

# IT'S TIME!

## CHRONIC DISEASE MANAGEMENT: A CHECKLIST FOR MOVING TO THE PREVENTIVE CARE MODEL

Managing the health of that portion of your patient population suffering from, or at risk of developing, one or more chronic morbidities is essential in order to align with the changes in payment models.

Fortunately, there are actions you can take that will help your practice or healthcare system sharpen its focus on preventive care and better management of patients with existing chronic conditions. You'll not only be working to ensure a successful future under value-based payment structures, but you'll be doing your share to curb the unsustainable growth in healthcare costs in the U.S.

### **Action Item 1: Start with a top-down commitment.**

The first step in this journey is one that must be taken by top management at physician groups, healthcare systems or integrated care delivery networks: They must agree that the business model moving forward is going to be focused on managing population health, and demonstrate that commitment by seeking alternative payment model contracts, such as those that emphasize global capitation or shared savings arrangements.

There are inherent risks but also potentially bigger rewards in this approach. So, make sure you have all your ducks in a row: Put together the business case, including looking at the patient population, opportunities to grow, and expected return on investment; measure out how to allocate resources in the new model and determine what new assets will be required; explore your constraints and do all the other types of things you go through in a classic strategic planning process.

Getting this right involves identifying the success thresholds and the minimum acceptable performance standards you must achieve under your new business model. And that means equipping your organization to gather baseline performance data to see how much improvement is required to meet and exceed those thresholds.

### **Action Item 2: Build physician buy-in.**

For as long as they've been practicing, most physicians have been following the model of providing episodic care. That fits very well with a fee-for-service environment, but it isn't the right way to manage the health of populations affected by or at risk of chronic disease. When dealing with them, you want to be out in front of problems, not following them up from behind.

It's admittedly not easy to get doctors to change the way they operate, or take orders to make those changes, for that matter. Their whole world, after all, is about giving orders and advice. So it's important to lay out for them the very sound – dare we say scientific? – principles for moving in this direction: That doing so will help them provide better care for their patients by minimizing the occurrence of unnecessary events such as hospital readmissions, and that the result will be that the healthcare system will be able to operate more profitably.

Engage them about this at every opportunity, shower them with case studies, point them to ACO (Accountable Care Organization) successes, share the business case you've created, and you'll have a good shot that you'll get them onboard.

### **Action Item 3: Set the stage with the right players in the right places.**

It's great for healthcare systems and other healthcare organizations to have physicians accept the new

business model. But you also need to have in place physicians who are willing to lead this initiative through the primary care areas throughout all the geographies you will be serving. They have to be enthusiastic proponents ready to help captain the ship and guide their colleagues along on the voyage, and you have to be willing to reward them for their efforts.

Given all the traction that ACOs have in the government and commercial sector, you might think that it would be easy to come to the right financial arrangements with all your payers, as well. Don't make these assumptions, though. Different insurers and insurance plans move at different speeds. Make sure that you have enough payers on board from the start so that, by and large, you're being paid in alignment with what you're doing.

**Action Item 4: Invest in the technology that can bring the vision to life.**

Medical practices, healthcare systems, integrated care networks or other healthcare facilities don't necessarily have in place the technology they need to manage patient data so that they can support the complex needs of individuals with chronic diseases.

You are going to require electronic medical records systems that make it possible for you to categorize patients by risk level and identify gaps in care or problems just waiting to happen. That means leveraging aggregate data to do population analytics at the big-picture level, so that you know who among your patients have complicated and chronic issues and need to be better managed. It also means supporting the regular collection of new data at the micro-level, such as individual patients' blood sugar readings that can pipe right into the EMR system from their home monitors for analysis, so that issues can be pinpointed before the patient becomes ill enough to head to the emergency room.

The ties between keeping patients as well as they can be, for as long as they can be, and realizing financial gain from taking that approach are only getting stronger. So, too, should be your determination to achieve both those ends.