



# Why You Need a Project Management Office to Realize Your Value-Based Payment Strategy

September 21, 2021

## **Introducing Our Presenters**



Allen Miller
Principal and
Chief Executive Officer



Yomi Ajao
Principal and
Chief Consulting Officer



PR Harbin
Vice President

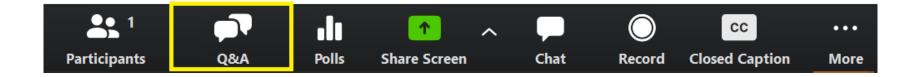


John Juzaitis
Executive Director of
Partners
Care IPA



### Housekeeping

- Please enter questions through the Q&A feature in Zoom (screenshot below), and we will answer questions at the end
- You may also email questions directly to info@copehealthsolutions.com



- Attendees will receive a PDF copy of the presentation, a link to the recording and a written Q&A
- After the presentation, COPE Health Solutions will send out a brief survey—we'd greatly appreciate you sharing any comments or feedback!

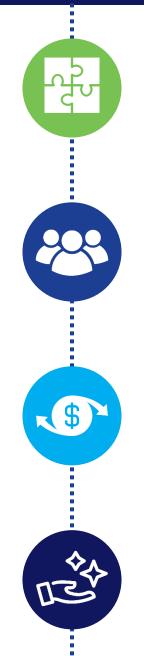


## **Agenda**



- 13 The Need for a PMO
- 19 A Client's Perspective
- 23 Key Takeaways
- **24** Question & Answer





## Moving to Value-Based Risk Model



### **Value-Based Payment Critical Success Factors**

#### Fundamental design principles for Downside or Global Risk

Culture of accountability for managing health and total cost of care with members

Easily accessible primary care network with behavioral health integration, urgent care capabilities, high-value specialty comanagement and care coordination



Unified, data-driven care model and care team across the continuum

Culture Leadership Transparency



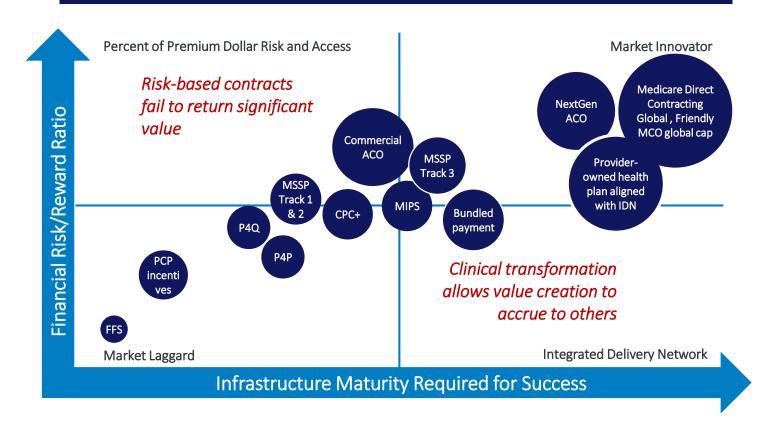
Population and outcome margin metrics vs. volume and visit margin

Deep physician engagement in governance and funds flow with aligned incentives



#### The Risk Continuum

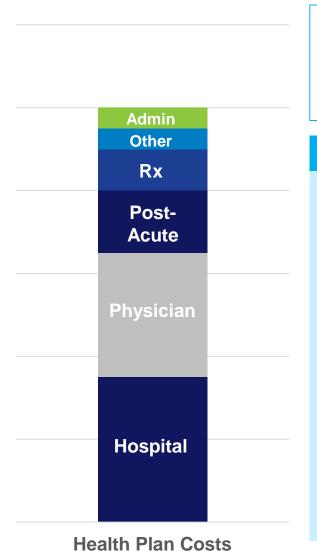
#### Value-Based Reimbursement Continuum



