

# Healthcare Systems Face

## Key Dynamics in 2015

# 5

Healthcare attorneys are trusted advisors helping clients spot dangers and opportunities in the new healthcare dynamic. Are you using your seat at the table to help clients navigate these dynamics and decision points that can make or break healthcare facilities? The right decisions set up providers for success. The wrong decisions could lead to massive layoffs and for-sale signs.

### 2. CHOOSING A LANE

Facilities that stop and take measure of where they can be the most impactful are more likely to come out on the winning side of mergers and acquisitions. There must be an honest assessment of how a hospital best serves patients in its specific community. Hospital administrators must also identify "profit centers" that are not actually profitable and eliminate those services, where possible, or change how they are delivered.

### 4. USING PAST SUCCESS AS A PREDICTOR OF FUTURE SUCCESS

Facilities that point to a flourishing bottom line fueled by a Fee-for-Service (FFS) model are living on borrowed time. Healthcare leadership must be planning now for a very different future where clinicians work as a team to treat episodes of care. FFS is on the way out and administrators must motivate physicians and other care providers to work together on improving patient outcomes, because that is the future reimbursement model.

### 5. MAKING THE RIGHT HOSPITAL/PHYSICIAN INTEGRATION DEALS

Hospitals are continuing to seek deals with physician practices. How they structure those deals is critical. Fair and equitable compensation keeps physicians from looking elsewhere when contracts expire. But the deals also need to be profitable for hospitals and make sense to regulators. Check-the-box valuations put hospitals at risk during already risky times.

### 1. PATIENTS ARE FLEXING THEIR POWER

Patients know they have choices nationally and even overseas, so they search online to make informed healthcare decisions for themselves and loved ones. They are looking at facility, infection, and physician ratings, and taking notice of a growing transparency in fees. Providers must proactively position themselves as the alternative of choice with compelling reasons to be on a patient's shortlist.

### 3. USING DATA TO CUT COSTS AND IMPROVE CARE

Getting clients focused on creating a new collaborative workplace culture motivating clinicians to use data to improve patient outcomes is key to thriving in the new healthcare dynamic. It's the clearest path to getting lean because using data on previous episodes of care arms clinicians with the protocols producing less infection and revisits. The financial payoff? Better patient outcomes are rewarded in the new healthcare reimbursement dynamic.

### THE BOTTOM-LINE

Appropriate care in the appropriate setting is where delivery models are headed. As we move from volume based compensation to patient-outcome based compensation models, helping your clients become focused and strategic about which services to deliver lays a foundation for success. Those who focus on the patient will win.