

»»»» Clinically Integrated Networks

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Objectives

- What is a Clinically Integrated Network?
- Why form a CIN?
- What are the components of a CIN?
- How do CINs benefit health systems, providers and patients?

What is a Clinically Integrated Network?

- Entity developed to provide coordination of care across a continuum of services
- Membership is variable
 - Independent physicians
 - Employed physicians
 - Hospitals
 - Health systems
 - Other

FTC definition and oversight

- “Clinical integration is used to describe certain types of collaboration among otherwise independent health care providers to improve quality and contain costs”
- 1996 FTC defined clinical integration as
 - “active and ongoing program to evaluate and modify practice patterns by the clinically integrated network’s physician participants and create a high degree of interdependence and cooperation among physicians to control costs and ensure quality”



AMA definition

- “the means to facilitate the coordination of patient care across conditions, providers, settings, and time in order to achieve care that is safe, timely, effective, equitable, and patient focused.”

Why form a CIN?

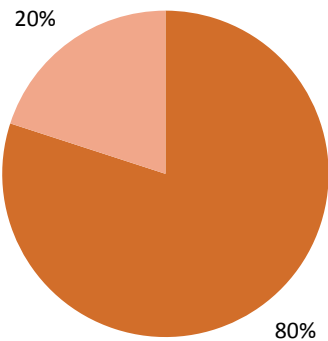
- Healthcare payment reform
 - Employers and governmental payers are demanding lower cost and increased quality
- Transition from volume to value
- Allows collaboration with multiple types of providers
- Change is being driven on multiple fronts

Medicare payment reform is here.

HHS Secretary Sylvia Mathews Burwell has outlined two major goals for the Medicare system:

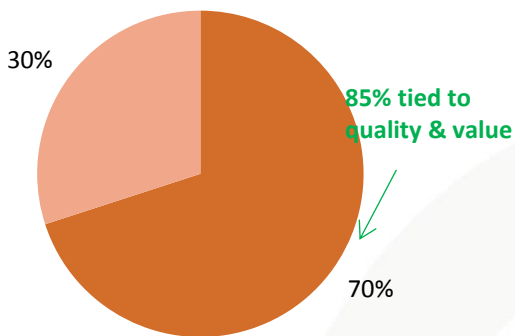
1. Shift more Medicare payments to alternative methods (ACO & bundled payments)
2. Increasingly tie fee-for-service payments to quality & value

Current Medicare Payments



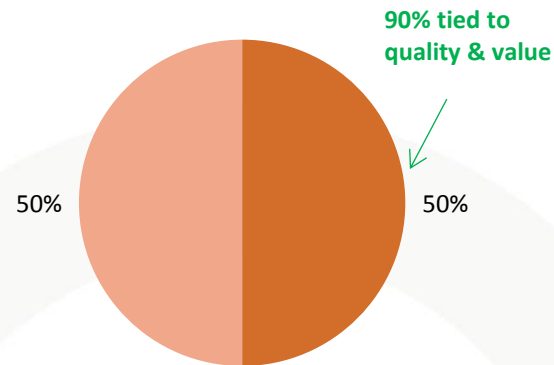
■ traditional fee-for-service
■ alternative method

Medicare Payments By the end of 2016



■ traditional fee-for-service
■ alternative method

Medicare Payments By the end of 2018



■ traditional fee-for-service
■ alternative method

HHS News Release January 26, 2015: *Better, Smarter, Healthier: In historic announcement, HHS sets clear goals and timeline for shifting Medicare reimbursements from volume to value*

<http://www.advisory.com/daily-briefing/2015/01/27/hhs-aims-to-pay-30-of-medicare-dollars-through-alternate-models-by-2016>

Commercial payor payment shift

- Increase in value based payments
 - PMPM Care Coordination Payments
 - Quality Performance payments
 - Increased accountability
 - Shifting of risk
 - Gainshare opportunities



