DOCTUSTECH

E-book

Measuring the value of value-based care.

We asked seven healthcare thought leaders to share their experiences from the VBC front lines.

Table of contents

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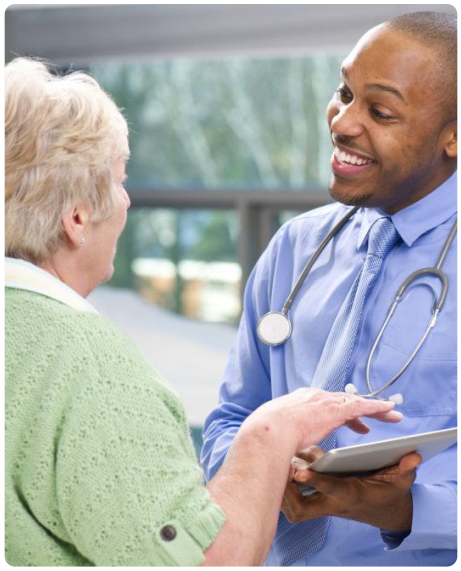
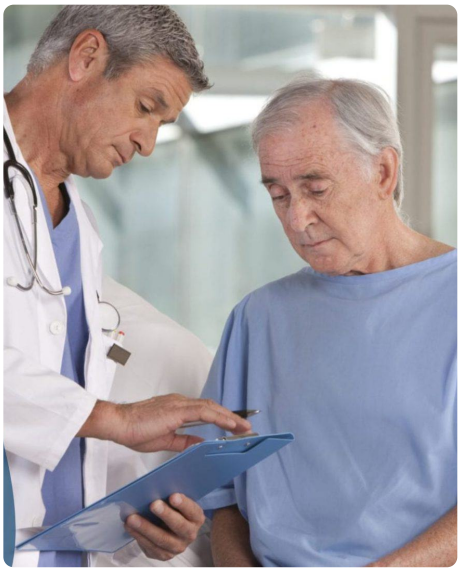
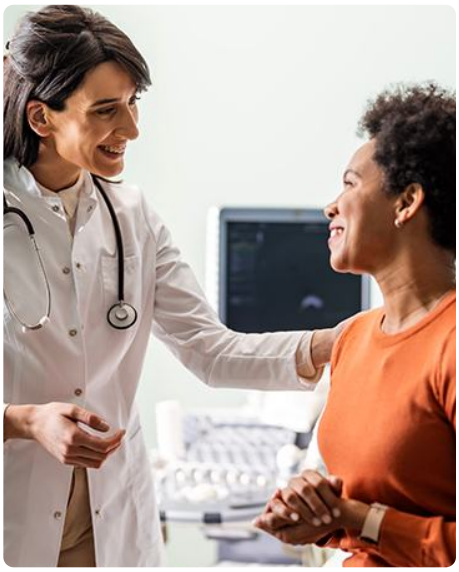






Introduction

The U.S. healthcare landscape is complex, multifaceted, and highly politicized. Against this backdrop, it's unrealistic to view value-based care (VBC) as any kind of panacea. But since the term 'value-based care' rose to prominence in the mid-2000s, VBC organizations have strived to deliver on the model's stated aims: to provide patient value as defined by health outcomes over unit of cost. Accounts both anecdotal and official have validated these efforts many times over: value-based care is a success, and patients are reaping the benefits.

However, recent press has called that success into question – from the perspective of both patients and providers. So who has it right? Is the value-based care model succeeding, or not? And crucially, how might we quantify that success?

In this ebook, we'll interrogate some of the recent criticism of the value-based care model, and ask an expert panel of healthcare thought leaders for their response – as well as their stories and experiences from the VBC frontlines.

Meet the experts

Here at DoctusTech, we work hard to support and empower the value-based care community. As such, we've been lucky enough to work with some of the country's foremost thought leaders – and to proudly name many of them as customers.

