

Network Optimization

Thursday, May 16, 2019

Bluethorn 9

Round Table Facilitators

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Topic/Question	Groups Comments/Discussion
<p>In thinking about an optimum network, are most conversations about performance management or building a breadth of patient services?</p>	<ul style="list-style-type: none"> • While most of these conversations start in good faith, they invariably come to center around price. However, it is impossible to succeed in building a high functioning network if price is your only focus. Without a balance of quality and meeting market needs, focusing on price/incentives alone will never lead to a high-functioning network.
<p>For a physician network, how do you determine which physicians should or should not be included? How do you define who they are?</p>	<ul style="list-style-type: none"> • The inclusive approach <ul style="list-style-type: none"> - Build contracts with strong incentives on performance and allow everyone to sign up. Eventually, the good physicians will rise to the top. - Refrain from narrowing on the physician side but instead narrow the specialty services (via a cap) - This is a very careful exercise that has to be done with precision while balancing market needs - Counseling backed by incentives • Looked at 1300 employed PCPS and used ARC to see how they perform on a risk-adjusted basis. PCPs were ranked into quartiles and benchmarked against their own peer network. To uncover their opportunity, they went through the exercise of what their ROI was for their top 100 performers versus everybody else. <ul style="list-style-type: none"> - This approach gave them an identifiable cohort of PCPs to work with and created targeting counseling sessions for those PCPs. However to make the sessions more effective, they helped articulate and tie in total cost of care, and quality performance bonuses. • Avoid the outliers <ul style="list-style-type: none"> - Sometimes it's not possible to build the network with the best physicians for various reasons, but you can improve your network even by avoiding the outliers, or the worst performers - However, the challenge is access to good data that allows you to determine who to avoid

Round Table Discussion Notes

<p>Additional challenges</p>	<ul style="list-style-type: none"> - Building networks with the right patient experience can be big challenge <ul style="list-style-type: none"> ▪ Providers may be hesitant or unwilling to join if they recognize a network to be fragmented. For example, a network has good PCPs, specialists and hospitals but a lack of post-acute care options or skilled nursing facilities ▪ One strategy to overcome this challenge has been to have honest conversations about what good partnership means within the network: <ul style="list-style-type: none"> ▪ What does it mean to have good data sharing, transition protocols, and feedback to PCPs? - Create a post-acute collaborative <ul style="list-style-type: none"> ▪ To address fragmentation in a network, we created a post-acute collaborative, which included skilled nursing and rehab facilities. Also created very specific performance measures that for example target length of stay. In return we give them access to resources and portals that foster better communication.
<p>Interesting Trends in the Market</p>	<ul style="list-style-type: none"> • New generation of physicians are placing a greater emphasis on lifestyle and prioritizing a work-life balance. <ul style="list-style-type: none"> - Even though they have the opportunity to work more hours and earn more, organizations are seeing a lack of interest - Instead they're realizing that they can easily supplement their income by earning bonus dollars in a risk based contract while foregoing late hours • Incentives and TIN <ul style="list-style-type: none"> - Where incentives in a risk based contract are tied to a TIN, you could have 15 physicians who are billing under a single TIN - If the group sees a poor performer, the group is collectively motivating that poor performer to improve their performance