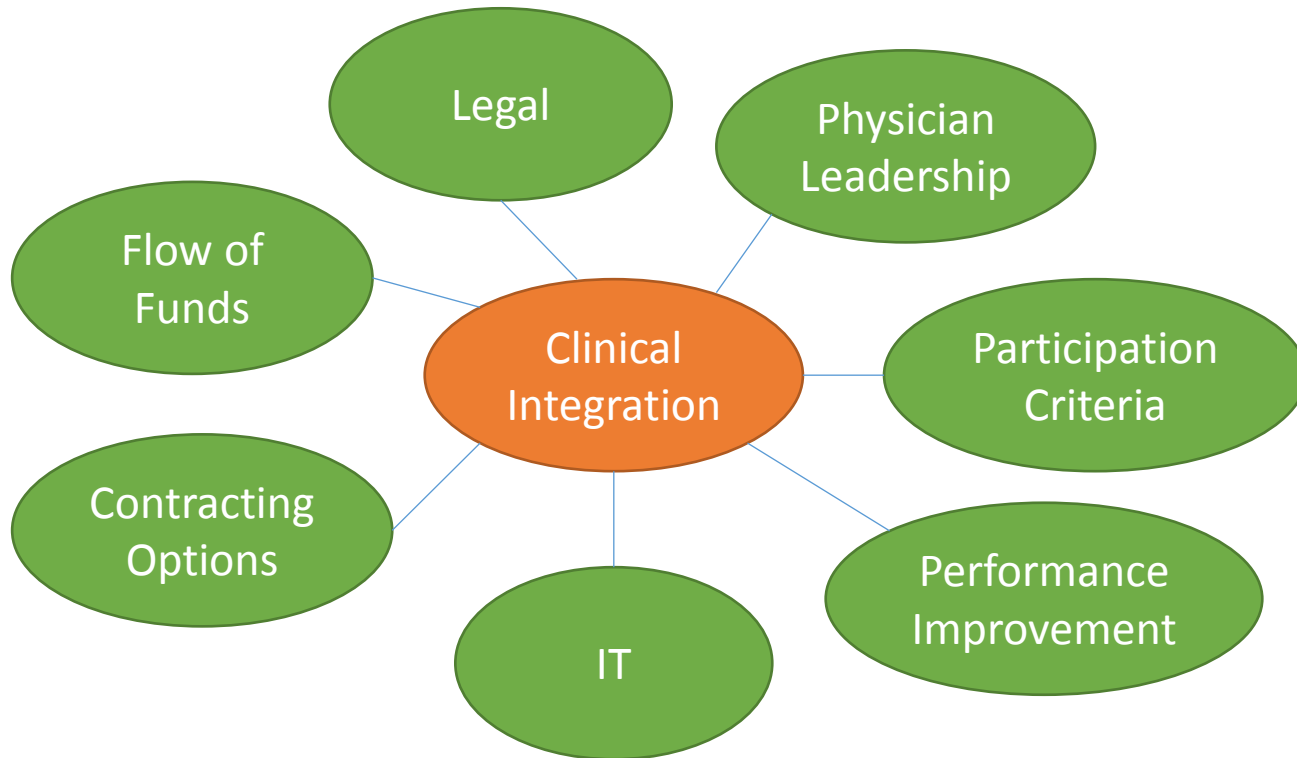
IHI Triple Aim

- Improving the patient experience of care
- Improving the health of population, and
- Reducing the per capita cost of health care.



Components of a Clinically Integrated Network

Components of Clinical Integration





Legal

- There must be an organized structure to meet the objectives of clinical integration – enhanced coordinated care, defined physician leadership, quality initiatives and a platform for contracting
- This could be an IPA, PHO or a subsidiary of a health system.



Physician Leadership

- Governance structure with physicians in leadership roles
- There must be administrative support of physicians and empowerment to facilitate engagement of employed and independent physicians with hospital systems



Participation Criteria

- Participation agreements are needed to define member expectations
 - Use of IT
 - Review of performance reports
 - Compliance with clinical protocols and care paths
 - Participation in network contracting



Performance Improvement

- Process of continuous quality improvement
- Physicians work to define quality initiatives and metrics
- Process evolves as the network matures
 - Basic projects initially with collection and sharing of data as the network matures



Information Technology

- A robust IT infrastructure is needed to share data and monitor quality improvement
- This can initially start with patient registries and progress to shared or interfaced EMRs
- Registries can be developed around clinical initiatives
- In an ideal state, information can be pushed to the point of care to alert care team members to opportunities for gap closure

Contracting Options

- Clinical integration goals of reducing costs and increasing quality position CINs to negotiate with payers, employers and health systems for value based contracts which reward for quality and share in achieved savings
- Various types of contracting opportunities
 - Premium based rates
 - Performance incentives
 - Shared savings and risk options



Flow of Funds

- Description of how incentive dollars and savings are shared with providers and the network
- Network payments support infrastructure
- Provider payments are usually linked to performance and population size

Who benefits from a CIN?



Health Systems

- Creates an opportunity to streamline the care delivery model to reduce cost and duplication.
- Better positioned to perform in a value based environment.
- Helps to develop better relationships with providers.
- May expand referral based and increase utilization within the network.



Physicians

- Opportunity to negotiate as a group with payers and eligible to participate in value based opportunities not available to independent small practices.
- Access to technology infrastructure.
- Economies of scale for purchasing and shared services.
- Access to quality guidelines with imbedded decision support tools.



Patients

- As a result of receiving care in a CIN, patients' data and important health information is readily available and shared among all care providers.
- Providers have access to quality data and can better close care gaps with reduce duplication of testing.
- Patients benefit as recipients evidence based care guides.
- Care is more likely to be patient centric and cost effective.

CIN Examples

- Regional CIN
 - ProMedica Health Network
- Statewide CIN
 - Midwest Health Collaborative

ProMedica Health Network (PHN)

Mission - PHN exists to enhance a collaborative, comprehensive approach to care that adds value for patients, providers and the community

Vision – By 2018, PHN will be the leader in transforming the regional landscape of healthcare by offering exceptional quality, fully integrated, cost effective options that add value to our community, patients and providers through sustainable approaches.

ProMedica Health Network ACO

- 50 Participant groups (Tax IDs)
- 12 Hospitals
- ~360 Practices
- ~1,400 Providers
- ~270 Primary Care Providers
- ~32,000 Attributed Beneficiaries

Questions ?

Please feel free to contact me with any questions:

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