The following experts have contributed to this ebook:

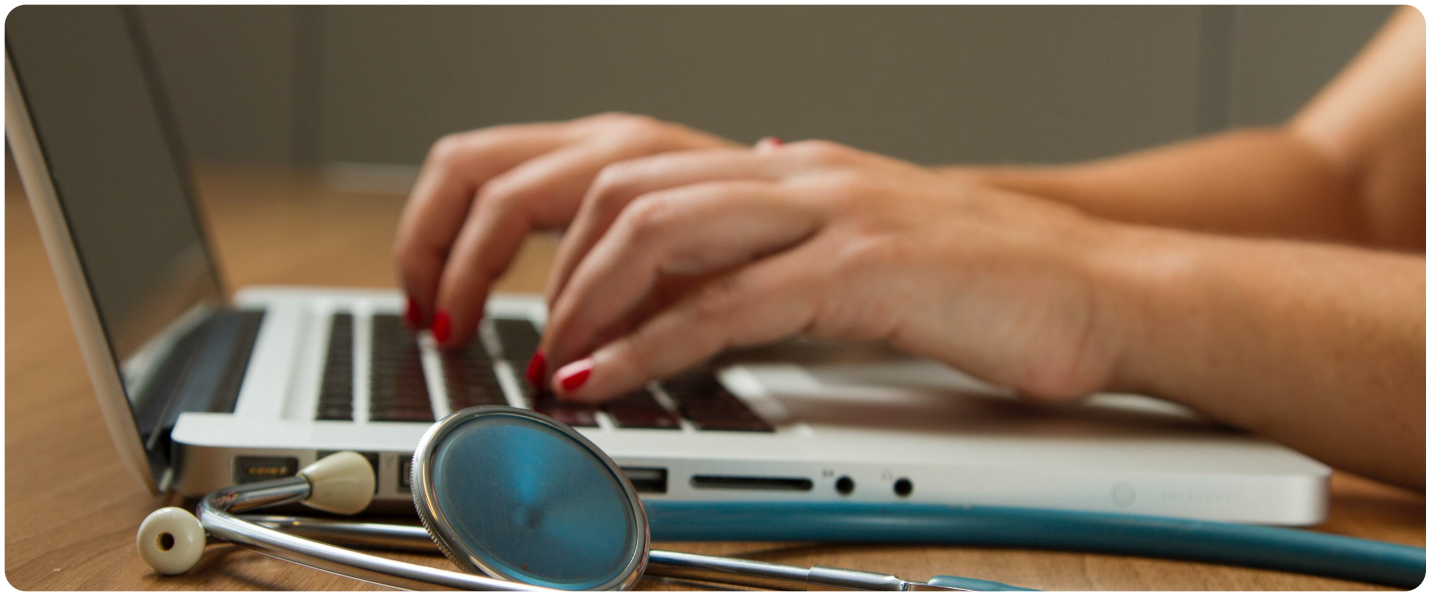
Dr. Daniel Croymans and Dr. Gabriel Waterman respectively operate as Vice-President Of Value Based Care and Vice President of Primary Care at SCAN Health Plan. SCAN is a nonprofit Medicare Advantage health insurance company that can trace its origins to 1977, and a founding group of senior health activists.

Dr. Rayny Ramirez is the CEO of the Community Medical Group. He's a passionate advocate for value-based care and health equity, and has operated as a leader for some of the country's largest healthcare organizations for more than 15 years.

Amy Roy and Dr. Brian Banker are members of the leadership team at Baycare Health Partners. Baycare aims to improve patient health through community-owned healthcare services that set the standard for compassionate care. "*We figure out why the traditional healthcare system hasn't met the patient's needs, and we try to address that*," Dr. Banker explains.

Krystyna Sienkiewicz is the Assistant Vice-President of Value-Based Care at Inspira Health. Inspira's mission is to provide a safe and compassionate experience that improves the health and well-being of their community by placing the safety of patients and the support of their employees at the center of all they do.

And finally, we also had the pleasure of speaking with the **Chief Clinical Officer** of a leading at-risk physician group who preferred to remain anonymous.



