Is Your Organization Ready for Value-Based Care?

MACRA became law in 2015 and ended the traditional FFS methodology (SGR) for Medicare clinicians. The changes move healthcare reimbursement models from volume to value and all organizations need to be prepared for its impact. Now is the time for providers, physicians and health systems to consider many aspects of their business processes and information infrastructure.

MACRA Timeline

- April 2015: MACRA becomes law
- October 2016: MACRA final rule
- January 2017: Measurement period begins
- October 2016: MACRA final rule
- January 2019: First payment year

Key Objectives

Supporting Analytics
Data Management
Data Warehouse
Data Interoperability
CM/DM/UM
Predictive Modeling
EHRs

Price new services
Link interventions to outcomes
Understand revenue cycle impacts
Understand total cost of care

How Can Pivot Point Consulting Support Your Organization?

Think - Create a clear, agile value-based strategy
Build - Build a plan for supporting needs and changes for people, process and technology
Do - Implement and execute through multiphase effort to deliver speed to value-based care and reimbursement

Changes Ahead

This shift requires major changes for affected stakeholders.

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Focus Area</th>
<th>Change Required for VBC</th>
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<tbody>
<tr>
<td>Administrative Process</td>
<td>Contract Management and Population Health</td>
<td>✓</td>
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<tr>
<td>Financial Management</td>
<td>Risk Management and Cost Accounting</td>
<td>✓</td>
</tr>
<tr>
<td>Patient Care</td>
<td>Referrals, Protocol Assignment, Diagnoses and Therapies, Discharge Planning and Management, CDI, Coding</td>
<td>✓</td>
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<tr>
<td>Revenue Cycle</td>
<td>Prior Authorization, Eligibility Checking, Charge Capture, Claims Processing, Denials Management</td>
<td>✓</td>
</tr>
<tr>
<td>IT Systems</td>
<td>EHR, Diagnostic Systems, Analytics, Interoperability, Quality Reporting</td>
<td>✓</td>
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Along the Road to Value-Based Care
Ten Key Challenges for Coexistence in Healthcare

The shift to value means that fee-for-service and value-based processes, workflows and systems will need to coexist. Stakeholder organizations must develop a strategic plan to manage this transition. There are ten key aspects of this work to consider.

1. **IT review and strategy**—Assess current systems to understand whether they can support both fee-for-service and fee-for-value.

2. **Data harmonization**—Review present and future data sources to determine gaps and level of data consistency to support care quality and value-based care.

3. **Interoperability and new clinical system deployments**—Develop an approach to systems interoperability that addresses all IT interaction across the value-based continuum. This includes systems for disease and chronic care management, case management, utilization management, referrals and authorizations, as well as core EHRs.

4. **Analytics and population health**—Use strong analytics engines to stratify risk, understand value, identify population cohorts and develop the most valuable approaches to episodes of care.

5. **EHR optimization**—Adjust EHRs to handle both fee-for-service and fee-for-value if possible to ensure maximum value with minimal IT investment.

6. **Revenue cycle improvement**—Address all aspects of revenue cycle from the structure of charge masters to the way bills are produced for bundled payments and episodic billing.

7. **Cost accounting approaches**—RVUs are insufficient for understanding cost of care under value. Understand all costs of care and associated risks to forecast and stratify risk across care settings.

8. **Alternative payment models**—Learn more about all the various payment methods being piloted and developed including ACOs and bundled payments. Quantify the benefits and risks associated with each model based on your unique organizational demographics. Develop a strategy for which approach may be best for you.

9. **Clinical documentation and coding**—Shore up clinical documentation and coding. Without these functions, there are risks of under-reimbursement, claims denials and lack of consistency in analyzing quality of care.

10. **Clinical quality reporting**—Prepare to report clinical quality measures electronically. Not all systems are capable of supporting this function effectively and typically do not address the need for changes in process and procedure.

“Coming together is a beginning, keeping together is progress, working together is success.”

Henry Ford