Revolutionary health care transformation

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IssueBrief

Managing Change, finding value

Lessons and insights from the Hudson Valley

The U.S. excels in medical technology and training. And yet the best people and the best tools have *not* translated into better health or health care delivery. The U.S. spends more on health care than other developed countries and has less to show for it.[1] We fall behind much of the developed world in terms of health care delivery and access; payers struggle while patients suffer and policymakers seek solutions.[2]

"We have better capabilities than many of the countries we fall behind," said A. John Blair III, MD, CEO of MedAllies and president of the Taconic Independent Practice Association (TIPA). "We have a real crisis here. We need to figure out how to get value."

Three organizations in New York's Hudson Valley—TIPA, Taconic Health Information Network and Community (THINC) and MedAllies—have fully embraced a value-based approach to health care. Their shared goal: to improve the quality, safety and efficiency of health care in their community. Together, they are transforming health care delivery one innovation at a time. Their lessons are serving not only to inform the national dialogue, but they can also lead to improved value in communities across the country.

Answering the national questions

Change is inevitable; it's being driven by the economy, the cost of health care, policy initiatives and a desire for value. Payers are overwhelmed by escalating costs. Federal initiatives, including the Affordable Care Act, are creating opportunities for innovation, such as demonstration projects, funding for training and support for new models of care with a variety of reimbursement models.

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> —SUSAN STUARD, EXECUTIVE DIRECTOR, THINC

Given these converging demands, providers, payers and policymakers are looking for answers, Blair said. "There's a hunger for success stories. They all want to know 'how do you do that?' We can answer that question."

The Hudson Valley experience demonstrates how health IT can be deployed to improve patient care and community health as a foundation for the new models of care that are patient-centered, coordinated and accessible, and financed to sustain lower cost, high quality care—in other words, care delivery that creates value.

A learning lab–a million patients strong

The Hudson Valley Initiative (HVI) has built a foundation for improved care for its population, starting with electronic health records (EHR) adoption and its years of experience with health information exchange, medical home transformation, community and health plan involvement and a community-wide data set.

HVI is at the vanguard of the nationwide movement toward health system restructuring; as such, it has become a learning laboratory for innovation in:

- **Use of health IT.** The Hudson Valley connects provider EHR systems so information can flow, allowing for seamless transitions of care and more efficient workflow, Blair said. More than 700 Hudson Valley Initiative-supported providers have adopted EHRs and 305 have transformed their practices into PCMHs to date. It brings more than 10 years of experience with health information exchange to the table.

- **Care coordination.** Learning from the successes of Geisinger Health System, Massachusetts General Hospital, Medicare's physician group practice project and elsewhere, founding companies involved in the Hudson Valley Initiative are applying those lessons to an open, nonintegrated community. The players are using TIPA's operational infrastructure to offer community expertise in concert with THINC's convening and project management capabilities.

- **Collaboration within sectors (competitors) and between sectors.** Success requires collaboration among providers, between providers and hospitals, and among providers and health plans and other payers.

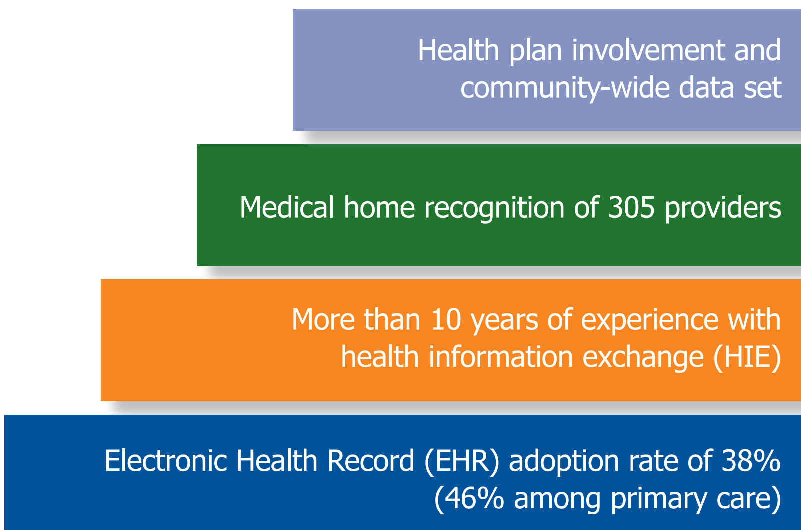
- **Physician-led transformation.** The Hudson Valley Initiative concept is unique in that physicians are at the helm. It is a laboratory for on-the-ground, in-the-community learning and expertise in workforce practice transformation.