01

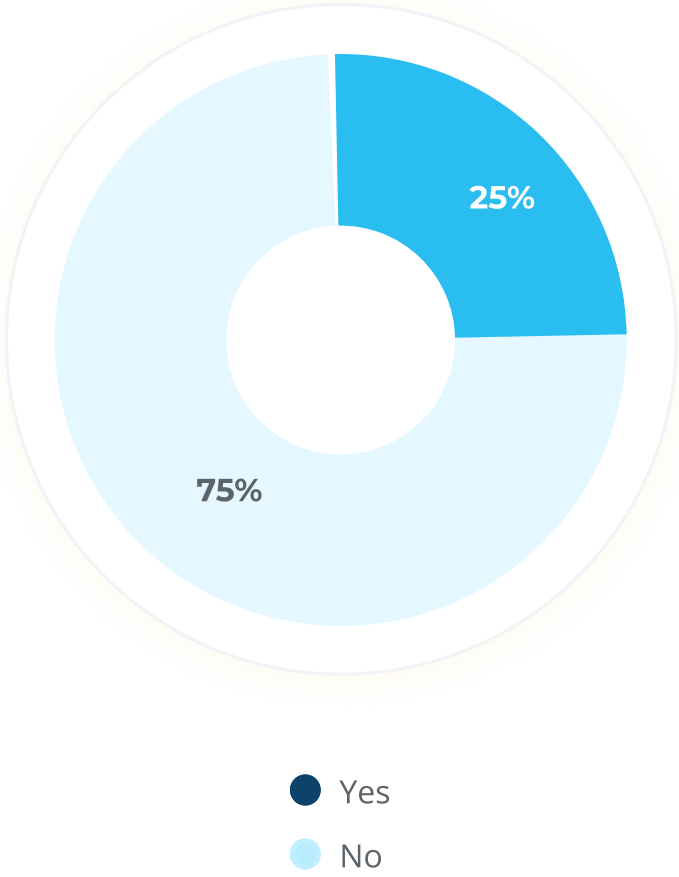
Why the negativity around VBC?

The traditional arguments against value-based care will be familiar to anyone who works in the healthcare industry. Perceived implementation complexity and increased administrative burdens remain significant disincentives to VBC adoption – but so too is a historical resistance to change. There's also the financial risk inherent in the CMS risk adjustment model, which sees providers shoulder a greater share of the financial burden than ever before.

However, some recent criticism of the value-based care model has seen focus shift from these more traditional arguments, and begin to question whether VBC is delivering in terms of patient outcomes.

A recent report from the Terry Group claims that just 25% of providers believe their VBC programs have successfully improved clinical outcomes.

Have your VBC programs successfully improved clinical outcomes?



Meanwhile, Kip Sullivan, Ana Malinow, and Kay Tillow of STAT offer this provocative claim:

> *"The value-based payment crusade is now two decades old. But despite the tens of billions of dollars — perhaps hundreds of billions — spent on these programs, they have done little to improve Americans' health or lower health care costs."*
>
> (External Source: STAT)

"I don't think it's fair or true to say that value-based care is not improving outcomes," counters Dr. Waterman. *"There's a lot of evidence that value-based healthcare organizations are significantly improving outcomes compared to fee-for-service Medicare."*

But how does that explain the Terry Group data that suggests even some providers feel their VBC programs aren't delivering? According to the anonymous CCO, the reason may be that these providers are serving both value-based and fee-for-service patients simultaneously. *"I wonder if they're trying to do both. I wonder if they're trying to do this treadmill of fee-for-service and – 'oh yeah, I have to slow down to see my VBC patient' too. It's impossible."*

> *"I always equate it to a cross-training sneaker: it's not good for running, it's not good for playing tennis. If you want to run, you wear a running shoe, and if you want to play tennis, you wear a tennis shoe."*
>
> **- CCO, leading at-risk physician group**

Dr. Ramirez shares the same opinion. *"I've been in an organization that's fee-for-service, I've been in an organization that is value-based, and I've been in an organization that is both at the same time – or trying to be both at the same time – which is kind of crazy,"* he tells us. And for Dr. Ramirez, 'success' is about how you define it. *"It's all relative to how you measure the value of VBC,"* he says. *"In my previous stewardship – with a different organization that provided care for senior patients – we were able to improve or extend life by an average of five years in seniors with a certain number of conditions."*

> *"Potentially the costs are higher, but what's the cost of living five more years?"*
>
> **- Dr. Ramirez, Community Medical Group**

"It is really hard to do both [fee-for-service and VBC] well," the CCO agrees. *"And I think that's why some providers don't necessarily see the value in value-based care – because they just see the documentation requirements and preventative care checklists, and say 'this is harder medicine'. They're not looking at the outcomes."*

