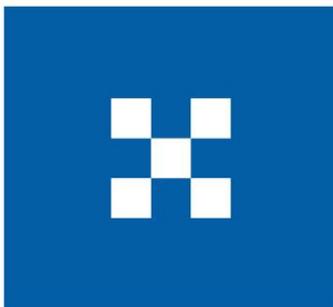
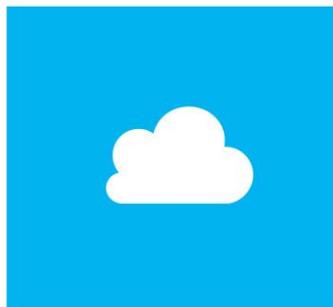




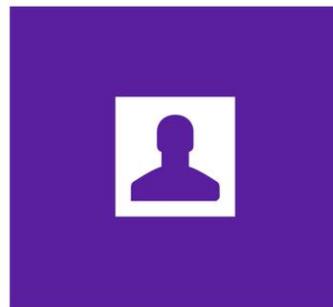
4 steps of maturation along your journey to becoming an effective, efficient, and profitable ACO



Digitize records



Connect and centralize data



Analyze quality measures



Engage patients and providers

INTRODUCTION

This white paper is not intended to explain **what** an ACO is, but rather **how** an ACO takes the necessary steps to move along the continuum from simply being an ACO to being an effective, efficient, and profitable ACO. The assumption is that you have already been accepted as a CMS Medicare Shared Savings Program ACO or are contemplating a commercial ACO relationship with one or more of your contracted health plans. This white paper also assumes that you have taken the basic steps to organize and fund your ACO entity, but we will briefly cover a few of those steps before we take you through the four steps of a maturing ACO.

BEFORE STEP ONE

As an ACO Administrator, Medical Director, or Board Member of a newly formed ACO, it's incumbent upon you to ensure that the foundational ground work for the ACO has been established. Too often we see ACOs that have taken shape without discussing and agreeing upon an effective governance structure. The financial and clinical success of any ACO will be largely dependent on the ACO leadership and how well they understand and implement roles and responsibilities. Consider a governance structure that includes an Executive Committee, Finance Committee, Medical Management Committee, and Technology/Data Analytics Committee. While this might seem onerous and time-consuming, it will ensure that certain individuals are tasked with duties and responsibilities they will be responsible for fulfilling. It's unreasonable to expect one or two individuals to understand the complexities of each committee responsibility, and even more unreasonable to expect them to deliver on those responsibilities.

Let's take a closer look at each of these committees and the key actors in each:

EXECUTIVE COMMITTEE

Ideally, keep this group small and consider having representatives from each sub-committee attend to provide insight into activities and deliverables from their respective groups. The Executive Committee should consist of:

1. **ACO business lead**

Typically, this is a COO, CFO, managed care director or perhaps the CEO. This individual is responsible for the overall business/financial performance of the ACO and is also the final word on budgets, resource allocation, technology spends, etc. If your ACO is formed as a network of independent physicians (not backed by an integrated delivery network or hospital) consider a physician leader who has experience in both managing teams and understanding financial analysis. If you have partnered with your local hospital or regional IDN, ensure that the appropriate C-suite executives are mandatory attendees.

2. **ACO Medical Director/Chief Medical Officer**

Make sure your ACO medical director is involved at the Executive Committee level. He or she needs to understand all aspects of managing an ACO but most important — how medical management decisions, use of certain specialists, and labs and imaging providers affect the financial health of the ACO. If your ACO is partnering with a local hospital or regional IDN, make sure to include the hospital's Chief of Staff or other executive level hospital medical directors.

Make meetings mandatory, send agendas out well in advance of the meeting, and task someone with documenting minutes and actions items for follow-up.

3. Director of Case Management/Concurrent Review/Complex Case Management

This person is perhaps the key factor in the success or failure of an ACO. Typically, this individual has deep and extensive boots-on-the-ground clinical experience, is used to dealing with high-touch patients, and understands the importance of delivering the right care at the right time at the right price. Involving this individual at the Executive Committee level will provide valuable clinical and real-world insight for the rest of the EC team.

