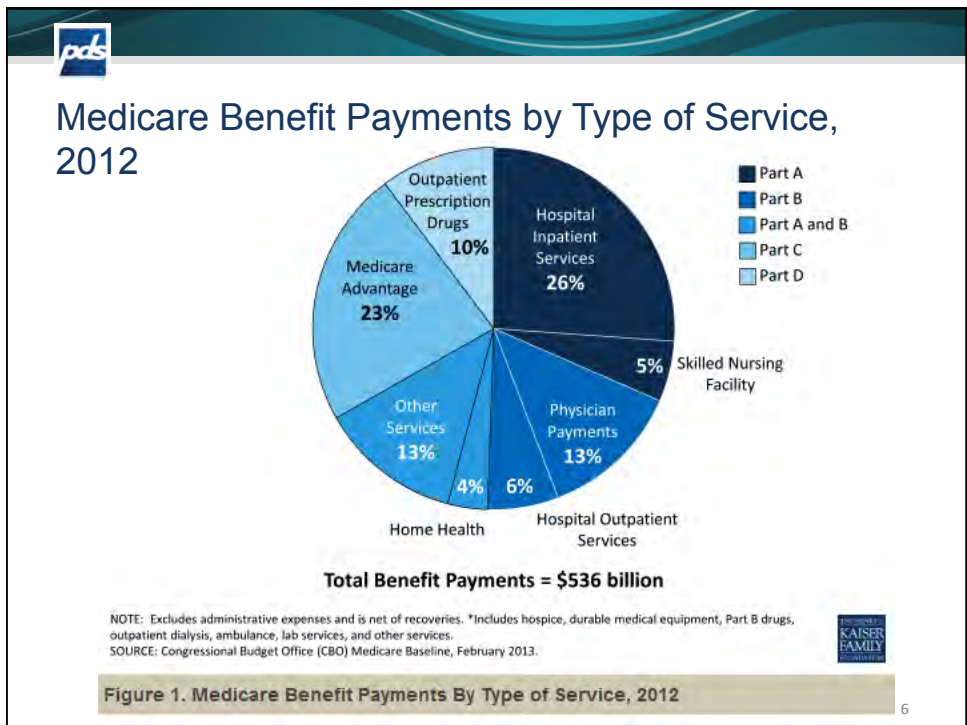
USA Health Conditions and Risk Factors in Adults



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ACA Impact on Medicare

- 716 Billion dollar net decrease in Medicare spending over 10 years (2013-2022).
- Providers meeting criteria to function as Accountable Care Organizations (ACOs) will share in Medicare cost savings if they meet Medicare quality thresholds.
- Formed an Innovation Center to test and evaluate strategies that are designed to reduce expenditures while improving care.
- Medicare payments will be reduced to hospitals that have excess re-admissions and/or certain hospital acquired conditions.
- If Medicare spending exceeds budgeted amounts, an Independent Payment Advisory Board will submit proposals to Congress to reduce per capita growth in spending.
- Medicare DSH payments will be reduced by 75% and recalculated based on the amount of subsequent uncompensated care.
- Create a national pilot program for bundling payments for acute care (period from 3 days before to 30 days after admission).
- Create a value-based purchasing program to pay hospitals based on defined performances indices.

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New Business Model – Accountable Care

Organization

Goal:

- Better care, better health and lower growth in expenditures

Methods:

- Financial incentives must be realigned toward delivery of improved care at lower cost.
- Develop a high performance network capable of accepting shared risk across the entire spectrum of sites, providers and business units.
- Engage patients at the entry point (Primary Care) to provide comprehensive care management.
- Promote and support the ability of patients to self-manage their care.
- Increase the coordination of specialty care across the entire system.
- Utilize clinical analytics to measure, analyze and improve health outcomes.
- Utilize at risk contracting and care management.

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ACOs: Fast Facts

Growth in Model:

- January 1, 2012 there were 130 ACOs
- Today there are more than 434 ACOs (32 Medicare Pioneer ACOs, 221 Medicare Shared Savings Participants, 181 Commercial ACOs)
- Over 4 million Medicare and 8-14 million privately insured patients are currently receiving care in an ACO model.

Quality Measures and Shared Risk

- Medicare ACO rules were eased; no downside in Track 1 and quality outcomes were reduced from 65 to 33; however, by year three ACOs will be at risk to meet 32 of 33 measures.
- Track 2 Medicare ACOs need to achieve a 2% minimum savings rate but have a greater upside of 60% sharing of the upside performance while having downside risk as well.