It is, in short, a learning lab for measuring value, with more than a million of the 2.4 million area patients attributed to more than 1,000 of the area's 4,000 doctors.

"Since 2008, we have been measuring quality across 10 HEDIS measures for all of those patients and doctors," said Blair. And each intervention can be examined separately.

"We can track quality across those million patients, *and* we can see specifically how each intervention–EHRs, PCMH, embedded care managers–can impact quality. We can do the exact same thing with cost," he said. TIPA has partnered with Weill Cornell Medical School as an objective evaluator of its work.

Hudson Valley—What Have We Built?



Community platform around value-driving elements of health care reform.

- Care Coordination
- Pay-for-Performance
- Value-Based-Purchasing
- Other areas of focus (ACO, Advanced Primary Care, Transitions to Care, etc.)

Early lessons from the lab

Success stories from the Hudson Valley and elsewhere are yielding valuable lessons. Among the most important: Transformation is context-specific, and each community needs to identify the tasks it can accomplish.

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> —SUSAN STUARD, EXECUTIVE DIRECTOR, THINC

"Atul Gawande has written about this in *The New Yorker*—why change in innovation is so hard," said Susan Stuard, THINC's executive director. Health reform, Gawande wrote in "Testing, Testing," can take a cue from the slow innovation fostered by the agricultural extension centers:

> "The task will require dedicated and talented people in government agencies and in communities who recognize that the country's future depends on their sidestepping the ideological battles, encouraging local change, and following the results. But if we're willing to accept an arduous, messy, and continuous process, we can come to grips with a problem even of this immensity. We've done it before."[3]

Gawande makes a compelling point, said Stuard: Innovation doesn't involve a single fix. Rather, it's a series of initiatives. For health care delivery, it involves value-based purchasing, care coordination and accountable care. "They are all tools that are going to help us cut the Gordian knot. I don't think any of these on their own will do it. We must look at multiple interventions, over time."

One intervention at a time, running on multiple tracks

Resist the instinct to do it all at once, she counseled. "Figure out which of these very viable, important interventions makes the most sense for you and your community. We started in the Hudson Valley with EHRs and medical homes because there were natural strengths there."

The Hudson Valley experience demonstrates how to accomplish transformation stepwise and incrementally–and how to keep moving forward.

"Look at success stories such as Geisinger, Kaiser, InterMountain, etc. They spent years–decades–building on small, successful interventions and figuring out where the next intuitive opportunity was. That's why we see tremendous things there," Stuard said.

A vision for advanced primary care

Blair's vision of advanced primary care encompasses the principles and practices of the patient-centered medical home and care coordination, but it goes even further.

Advanced primary care providers understand how to connect patients with the resources they need. They are familiar with the patient's benefit design and know what is available; this allows them to leverage all possible opportunities to improve patient health. Practices work collaboratively with health plans and community organizations to understand where resources can be focused, especially for the management of complex, high-cost patients, he explained.

Advanced primary care needs a reimbursement model that compensates for these additional services. As Medicare and private payers move toward accountable care models (and accountable care organizations), advanced primary care must—and will—play a vital role.

> **Advanced primary care *must* be at the core for ACOs to succeed. It's more than just being part of and in partnership with other stakeholders in the ACO. Advanced primary care practices need to be the nucleus.**
>
> **—A. JOHN BLAIR III, MD**

Just what an ACO will look like has yet to be established, and various provider entities are jockeying for position as ACO leaders. But one element in the picture is already clear: Advanced primary care *must* be at the core for ACOs to succeed, said Blair. "It's more than just being part of and in partnership with other stakeholders in the ACO. Advanced primary care practices need to be the nucleus."

And that is the lesson for other communities as well. "Find a small innovation you can embrace and implement. Be selective—try to figure out what's the best approach, the best place to start," she said. "Stay true to the things you think are important. You need to pick the innovation that's a good fit for you and your community. That's the attitude we are trying to take here in the Hudson Valley."

The work has only just begun, but additional lessons have emerged:

- **Foster collaboration and cultivate leadership:** You have to have leadership in the stakeholder sectors–including physician leadership. Both Blair and Stuard stressed the importance of fostering collaboration. "Bring stakeholders together and design programs by consensus. Gaining consensus can be painful, but it is critical to set the stage to make gains," Stuard advised. Engage with as many health care partners as possible: acute, home, long-term and mental health. All those conversations make a difference.