4. CIO or Technology/Data lead

Too often, COOs, CEOs, Medical Directors, or other members of the EC lack the technical knowledge necessary to solve financial- or care- management related issues. The CIO or technology/data lead should be able to understand the business needs or medical management needs of the EC and help guide the use of technology or data analytics to meet those needs. If you are an ACO that is made up of independent physicians, this is a role that might be best filled by an outside data analytic/software company or consultant. There is a new cottage industry comprised of vendors and consultants who specialize in this type of role.

FINANCE COMMITTEE

Depending on the structure of your ACO, the Finance Committee should include individuals who are tasked with oversight of the financial performance of the ACO and perhaps also have some level of decision-making authority on expenditures of resources. The cadence of meetings should depend on the frequency of refreshed financial data including CMS claims data, health plan claims reports, etc. The FC should include the CFO, Director Managed Care, ACO Medical Director, and analysts who are responsible for report generation. If you're an ACO made up of independent physicians, consider other physician leaders who have experience or understanding of financial reports and utilization performance and have the time and ability to report up to the Executive Committee as needed.

MEDICAL MANAGEMENT COMMITTEE

As noted above, this group is typically tasked with most of the heavy lifting when it comes to actual day-to-day activities that directly impact the success of the ACO. The MMC should be co-chaired by the ACO Medical Director and the Director Care Management. Normally, this group is tasked with gathering and analyzing actual care-level performance, including trends in admits, discharges, re-admits, length of stay, etc. Equally important, the MMC is responsible for touching both outlier patients and outlier physicians. Complex patients are typically discussed and actions are agreed upon to ensure the appropriate care at the appropriate location. In addition, this is also where "problem" physician behavior is discussed and addressed. The Medical Director has the responsibility to ensure that physician behavior is consistent with the goals and mission of the ACO. Often, in-person interventions are necessary to share physician results and discuss steps toward improvement.

TECHNOLOGY/DATA ANALYSIS COMMITTEE

If the ACO has a broad structure and includes IT or data resources, set up regular committee meetings to collect and analyze the claims and EHR data that will be reviewed by both the MMC and the EC. Participants should include CIOs, data analysts, technical support, etc. If your ACO is set up as an

affiliation of independent physicians, this may or may not be feasible. As mentioned above, this responsibility can be outsourced.

STEPS FOR GROWTH

Now that you've laid the foundation for a well-functioning ACO, let's look at the four steps that will ensure your growth and success as a value-based organization.

STEP 1: DIGITIZE RECORDS

While this seems like a logical first step and something that should be required of all ACO providers, the reality is that EHR adoption by physicians still has a long way to go. The CDC reports that EHR adoption has increased by 9% since 2012, yet only 48% of providers report having a “basic” EHR system in their office.¹ The ability to capture and export structured data from the ACO providers EHR is a critical step to the overall success of the ACO. Typically, physicians who have not adopted an EHR are weary of the cost or of the actual process of moving from paper to a digitized record. Instead of shoveling out subsidies to your ACO physicians to adopt an expensive and cumbersome system, consider a free, cloud-based option such as Practice Fusion (www.practicefusion.com). Not only will your ACO providers be more effective and efficient by adopting an EHR, but they also can take advantage of the Meaningful Use stimulus funds that pay doctors for the adoption and meaningful use of an EHR. Physicians who adopt an EHR in 2014 can earn up to \$24,000 from Medicare over the next three years and over \$63,000 from Medicaid.

STEP 2: CONNECT AND CENTRALIZE YOUR DATA

Building on Step 1, the next growth spurt of your ACO happens when you successfully connect your providers and export structured C-CDA or C32 data outbound from their EHRs — while at the same time pushing clinical decision support reminders, gaps in care reminders, and other care management indicators back in to the ACO providers' EHR. For more sophisticated ACOs, this can be managed by your internal IT/Data team who has built a data warehouse and can ingest data from a multitude of ambulatory EHRs, hospital-based EHRs, and claims related data. If your ACO is comprised of independent physicians and lacks the internal resources to centralize your data, consider working with one of the many interoperability vendors that can manage this function for you. Companies such as The Advisory Board (Crimson is the name of their product), Covisint, Explorys, and Amplify Health are just a few of the top performers in the space. Some EHR vendors such as Practice Fusion noted above, have already done the work of building the data pipeline to these interoperability vendors, which makes the exchange of structured data outbound/inbound from a providers EHR turnkey.