Baycare's Amy Roy points out that some providers won't necessarily know when they're treating a patient in a value-based contract, versus a traditional fee-for-service one. *"When you're a provider in a practice, you're just 'in it',"* she says. *"They don't know what payor the patient has, or whether or not that patient is part of a value-based contract – they're trying to treat everybody the same. If they don't directly see the financial returns, they won't see the correlation between being in a value-based contract and the success of that model."*

Dr. Croymans agrees. *"Imagine if you're a provider – you're not wedded to one specific payor, and each one of those payors is changing how they're paying you, what they expect, and how they define quality of care. That's causing a lot of confusion and frustration when it comes to whether people feel like [for example] diabetes care has made a difference in their practice."*

"*Value-based care is such a catch-all*," adds Dr. Waterman. *"It's such a broad term, and there are so many different ways you can implement it – that has contributed to the confusion in and of itself."*

Dr. Banker, meanwhile, believes value-based care might be suffering from a case of expectations versus reality.

> *"At the heart of it, it just says they might be expecting different things. Honestly, if Baycare broke even but was able to deliver better healthcare, I'd call that a win for value-based care."*
>
> **- Dr. Banker, Baycare Health Partners**

"It could also just be a misalignment. Basically, things would be worse without it – but they were expecting more."

Of course, as many of our experts point out, every study, report or article must be taken with a grain of salt. And for every data point that casts doubt on the value-based care model, there are many more that celebrate its successes. Consider this from Medical Economics:

> *"The New England Journal of Medicine writes that patient claims with value-based doctors were lower than average, while reporting higher quality service."*
>
> **(External Source: Medical Economics)**

The core tenet of value-based healthcare is to provide value to patients – with both patient outcomes and the patient experience central to that equation. So, in the next section of our eBook, we're going to explore some first-hand accounts and anecdotal stories of the kind of patient care that simply isn't possible in the fee-for-service model.

02

Dispatches from the VBC front lines

Between them, our panel of experts have decades of experience in value-based healthcare, and they've seen first-hand how this reimbursement model helps providers go the extra mile for their patients. So we asked them to share some particularly memorable patient care experiences – alongside other insights and observations from the VBC front lines.

Krystyna Sienkiewicz: preventative metrics lead to early diagnoses

"There's about a million of them [patient care stories] I can think of! I'll give you an example from when we first started. We had probably three people on the team, and we were doing things like transitional care management – so calling patients after they were discharged from an inpatient stay to get them to follow up with their PCP. We also covered some preventive metrics during those calls, and identified several patients that had not had their colorectal cancer screening. It was flagged for our nurses, they went over it, and they convinced the patients to do a fecal occult blood test – something they could do in the privacy of their own homes."

> *"There were three patients who were identified with colorectal cancer, and they had no idea that they even had it. They were able to get the treatment that they needed and are now cancer-free."*
>
> **- Krystyna Sienkiewicz, Inspira Health**

"We had one patient that actually called one of our nurses, sent flowers to the office, and even asked her to marry him because he was so thankful! That was a direct result of what we were doing from a value-based care perspective."

Dr. Ramirez: 'love calls' during the COVID crisis

"I joined an organization back in 2019 – before COVID started – that was doing value-based care for Medicare Advantage patients. And then COVID happened, and you couldn't access anything. So in the fee-for-service world, they were letting everyone go because they couldn't sustain the profits and the revenue."

"So what [the VBC organization] did was shift to virtual-based care. I remember joining, and within the first week or so I kept hearing the term 'love calls' – they were measuring the percentage of 'love calls' people were making. They explained to me that 'love calls' was a term they were using to measure the number of calls they were placing to seniors, to ensure they had food, that they were safe... making sure that they addressed loneliness during COVID."

> *"You cannot do that in a fee-for-service world. You cannot even imagine it."*
>
> **- Dr. Ramirez, Community Medical Group**

"I remember visiting another clinic, and I see this senior walking in. No shoes, poorly dressed... just in a bad way. One of the medical assistants showed up, and returned 10 minutes later with shoes, clothes, food.... She just went and bought it with the funds available based on how the company operated. They even arranged for the person to sleep at a hotel for the next couple of nights, until they figured out how to help them long-term. These are things you cannot even imagine in fee-for-service."