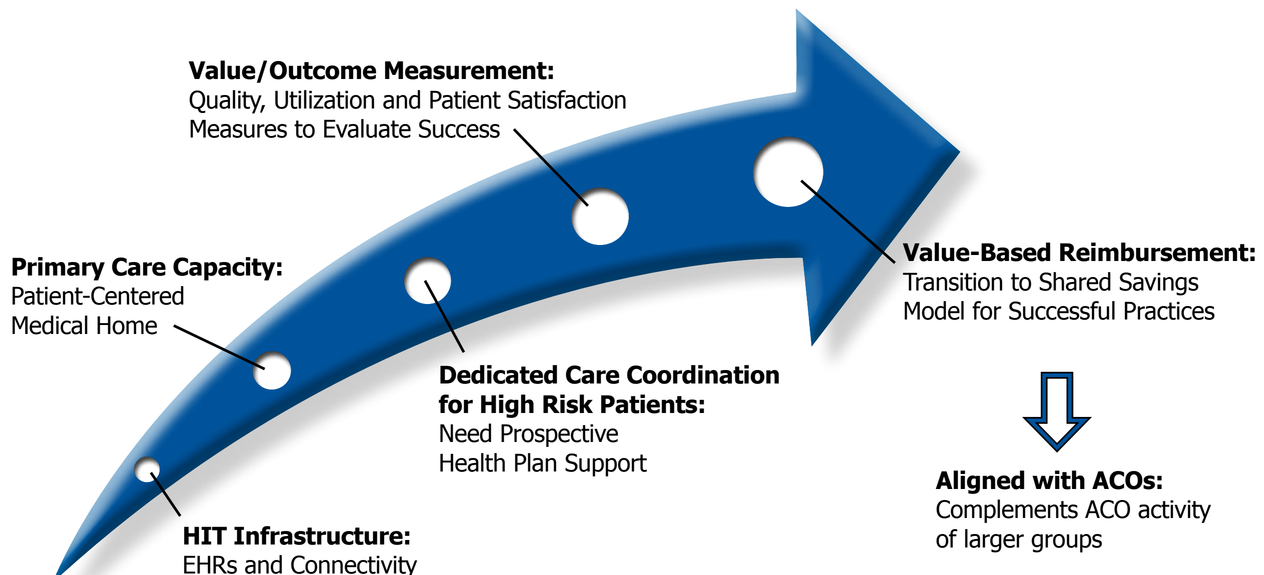
HVI's care coordination initiative

TIPA and THINC have already demonstrated expertise in PCMH transformation, Blair said. Now, supported by technical expertise from Geisinger Health System, they will soon implement a customized version of Geisinger's Proven Health Navigator. Taconic IPA will bring embedded care management to several of its practices that are recognized by the National Committee for Quality Assurance as Level 3 patient-centered medical home practices. This initiative will start with a small pilot at selected sites, with a planned expansion to medical homes across the community.

Care coordination enhances value; evidence shows that the patient-centered medical home and embedded care managers can enhance quality and improve costs.[4, 5, 6]

This care coordination program is expected to generate significant improvements in cost and quality of care for high-risk patients *and* will carry with it national importance in testing the applicability of such a model outside an integrated health system, said Stuard. (In a closed, integrated system–such as Geisinger–members receive all services, from preventive medicine and primary care to surgery and hospitalization, from the same entity.)

The project evaluation will yield information about physician satisfaction, patient satisfaction and improvements in quality of care. The data set will allow TIPA to benchmark this quality data and then track quality improvement over time.[7]



- **Be deliberate, but don't be static:** Ongoing success depends on continuing to move forward, said Stuard. "We need to embrace the next innovation as quickly as we can handle it."

- **Invest in the infrastructure:** "You need that technical infrastructure in place to have a robust transformation effort," said Blair. It fosters the development of the other elements of transformation, including care coordination, transparency and reimbursement reform. "It's a necessary component in addition to other efforts." Stuard agreed: "We believe very strongly in IT." But, she cautioned, "IT is not an end in itself. It's a tool, an important tool you need to have in place to move to next level."

- **Be alert and nimble:** Follow the conversation, said Stuard. "I don't think any of us–even CMS [Centers for Medicare & Medicaid Services]–know how this is going to turn out." Those who want to be part of the transformation need to pay attention.

- **Persevere:** "Stick with it," said Stuard. "This is insanely hard work; it takes a lot of collaboration, a lot of conversations. You always hit many more hurdles than you anticipated, but you must get over them." Perseverance is one reason behind the Hudson Valley's success, she said.

