

Patient Engagement in ACO Environment – In a Future with Enhanced Risk Based Models



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Kim MacPherson, MBA MPH
HPM Program Director, School of Public Health
Associate Director, Health Management-Haas
Co-Director Berkeley Center for Health Technology



Session Overview

- Opening comments on challenges in effective patient engagement and ***the linkage to reimbursement model and level of risk***
- Insights from our RWJF study on California ACOs
- Might digital health & telehealth be the answer?
- Turn it over to Colin LeClair from Monarch Healthcare
- Q&A



DHHS Moving to Extend Legacy of Using Financial Incentives to Drive Change

- Sylvia Burwell on January 26th made a major announcement in the New England Journal of Medicine, on DHHS intentions going forward:
- “Using incentives to motivate higher-value care,
 - By increasingly tying payment to value through alternative payment models;
 - Changing the way care is delivered through greater teamwork and integration, more effective coordination of providers across settings, and greater attention by providers to population health;
 - And harnessing the power of information to improve care for patients.”



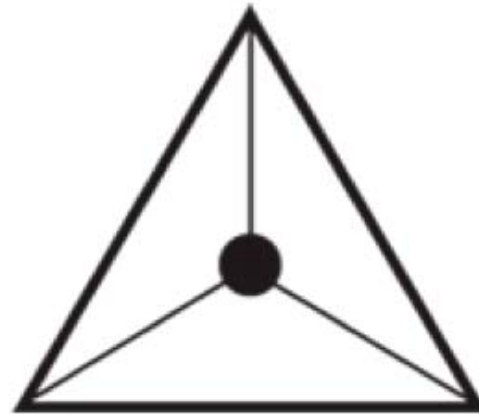
Citing Specific Goals on Their Goals for Shifting Reimbursement Models

- “Our goal is to have **85%** of all Medicare fee-for-service payments tied to quality or value by 2016, and **90%** by 2018.
- Targeting to have **30%** of Medicare payments tied to quality or value through alternative payment models (***ACOs/bundled payment arrangements***), by the end of 2016, and **50%** of payments by the end of 2018.”
 - Currently at **~20%** of payments
- No details yet on the “how.” Industry reaction was positive but cautious



Payment and Structural Reform Are Necessary But Insufficient to Achieve VBP Goals and the Triple Aim