Chief Clinical Officer: reduced readmissions, same-day urgent care

"In Medicare Advantage – in this value-based system – it's high touch. So we're able to do urgent care, and then follow up. Our personal standard when a patient gets out of the hospital is three days – when the industry standard is more like 14 days. And because of that, we can drive down readmissions."

> *"Readmissions are a huge failure: the patient was just in the hospital, and now they go back! That's a huge failure of the system. And we're able to drive down readmissions because we can provide that really close follow-up."*
>
> **- CCO, leading at-risk physician group**

"There was one patient who came in with a wound – a facial laceration. And the only doctor in the center who did facial lacerations was busy with another patient. So he went and attended one of our classes in the activity room until the doctor was able to see him!"

"We try to do as much reasonable, same-day urgent care as we can. We have an internal goal of 60% same-day care. So if somebody calls up and says they're sick, 60% of the time – or more – we'll see them that day."

> *"That goes back to the VBC model: we have space in the schedule for same-day care."*
>
> ***- CCO, leading at-risk physician group***

Dr. Croymans: patient volumes versus patient care

"I'd like to contrast where I'm at today with where I was before, which was an academic medical center that's largely fee-for-service. Their incentive is to see as many patients as you possibly can within the day – that's what you get with fee-for-service. You get a much larger incentive towards volume without any real incentive or driver on quality."

"Any movement away from that and towards the capitation and risk-bearing associated with value-based care allows you to think completely differently about how you care for your patients. That doesn't necessarily mean that you have more time with the patient – it just means that volume or quantity isn't the only play."

Dr. Watermans: 'hospital at home' and provider satisfaction

"The reason I don't work in fee-for-service is because I didn't want to be measured by how many RVUs (relative value units) I had produced, or how many patients I'd seen that day. I knew that wouldn't feel meaningful – and many clinicians who work in that sort of environment don't even have access to outcomes data."

> *"In value-based care, it's all about the outcomes – and that's just so much more rewarding for me as a clinician."*
>
> - Dr. Waterman, SCAN Health Plan

"And as Dr. Croymans said, it facilitates things that otherwise might not be possible. The best example of this that I can think of is the hospital-at-home waiver program that Medicare has set up. Hospitals that establish these programs will get paid at the same rate as if that patient was in the hospital – and that has created huge incentives to create hospital-at-home programs. But a lot of value-based healthcare programs were creating hospital at home programs BEFORE that waiver."

"Even if it costs $1,000 to send a clinician to the home, do remote telemetry, and give them IV antibiotics, it's still a lot cheaper than providing that care in the hospital. Hospital-at-home is a great thing. It's incredibly innovative. And again, as a clinician, it's so rewarding if you're able to say: 'you really need IV antibiotics, but we can do this at home instead of in the hospital'."

> *"That improves the patient experience and offers satisfaction as a provider."*
>
> - Dr. Waterman, SCAN Health Plan