Bubble size corresponds to opportunity to impact cost and generate margin



## **Basic Value-Based Payment Contracting Construct**





#### Contract

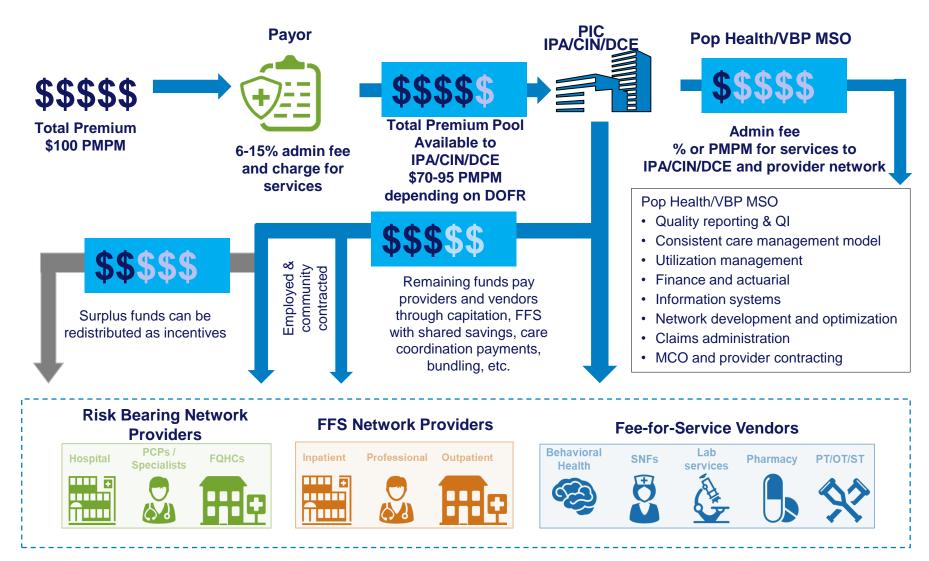
- Patients assigned based on primary care physician
- Basic contract structure is to provide incentives for reducing total cost of care
- Common components:
  - Level value-share and risk
  - Minimum savings/loss rates
  - Prepayment of value-share
  - Quality-based incentives

#### **Value Creation**

- Gaining more risk-adjusted membership
- Reduce utilization of outside spend (post-acute, Rx drug, medical devices)
- Manage referrals and reduce leaks
- Reduce internal spend (hospital utilization, unnecessary specialist visits) while removing capacity
- Improve efficiency of underlying costs



## Global Capitation Flow – MDC Global or Friendly Health Plan





### **MSO Co-Source Division of Responsibility (DOR)**

Functional categories are used to define roles of COPE Health Solutions and Client for each MSO service

#### Governance

Governance/board of managers of the MSO responsible for high level strategies and budget of the organization.

#### Management

Management or supervisory functions for each service area made up of Director/Sr. Directors or Vice Presidents depending on the size and complexity of the MSO.

#### **Operations**

Day to day operations of each service made up of staff and processes to manage workflows and transformations of the function

#### Data

Centralized data management and analytics services aggregating, transforming and developing dashboards using data generated across service areas including but not limited to claims, financial, quality and cost data

#### Technology

Software and hardware requirements for each service.

#### **Administrative Overhead**

The functions under this category include building lease, utilities, supplies, office equipment, etc.



### **DOR – Defining Engagement Level for Each Functional Category**

Levels of engagement define the level of COPE Health Solutions involvement for each MSO Service + Functional Category Combination



#### Joint Representation

Applicable only to the governance functional category where both, representatives from COPE Health Solutions and client will work together on key decisions and approvals of the MSO.



#### Delegation

Full delegation of the functional category of a given service. May include both staffing and non-staffing expenses incurred and managed by COPE Health Solutions and billed to client.



#### **Implementation**

Implementation support for new services without interfering in operations. Implementation support for expanding/changing or new services without interfering in operations.



#### Redesign

Redesign support for expanding/changing services without interfering in operations. Implementation support for expanding/changing or new services without interfering in operations.



#### **Advisory**

Consulting and SME support only for the desired functional category and service area.