Hudson Valley Snapshot

Location: Hudson Valley area of New York (Ulster, Dutchess, Putnam, Westchester, Rockland, Sullivan and Orange counties)

Population: approximately 2.4 million

Providers: approximately 1,800 primary care providers, 31 hospitals and eight federally qualified health centers serving the region; 68.3 percent male

EHR adoption rate: Adoption rate of 38 percent (46 percent among primary care providers)

Level 3 PCMHs: 305 physicians in 15 practices at 64 practice sites

Total providers in the medical home pilot, including non-physician providers: 339; 53.4 percent female

SOURCE: THINC, TIPA, JANUARY 2011

"Don't lose your true north. Figure out what really makes a difference to you, your organization, your patients, and then move forward," Stuard added. It won't be simple. "I think in the short term, it will be intensely painful. But these changes help set the stage for fundamental transformation—improved quality, safety and efficiency of health care, not just for the patients in our practices, but for our entire community."

Accountable care and THINC's ACO Insights learning network

THINC's ACO Insights, supported by a grant from the New York State Health Foundation, will help providers better understand accountable care models and decide whether being part of one is a good fit for their practices. To make that assessment, providers–especially small ones–need education, information and technical assistance. "ACO Insights will provide the opportunity for small providers to figure out how they fit into the picture," Stuard said.

The dominant emerging accountable care model is the accountable care organization (ACO). An ACO is a way to formally bring together a set of providers—at a minimum, primary care physicians, specialists and hospitals and, ideally, community health centers, long-term care facilities and related facilities—and hold them accountable for the cost and quality of care delivered to a defined patient population. Regulations governing ACOs were slated to be announced in early 2011. In 2012, Medicare will begin contracting with ACOs under its Shared Savings Program. Private insurers are also interested in the model's potential to enhance the value of care delivery.

THINC's plan is to bring together providers and payers to offer training and technical assistance, as well as a data set necessary to aid in population health management.

"There are a lot of conversations–important conversations–going on about ACOs. Currently, most of those don't involve smaller practices," said Stuard. But in the Hudson Valley, two-thirds of practices have 10 or fewer providers. Embracing the ACO model may be particularly challenging."We want to give these providers information from a neutral source that isn't trying to sell follow-on business," Stuard explained.

ENDNOTES

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Susan Stuard, MBA,
executive director, THINC

Stuard leads the not-for-profit convening organization that establishes research-based criteria to enhance health care quality and value in the Hudson Valley. Prior to THINC, Stuard was the director for technology policy development at the New York Presbyterian Hospital. She was also the vice president of regulatory affairs for the Greater New York Hospital Association (GNYHA) where she led GNYHA's efforts with respect to clinical information technology and the HIPAA privacy and security rules. She holds a Master's of Business Administration from the Yale School of Management and a bachelor's degree from Hamilton College.

A. John Blair III, MD, *CEO of MedAllies, Inc. and president of Taconic IPA*

Blair is a board-certified general surgeon who spent 15 years in academic medicine and private practice before becoming president of TIPA, and then CEO of MedAllies. He serves on the Privacy and Security Workgroup and the NHIN Workgroup of the Policy Committee of the Office of the National Coordinator. He is a member of the National Committee on Quality Assurance (NCQA) Committee on Performance Measurement, and serves on the Health Information Technology Advisory Committee (HITAC) for the National Quality Forum.

The **Hudson Valley Initiative** is an effort among three organizations—Taconic IPA, Taconic Health Information Network and Community and MedAllies—to revolutionize health care delivery through a shared vision to improve the quality, safety and efficiency of health care in the community. We leverage health information technology, physician practice transformation and value-based purchasing in pursuit of care delivery that is patient-centered, coordinated, accessible, high quality, and efficiently delivered through sustainable financial models. For more information go to **www.hudsonvalleyinitiative.com.**

TIPA's medical home transformation work has been an essential building block for care coordination. TIPA, a nearly 4,000-physician IPA, led the effort to help 305 Hudson Valley primary care providers become recognized by NCQA as Level 3 patient-centered medical homes—one of the highest concentrations in the nation. TIPA has just launched a new division initially focused on helping organizations enhance care coordination efforts and better manage care transitions.

MedAllies is the health information services provider that facilitates physician practice redesign to improve efficiency and effectiveness of health care through health information technology, and operates the technical backbone for health information exchange (HIE). Its expertise, coupled with more than 10 years of HIE experience, has been essential to creating the virtual integration necessary in a community that lacks a large integrated delivery network. Since 2007, more than 700 Hudson Valley physicians have implemented EHRs.

THINC fosters collaboration and encourages transparency. It brings together providers and payers in a neutral forum that leaves individual concerns at the door. Building on an accountable finance model, it has partnered with six health plans and a major employer (IBM) in a value-based purchasing program to reward physician practices for reaching quality and care coordination benchmarks. THINC has just launched ACO Insights, which provides the education, information and technical assistance practices need to better understand accountable care models.

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