STEP 3: ANALYZE YOUR DATA IN REAL-TIME

There is a fundamental flaw in the way most ACOs' analyze their performance — solely relying on old claims data. One month you might be patting yourself on the back because your cost trend line is going

¹ <http://www.cdc.gov/nchs/data/databriefs/db143.htm>

down, then the next month you're wringing your hands because the cost trend line is now heading north. The analogy of attempting to drive a car while sitting in the back seat facing backwards seems appropriate here. Simply relying on old claims data puts your ACO in a reactive mode rather than managing in a proactive real-time environment. Dashboards showing historical claims and utilization performance are mildly interesting at best. In order to be effective as an ACO, monitoring performance in real time should be considered a mandatory requirement. The most appropriate platform for real-time analysis is within the EHR. Individual ACO providers need to have immediate line of sight into their performance on Quality Measures and ACO administrators/care managers need the ability to see aggregated performance across all providers. The quality gate that exists with the CMS MSSP or other commercial ACO relationships needs to be managed in real time, at the point of care. Utilizing an EHR that allows each ACO provider to see their individual performance on the Quality Measures will result in better compliance and will ensure that your ACO providers are fully engaged and feel empowered to do their part. Making their performance available within the EHR that they use every day gives them the tools to take action at the point of care. Remember the analogy of driving a car while sitting in the backseat looking backwards? Compare that to what has been proposed here — real-time insights, at the point of care, within the physician's daily workflow.

STEP 4: TAKE ACTION

For most ACOs today, taking action means sorting through extensive spreadsheets with patient demographics and old claims information to find the always elusive needle in the hay stack — the chronic patients, the ER frequent flyers, etc. Once the care coordinators have identified outlier patients, the next step in taking action usually means making a series of unsuccessful phone calls to the patient. While the current process is widely accepted as the only way to engage ACO patients, it is clearly labor-intensive, time-consuming, and marginally successful. There is a better way. Leveraging technology to enhance and support the work of care managers allows them to focus their time and energy on actual care coordination and not on administratively burdensome tasks such as simply identifying patients that need attention. As previously mentioned, utilizing a cloud-based EHR that has bi-directional connectivity between your ACO and your providers allows your care managers and ACO providers to take action in real time, at the point of care. Taking action can mean many different things to many different ACOs. The ability to manage your ACO patients with Clinical Decision Support reminders (diabetic foot exams, retinal screenings) directly in the EHR is an efficient and cost-effective way to engage both providers and patients. CDS reminders that pop up in the EHR at the point of care, ensure a higher likelihood that the patient will be compliant with care plans, and that the ACO provider is meeting their Quality Measures. Taking action also means engaging the patients directly about compliance with their care plan, medication reminders, and appointment reminders via e-mail, text, or SMS.

CONCLUSION

Now that you're an ACO, the important work begins. Start by setting up the foundational groundwork of committees and leadership that will be crucial to your long-term success. Rethink the current norm and stop relying on old, stale claims data to manage your ACO. Ask yourself, "Am I driving my ACO from the back seat while facing backwards?" or "Am I setting myself up for success by managing in real time at the

point of care?” Maturing as an ACO will not happen overnight, but planning and delivering on the four steps noted above will start you down the path to becoming an effective, efficient, and profitable ACO.

ABOUT THE AUTHOR

Chris McCrary is Senior Manager of ACO Partnerships at Practice Fusion, where he drives product improvements and technical implementation to support accountable care functionality for users and organizations. Previously he worked at Hill Physicians Medical Group where he was responsible for all aspects of contract management including health plan negotiations and network development and ACO development and oversight, including the nationally recognized Cal Pers/Blue Shield/Dignity Health ACO in Sacramento.

To learn more about Practice Fusion’s ACO support please contact cmccrary@practicefusion.com.