Division of responsibility grid is filled out for every contract to indicate the operational ownership of each service and function for each year (select examples shown below).

JR
СО
CHS
OV

#### **Functional Categories**

Identify the functional categories that require some level of engagement by COPE Health Solutions for each of the MSO services

Y	е	a	r	

	Service	Functional Category						
Service Area		Governance	Management	Operations	Data	Technology	Administrative Overhead	
Medical Management	Care Management	JR	CHS	OV	CHS	OV	СО	
	Utilization Management	JR	CHS	OV	CHS	OV	СО	
Network Management	Network Design & Adequacy	JR	CHS	CHS	CHS	OV	СО	
	Provider Contracting	JR	CO	СО	CHS	ov	СО	
	Partner Relations	JR	CO	СО	СО	СО	СО	
Financial Management	Financial Planning & Forecasting	JR	CHS	CHS	CHS	ov	со	
	Cost Accounting & Reporting	JR	СО	СО	СО	СО	СО	
IT & Analytics M D	Data Analytics	JR	CHS	CHS	CHS	ov	СО	
	IT Business Application Management	JR	со	со	СО	СО	СО	
	Data Management & Interoperability	JR	СО	со	СО	СО	СО	
Admin and	Compliance	JR	СО	CO	CO	СО	СО	
Corporate	Claims Management	JR	OV	СО	CHS	СО	СО	

\*\*Disclaimer\*\* The values presented in this table are illustrative and should not be used for strategic and operational decision-making



Operational Ownership of each Service and function Ownership

## The Need for a PMO

Why a PMO reduces your exposure and improves the potential for success



#### What is a PMO?

#### A PMO:

- ✓ Brings a structured and consistent approach to delivery
- ✓ Manages project / delivery risk
- ✓ Optimizes resource use
- ✓ Keeps projects on track and teams focused on delivering business value

#### A PMO is NOT:

- Intended to increase bureaucracy
- Supposed to slow things down
- \* A small army of people who speak an unknown technical language

Projects with a project manager are over 3x more likely to conclude successfully





## Do you need a PMO?



Initiatives with a specific scope and timeline that are not routine operations



Projects that include team members across the organization (or in other organizations)