Dr. Banker: behavior change leads to improved patient outcomes

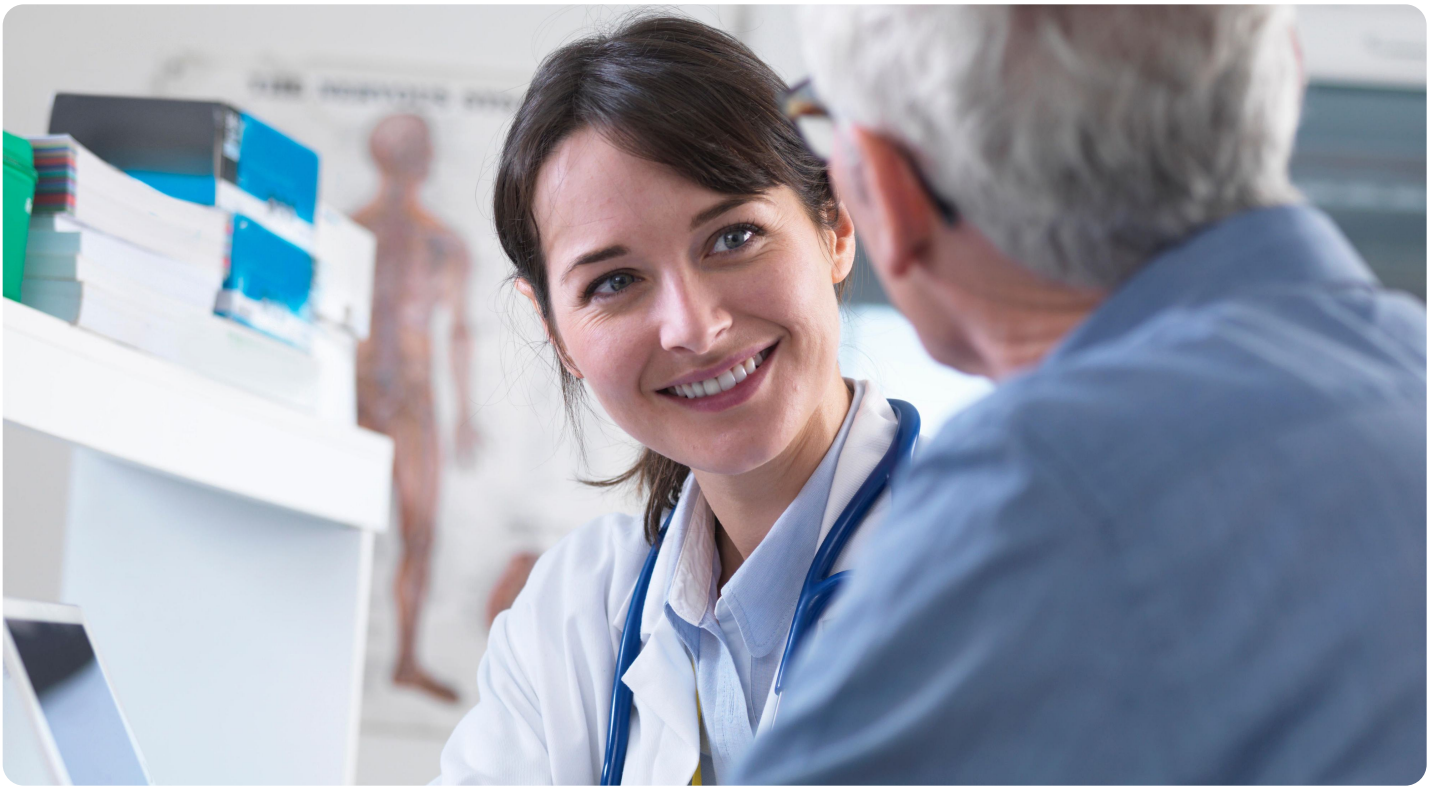
"I was working with a resident, who was seeing a patient who had incredibly uncontrolled diabetes, and had not made it to their cardiology visits for 15 months. The resident found out that they weren't taking their insulin unless they felt bad – and that was only a handful of the outstanding issues."

"The resident dug into it, and they found out that the patient's cell phone changed all the time, and they didn't like to pick up from unknown numbers. So the specialist office would call twice – no answer – and then they'd write, 'patient declined to make appointment' in the notes and close it."

> *"We were able to get a value-based care manager to meet the patient in the office, make sure that the patient knew what phone number they'd be calling from, and that they'd check their messages."*
>
> - Dr. Banker, Baycare Health Partners

"In addition, they're actually going to go see the clinical pharmacist, bring in all of their pill bottles, and sort out what's going into their mouth versus what's on the medication list."

"That patient's issues aren't medical – it's not a prescription change that's going to lead to their health improvements – it's everything else."