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Performance Standard Measures that ACO's Must Meet to Achieve Shared Savings (33)*

- Patient / Caregiver Experience (Surveys) (7 measures)
- Care Coordination / Patient Safety (6 measures)
- Preventive Health (8 measures)
- At Risk Population:
 - Diabetes (6 measures)
 - Hypertension (1 measure)
 - Ischemic Vascular Disease (2 measures)
 - Heart Failure (1 measure)
 - Coronary Artery Disease (2 measures)

* Year 1 – Pay for Reporting
 Year 2 – Pay for Performance – 25 measures
 Year 3 – Pay for Performance – 32 measures

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Principles of the Patient-Centered Medical Home (PCMH)

- Enhanced Access
- Continuity of Care
- Comprehensiveness of Care
- Team-Based Care
- Care Coordination and Management
- Systems-Based Approach to Quality and Safety
- Reimbursement that reflects the added value of a PCMH

Arend J. Et.al, Mt Sinai J Med 79:433-450, 2012

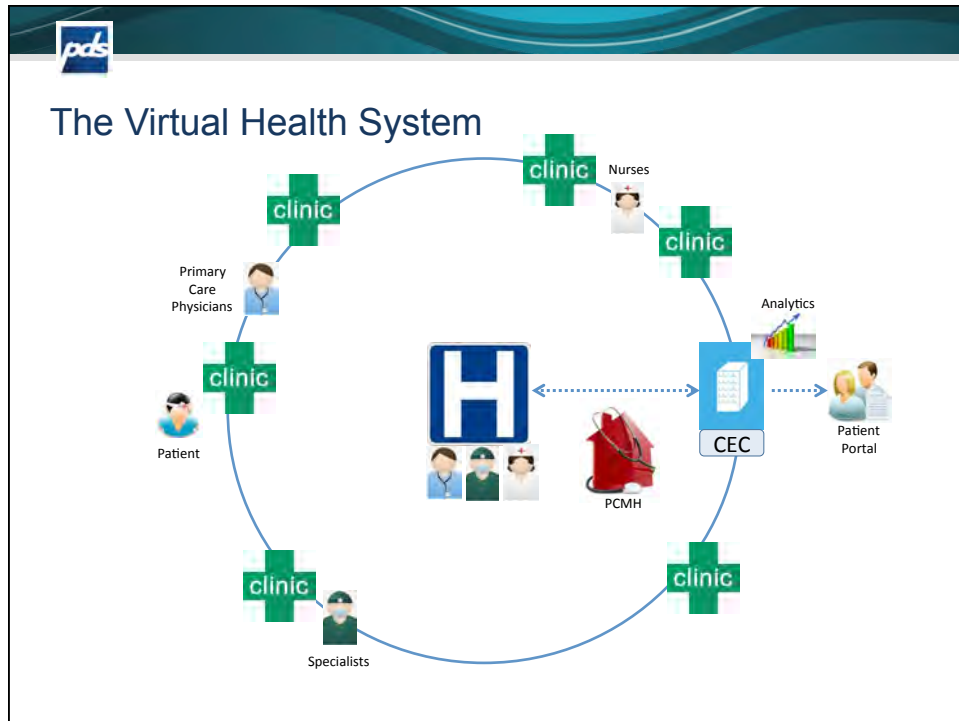
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How IT Must Be Able to Support the ACO Model!

- Provide interconnectivity across a geographically dispersed network of physicians, clinics and hospitals
- Improve the productivity of physicians, nurses, and allied health professionals.
- Enable increased collaboration and care coordination among all of the Primary Care and Specialty Providers.
- Enable patients to take a larger role in their at home health maintenance and chronic disease management.
- Provide analytics that support effective population risk management, ACO quality measures reporting and improved health outcomes.
- Provide the business systems , data management and analytics that effectively support the operational efficiency needed for at risk contracting.

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Virtual Health System Solution Definitions

Mobility


- Enables care provider access to the EHR and other healthcare applications and information, “anywhere, anytime, on any device” within the hospital, the clinic, or away.
- Includes all devices that support the clinician workflow such as companion devices including tablets and smart phones.

