



A Practical Guide for Navigating Value-Based Contracts

CLIVE FIELDS



If you are frustrated by today's healthcare system, you will never have a better opportunity to engage with your colleagues to build a better system—one that's focused on patients, driven by physicians, and aided by technology. The movement to a value-based system is a chance to practice medicine in the way you have always wanted, utilizing not only your technical skills but also the cognitive skills learned over years of practice.

My practice has been involved in value-based payments, initially through pay-for-quality programs, then the Medicare+Choice program, and now in Medicare Advantage and value-based commercial contracts. With well-negotiated contracts that incentivize better patient care and outcomes, we have been able to earn the revenues necessary to reinvest in the technologies needed to succeed in today's environment. Thinking, planning, and educating and counseling patients, all important steps, have been undervalued in the fee-for-service system. Value-based payment models accelerate your ability to do what's right for a patient and to get paid for doing it.



No Simple Roadmap

I wish there were an easy-to-follow guide to success. In truth, success in value-based care will be driven by physicians practicing high quality, patient-centered care.

Although succeeding won't be easy, the transition to value-based care is a unique opportunity for our patients and our practices. Here are several best practices for successfully navigating value-based contracting.

Understand the difference. Recognize that value-based contracting is not a one-way relationship with a health plan. Instead, successful value-based contracts are true partnerships. What may have been an adversarial, win-lose scenario between health plan and provider in the past is now a win-win (or lose-lose) opportunity. Everyone needs to be pulling in the same direction—physicians, health plans, patients, and in some cases employers—and committed to a comprehensive and coordinated model that drives the best possible outcomes.

Find like-minded care partners. Succeeding in value-based care takes a village: a team of care managers and care transition coordinators, along with technology and analytics. Most small primary care practices won't be able to afford the necessary tools. For these practices, one option is to join with like-minded physicians and work together to provide high-quality, cost-effective primary care while dispersing the required investment costs.

Another important step is creating strong referral networks by aligning with specialty

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10 Ways to Reduce Patient Statement Volume (and Reduce Costs)

No two patients are the same. Each has a very personal healthcare experience, and each has distinct financial needs and preferences that have an impact on how, when and if they chose to pay their healthcare bill. It's no longer effective to apply static billing techniques to solve the complex challenge of collecting balances from patients. The need to tailor financial conversations and payment options to individual needs and preferences is critical. This presentation provides 10 recommendations that will not only help you improve payment performance through a more tailored approach, but take control of rising collection costs.

physicians and hospitals that deliver high-quality, cost-effective care and that recognize the role of primary care physicians in managing their patients' overall health. Not all providers will respond to the same incentives, and some will want to maintain the status quo, thereby negating the hard work you have put into becoming a value-oriented provider.

Clarify responsibilities. Each side in a value-based contract should have a clear set of defined responsibilities. The health plan needs to know what care management and coordination services you will be providing, and you need to know how you will be compensated for those services. I believe a primary care physician is the best choice for providing patients with management and education regarding how to manage chronic diseases and minimize emergency department utilization and hospital readmissions.

Data is another critical area. Health plans have a different set of data than you have in your electronic health record (EHR). You need timely access to all data that helps you manage your patients. How, when, and in what format you receive that data needs to be clearly defined in a contract.

Define value. Many credible organization have conflicting ideas on what high-quality health care looks like. What's important is how you agree to define *value* in a contract. The contract should identify metrics that are of most value to a patient.

Everyone agrees that reducing readmissions, improving the control of chronic disease, and providing evidence-based preventive care are elements of high-quality health care. Focus on the metrics you can accurately measure and significantly impact. Also, limit the number of quality metrics to a manageable number. Superfluous measures mean you will be spending too much time on clicks—entering data into the EHR—rather than focusing on direct patient care.

Monitor success. A well-coordinated primary care delivery system will improve quality and decrease the total cost of care. Those are pretty good goals. Make sure you can measure your interventions, then identify those that work and stop implementing those that don't.

Reaping the Rewards

Moving to value-based payments will compensate physicians for the results of their work and their efforts to meet their patients' needs, and will reward the entire skill set of a well-trained physician. It will reward physicians for the work we do in the exam room but also for the planning, coordination, and education that impact our patients in any setting.

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