Improve Population Health

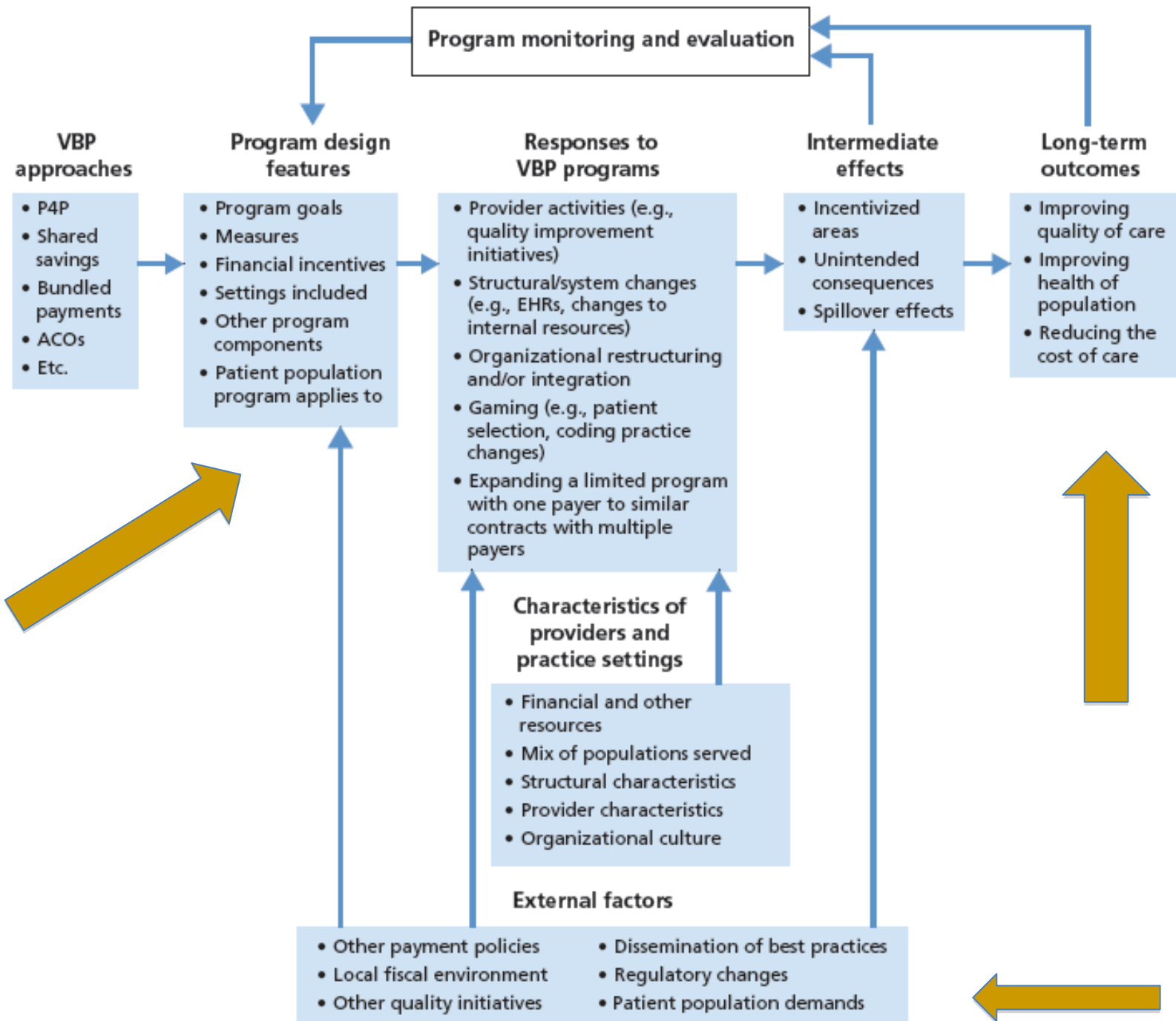


Improve Patient Satisfaction

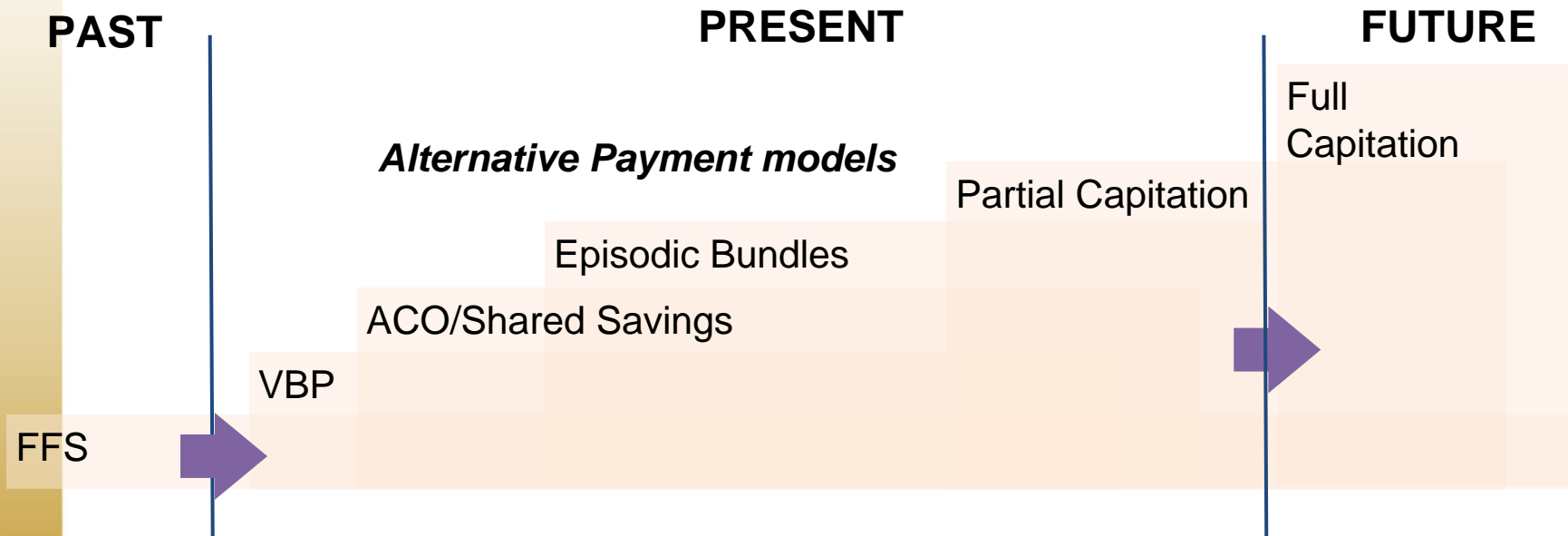
Decrease Cost

IHI *Triple Aim*





Need for Patient Engagement Increases with Risk as do the Strategies for Success



RWJF ACO Case Study (in progress) preliminary findings:
Many known and proven strategies for patient engagement, key challenge is understanding the “fit” with the population and the payment/provider network/engagement model and how to optimize



What Are Consumers Responding to Today?

- Higher out-of-pocket costs for insured individuals
- Transparency of price and quality data, availability of actionable consumer information
- Increased and varied competition among providers, with new entrants attracted by the industry's evolving business model (i.e. KP at Target, Walmart)
- Rising expectations related to convenience and service consistency
- New applications of technology and data, enabling ID of high risk patients, virtual patient monitoring and care provision



What inhibits patients from effective engagement?

Over-use: Demand for unnecessary treatments due to excessive insurance and mistaken belief that more is always better



Patients often lack the information and incentives to demand high-value health care

Under-use: Lack of engagement and adherence, even to effective therapies, due to punitively high cost sharing and cultural barriers



Potential Partners to Support High Engagement?



Can Technology Really Impact Consumer and (Provider) Behavior?

- **Evidence base** – is the solution based on credible research base?
- **Integration** – how challenging will it be to work with the solution? Will it connect to existing systems and can important data be captured, used? Is it administratively complex?
- **Scale/adoption** – will sufficient numbers of providers and patients use it?
- **Persistent behavior change** – will it be used long enough and consistently enough to make a difference?



Monarch Healthcare – Perfect Case Study

- Large patient population; many product lines with different levels of risk and abilities to engage and direct patients
- Long experience with managed care and successful patient engagement - working to spread those strategies across their diverse product set
- Key player in Pioneer ACO ecosystem - very committed and open to sharing
- See both the challenges AND the opportunities as programs move more toward global risk
- Work it from all possible approaches
 - Provider strategies (employed, affiliated, etc)
 - Hospital affiliation strategy
 - Policy engagement with CMS
 - Care/referral management
 - Use of HCIT/HRAs, etc