Follow-Me Computing

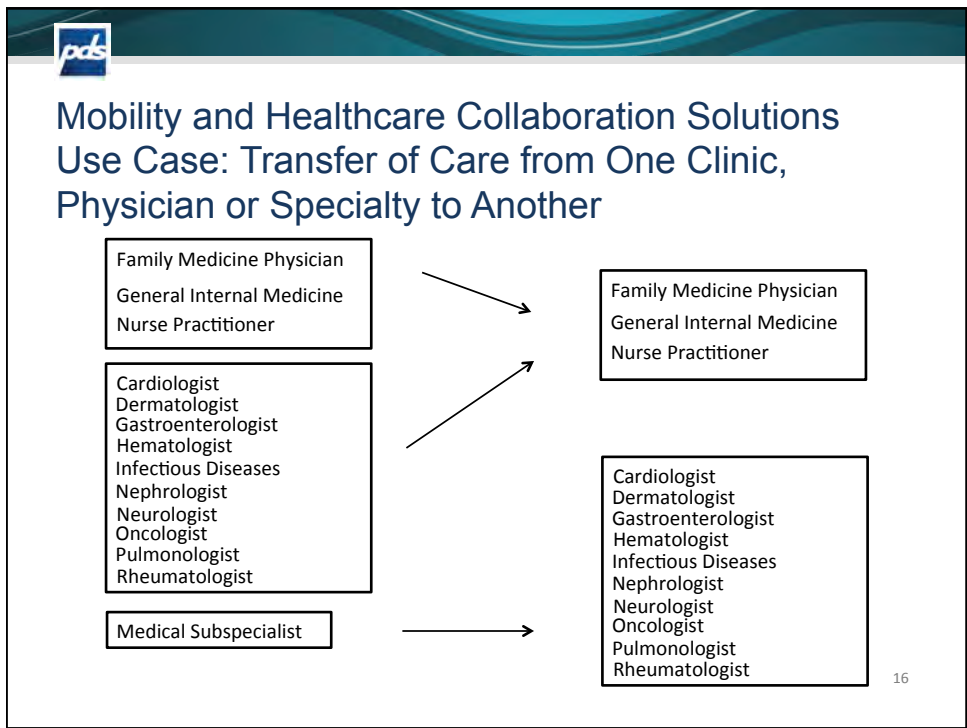
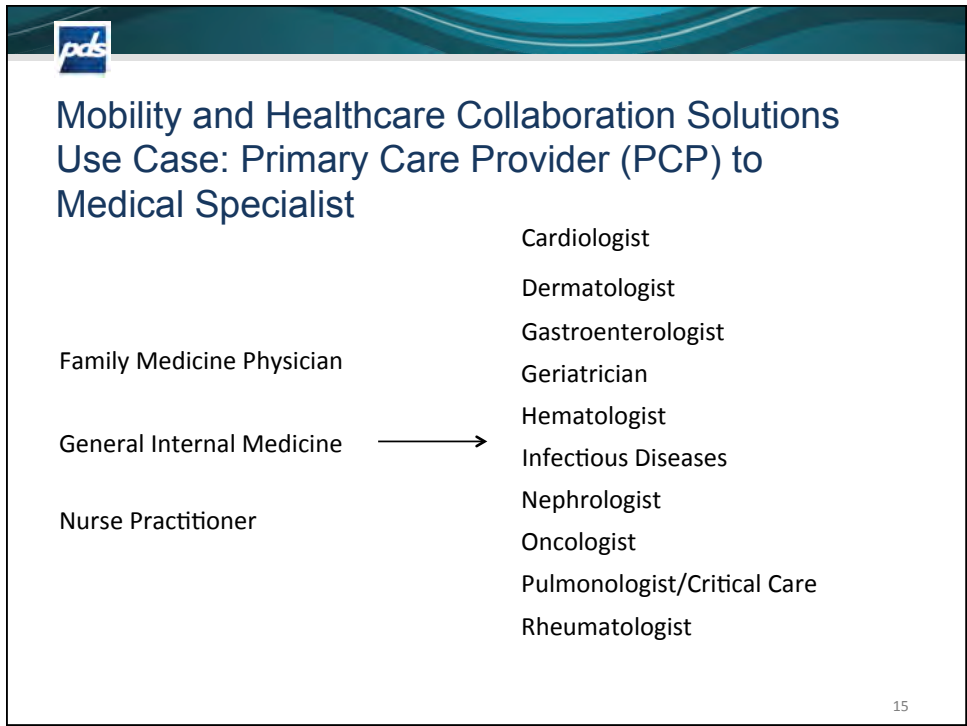
- A “single sign-on” for all authorized applications, with a “last viewed” screen presentation that automatically transitions from one computing device to another.
- Supports continuation of Clinical workflow from device to device.

Collaboration

- Provides the ability for the care provider to use the optimal device at any time or location to initiate an on-demand, secure, collaborative care session with any other care provider(s) within the health system including authorized providers outside of the health system network.
- Delivering “face-to-face” video collaboration:
 - Review identical screens of patient information.
 - Jointly develop care or transfer of care plan.
 - Immediate, efficient, promotes high quality care.



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Big Data Opportunities in Health Care

- Patient risk factors and clinical outcomes
 - Predictive discharge analytics
 - Cost and outcome optimized order sets
 - Reduce readmissions
 - Include online or location-based telemetry for more effective care outside the hospital
 - Include unstructured EHR/EMR, PACS, and genomic data for improved outcomes and compliance
- Beyond Meaningful Use
 - Analytics for the 33 CMS ACO quality outcomes
 - Real-time claims adjudication
 - Detecting and preventing fraud, waste and abuse
- Operational efficiency
 - Security analytics
 - Compliance analytics
 - Predictive staffing patterns

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Paradigm Shift: From Warehouse to Platform

	<i>Traditional Warehouse</i>	<i>Unified Analytic Platform</i>
Hardware	Proprietary	Commodity
Cost	High	Low
Expansion	Scale Up	Scale Out
Loading	Batch, Slow	Batch and Real-Time, Fast
Reporting	Summarized	Deep
Analytics	Operational	Operational, Historical, and Predictive
Data	Structured	Structured and Unstructured
Architecture	Physical	Physical, Virtual, or Cloud
Agility	Reactive	Proactive, Sense and Respond
Risk	High	Low

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