**Projects that must hit critical deadlines** 



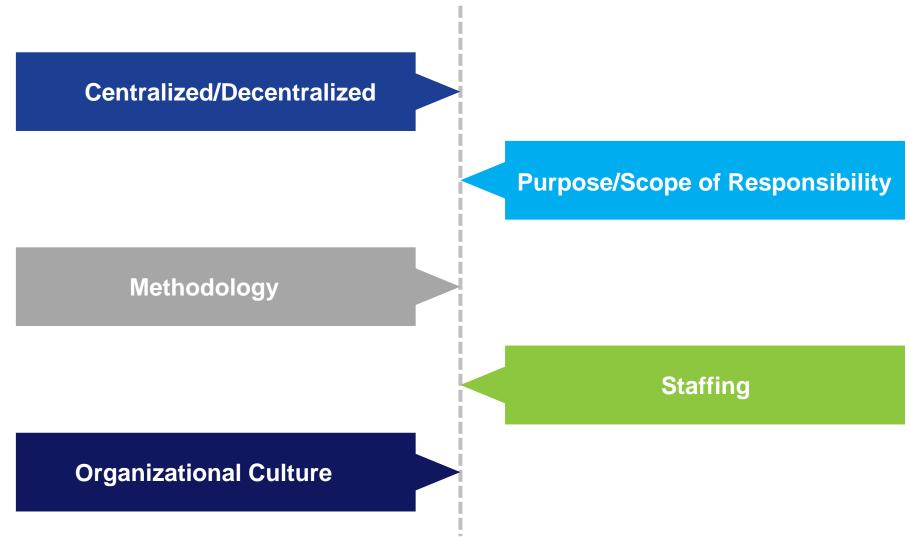
Many projects in progress at once



Challenges knowing if your resources are used to full capacity



## Modeling the PMO – One Size Does Not Fit All





## **Strategies for Building a PMO**

Appoint a leader and provide executive leadership support

Provide the right project management tools and processes

Have a project management process design

Provide project manager training

Clearly define roles, responsibilities, and expectations

Conduct PMO model assessment and recommendation

**Conduct PMO staffing analysis** 



## Client's Perspective

John Juzaitis, Executive Director of Partners, Care IPA



#### Partners In Care IPA / COPE Health Solutions

- Partners in Care (IPA/CIN) needed to clean up regulatory and compliance requirements to be officially recognized as a CIN
- Needed full inventory of all contracts and contracting entities
- Implementation of ARC and Data Analytics services
- Full assessment of people and programs

## Care Model & Delivery Transformation

- Model of Care & Clinical Integration
- Care Management Programs and Tools
- Practice Transformation towards longitudinal care

#### IT & Analytics

- IT infrastructure
- Integrated Care Management workflows
- Claims Analytics and Clinical Informatics
- Performance Management

## Governance & Network

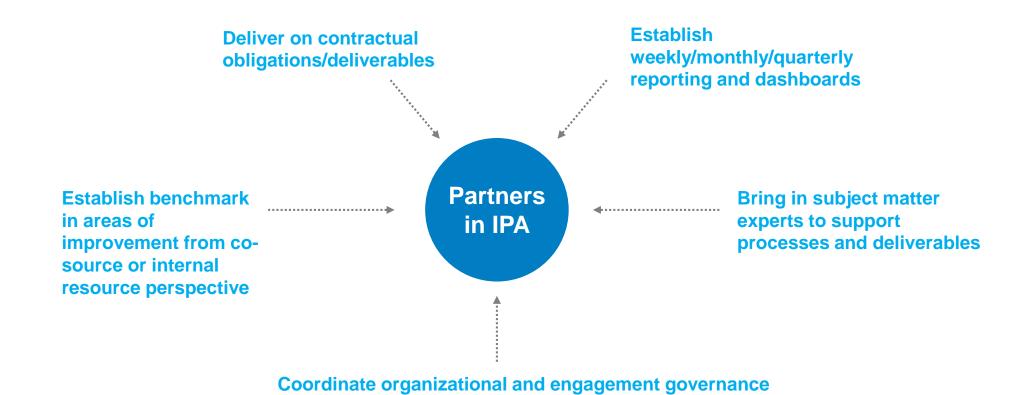
- Governance and Committee structures
- Legal and Organizational documentation
- Physician Aligned compensation and incentive structure
- · Quality & Utilization oversight

## Organizational & Operational

- Historical, Current, and Forecasted Utilization & Financials
- Organizational Chart and workforce information
- Payer Contracts
- Provider Rosters and Network Management



### **How the PMO Supported Partners In Care IPA**





## **Recommendations for Other Organizations**



Establish a true PMO leader from the beginning who is accountable for the initiative delivery

- Clearly define requirements for skills, capabilities, experience
- Clearly establish responsibilities and accountability

2

While you are getting the leader, assess the organization for immediate opportunities and requirements



With the leader onboard, bring it all together to focus the organization on the goals and outcomes



## Key Takeaways



### **Key Takeaways**

Considerations for a Value-Based Payment PMO

- 1 Moving to a value-based model is complex
  - Initiatives with a project/program manager are 3 times more likely to succeed
    - 3 In PMOs, one size does not fit all
  - 4 Leadership and executive support are crucial
- 5 COPE Health Solutions can help design the right PMO for your organization



## Question & Answer (Q&A)

For more information on how COPE Health Solutions can provide PMO services, please contact our team at info@copehealthsolutions.com or 213-259-0245.

www.copehealthsolutions.com



This document is proprietary and confidential to COPE Health Solutions and is protected under the copyright laws of the United States and other countries as an unpublished work.

Any other reliance or disclosure in whole or in part of this information without the express written permission of COPE Health Solutions is prohibited.

Copyright © 2021 COPE Health Solutions. All rights reserved