

Value-Based Initiatives for Physician Practices: Stories from the Field

An HFMA Value Project Effort

Purpose

- The purpose of this presentation is to present some initiatives that promote and plan success from the use of value-based strategies that can relate to physician practices
- The document will focus on concepts and examples that derive from HFMA's Value Project: Phase 3, articles and other published material from HFMA, and other external sources that present value-based efforts in the industry from a physician's perspective
- Some areas that will be mentioned are: acquisitions, affiliations, engagement, alignment, employment, and other strategies that may be relevant for physician practices in the transition from volume-based practice to value-based
- The report will present unique strategies and opportunities that organization have decided to embark on to improve integrate efforts and reduce costs of the business

Cleveland Clinic's Quality Alliance is grown stronger

April 2013

<http://www.craainscleveland.com/article/20130429/SUB1/130429850/cleveland-clinics-quality-alliance-is-growing-stronger>

- **Cleveland Clinic's Community Physician Partnership**
- An interesting effort on quality metrics compliance has was developed by Cleveland Clinic's medical group
- They started the Quality Alliance in 2010, as an effort for the organization to alignment with private practice physicians that practiced with by meeting the Clinic's quality metrics
- The effort grew to become an alliance that went from 50 physician member to 5,100, and recently extended the alliance from Northeast Ohio to western New York on a deal with Buffalo Medical Group

HFMA's Value Project: Phase 3 Acquisition and Affiliation Strategies

June 2014

<http://www.hfma.org/valueaffiliations/>

➤ **Dean Health**

- A for-profit, multispecialty physician group based in south-central Wisconsin was acquired by SSM Health Care from St. Louis
- Dean Health includes a health plan
- This integration was a great opportunity for the physicians of Dean Health to add their services and diversify the capabilities of the health system they became a part of
- It can be hard to develop these much needed capabilities internally, and this is an example of how to make the process more efficient
- Dean and St. Mary's Hospital (SSM-owned) had a relationship before the acquisition, they shared an integrated HER system and were participating in a Medicare ACO pilot. This effort led to decreased cost and improved outcomes

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- **Hill Physicians Medical Group**
- A large Independent Physician Association (IPA) with a network of 3,800 primary care doctors and specialists
- They offer care to more than a quarter of a million members
- They went through another alternative to the integration and creation of value-based initiatives, affiliations
- Hill Physicians Medical Group, Blue Shield of California, and Dignity Health associated to coordinate care for a population in different markets, sharing risk for managing to a budgeted cost of care for the population
- These 3 organizations-through a joint venture-combined to create one of the first commercial ACOs with the goal of containing costs for a specific patient population
- In other value-based strategies, Hill Physician created a “virtual care” team to support and coordinate case management efforts in the physician practices

HFMA's Value Project: Phase 3

Strategies for Physician Engagement and Alignment

November 2014

<http://www.hfma.org/valuephysicians/>

- **Illinois-based OSF Medical Group**
- A multi-specialty group with over 650 physicians and advanced practitioner, part of an integrated health system, OSF HealthCare
- Through this physician group, the organization has focused on developing primary care physician base in all of its markets
- During the time that OSF started developing accountable care organizations (ACOs)-like its participation in Medicare's Pioneer ACO program-they also initiated evaluating employment of physicians' strategy
- This because Illinois state insurance law prohibits any health system from having full-risk contracts with non-employed physicians
- As they worked in the growth of physician employment strategy they still had a group of independent physicians were not showing interest in employment
- To better align with independent physicians, OSF developed "accountable clinical management" models (ACMs), it is similar to a co-management agreement and it focuses on efficiency and clinical outcomes
- With this alignment strategy physicians have to follow established agendas and metrics that lead to predefined bonuses for the participants who achieve their metrics
- In the IT mindset, OSF built decision support tools into its EHR to help with chronic disease management and at-risk patient population
- They also implemented telehealth programs, and are trying to get into the market of e-visits for primary care patients

HFMA's Value Project: Phase 3

Strategies for Physician Engagement and Alignment

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- **Floyd Memorial Hospital and Health Services**
- In an Indiana-based health system, Floyd Memorial Hospital and Health Services, physician interest fueled growth physician employment
- Since 2008, Floyd Memorial Medical Group has a board-approved structure for assessing practices and determining return value and opportunity for the medical group and hospital, and has implemented standard guidelines for proposing growth in physician employment to the board
- In the compensation arena, the physician in the medical group is at risk-based on performance against a set of quality and other performance indicators, this represents up to 15 percent of their compensation

HFMA's Value Project: Phase 3

Strategies for Physician Engagement and Alignment

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- **DuPage Medical Group**
- A multispecialty group in west-suburban Chicago has an interesting strategy to engage physicians and possibly lead an efficient value-based organization in the process
- The approximately 425-physician group presents to most of their newly hired physicians to take a two-year track to shareholder status in the group, were they would become part-owner and employee of the organization
- The leadership sees the component of physician ownership as an opportunity for physicians to maintain their independence but still get alleviation of practice management burden; this helps cost management with a wider network of primary and specialty physicians
- Another effort that DuPage Medical Group is working on are management service agreements
- As part of their revenue diversification efforts they have formed Midwest Physician Administrative Services, which is an entity that provides back-office and billing and collection support to hospital-owned medical groups
- DuPage has an arrangement of a commercial ACO with Blue Cross Blue Shield Illinois, which is managed by Illinois Health Partners (IHP), an organization they co-founded with Edward Hospital and Health Services
- As of January 2014, Illinois Health Partners became participant in an MSSP ACO; they also saw clinical integration through IT with the partners from IHP
- They started BreakThrough Care Centers which focus on seniors with chronic diseases (with referrals from IHP), and her DMG addresses the delivery of women's health services.

How to Lighten Physicians' Administrative Load

December 2015

<http://www.hfma.org/Content.aspx?id=44356>

- **Spectrum Health Medical Group**
- Nowadays, physicians that are trying to complete both the clinical and administrative task during this movement of expanding access to care can be very hard
- Physicians should be taking care of patients for healthcare situations that fit their expertise and not splitting their time with the less complicated stuff
- By December of last year (2015) in western Michigan, Spectrum Health Medical Group was developing advance medical home care teams to assist the physicians in their primary care practice sites
- The medical home care teams had personnel like pharmacists, care managers, physician assistants, nurse practitioners, and behavioral health professionals to offer their services in areas that the providers do not have to work on necessarily, relieving them from that burden

Northwell to Buy UPG

February 2016

<https://www.northwell.edu/about/news/northwell-buy-upg>

- **Northwell Health Physician Partners**
- Early 2016, as an acquisition thinking of the compliance of continuum of care Northwell Health Physician Partners (Northwell Health's medical group practice) agree to buy University Physicians Group, to be effective August 1 of the same year
- Northwell acquired Staten Island's largest physician group of internal medicine on their focus to a more complete offer of services, expanding their capabilities to manage chronic diseases

Post-MACRA Survival of Small Practices Questioned

May 2016

<http://www.hfma.org/Content.aspx?id=47998>

- **Advocate Health Care**
- With changes in MACRA's proposed rule small independent practices face resource challenges for compliance of quality and safety requirements that the rule presents
- There for, the survival of small independent practices may be at risk
- However, Advocate Health Care's clinically integrated network (CIN) has made possible that its members (small practices) achieve improvements in quality and safety that can compare to improvements of large practices
- In an interview with Lee Sacks, MD, chief medical officer at Advocate, he explains that participating in a CIN provides benefits of scale, like achieving process improvement at lower costs because of being in a big network

**Hope you found value in this
presentation!**



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