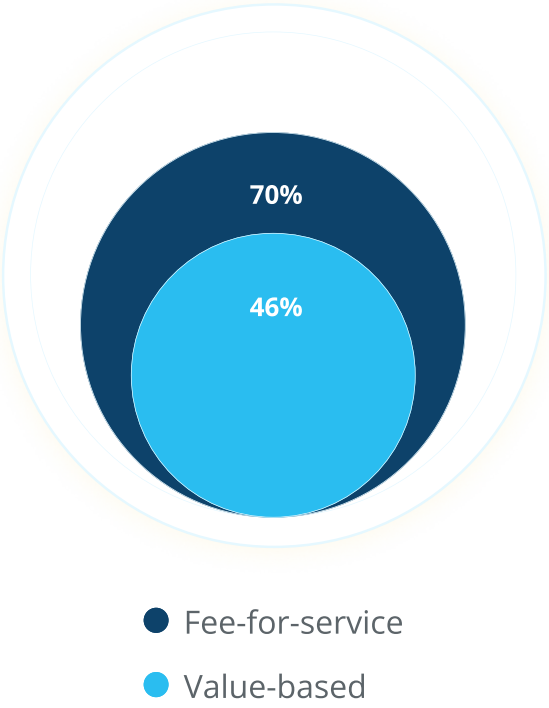
03

Challenges and hurdles

To those who work in value-based healthcare, the shift from fee-for-service to VBC can feel both imperative and inevitable. *"I think that healthcare is moving to value-based care,"* says Krystyna Sienkiewicz. *"We may have fee-for-service right now, but it's going to move to become all about the quality of care the patient is receiving – and I think that's the way it needs to move to be successful. You can't continue trying to get a million people in the door just so that you can increase your revenue. The goal is to make sure that your patients are staying as healthy as possible."*

However, this transition won't happen overnight. In fact, U.S primary care practices still receive the majority of their payments via fee-for-service contracts.

Primary care payments by percentage (2022)



Source: The Commonwealth Fund

We asked our panelists to explain some of the key barriers to VBC adoption amongst providers and the organizations they represent.

> *"I'm not going to pretend that there aren't more rigorous documentation requirements in value-based care."*
>
> **- CCO, leading at-risk physician group**

"The documentation is intimidating, and it wasn't something that providers learned in medical school," the CCO tells us. *"You were hired because you were excellent physicians – or nurse practitioners or PAs. And that's very difficult for providers, because they've reached a certain level of expertise in what they do – and now they're told there's an area that they don't do so well. It's a little bit of an ego thing."*

Accurate documentation depends on education.

To successfully transition to value-based healthcare, clinicians, MAs, and coders must first buy into the increased burden of documentation – before learning the many intricacies of risk adjustment and HCC coding. DoctusTech's HCC coding education app employs an active learning methodology to engage clinicians at 90%, and encourage lasting behavior change with 75% knowledge retention. It's the preferred method of HCC education for 9/10 clinicians – ensuring users not only retain the vital information they're taught, but that they're motivated to keep learning for the long term.

Demo the app today

Inspira's Krystyna Sienkiewicz emphasizes the importance of taking the transition from fee-for-service to VBC one step at a time:

> *"I think starting small is important. You can't boil the ocean, right? You can't do everything all at once."*
>
> - Krystyna Sienkiewicz, Inspira Health

"When I first started, you had to have a really strong backbone for this because nobody wanted to change. Change is scary. I'm non-clinical and providers had me coming into their offices and saying, 'you need to document this way'. That doesn't go over well at all. But when you start proving the value of what you're bringing to the table, the buy-in comes a little quicker. And by value, I don't mean dollars. They want to know how it's impacting the patient."

"I think the biggest challenge is how you prepare for something while you're still doing fee-for-service. It's kind of a balancing act."

Echoing our thoughts from the introduction, Dr. Ramirez points out the risks inherent in treating value-based healthcare as a panacea – and by the same token, denigrating the efforts of fee-for-service healthcare. *"I think one of the mistakes that we do in the industry – in the VBC world, especially in leadership – is that we sometimes take a grandiose position. Like we feel that fee-for-service is a mess and that we're the best. That's not always the best strategy."*

And while it can take providers a little time to get used to value-based care and the related documentation requirements, patients too may find it hard to adjust to such a radically different model. *"There's a learning curve there,"* the CCO tells us. *"Patients aren't used to that level of high-touch care."*

> *"You kind of have to train your patients that, 'no, we WANT to see you! We don't just want to see you when you're sick – we want to see you when you're healthy!"*
>
> **- CCO, leading at-risk physician group**

04

Conclusions and takeaways

It's no surprise to hear our panel of experts advocate so strongly for value-based healthcare and the transformative impact it can have on the patient experience and patient outcomes. We want to leave you with some final thoughts from our SMEs regarding the role value-based care has to play in the wider U.S. healthcare landscape – and how they'd quantify a definition of 'success' that isn't measured in patient volumes or dollars and cents.

"In the wider context of U.S. healthcare, most of our healthcare system is really incentivizing quantity of care over quality of care," Dr. Waterman tells us. *"We have an entrenched fee-for-service system. And what does value-based care do? It flips the script."*

"It's the best way, I think, to hold this healthcare industrial complex accountable, where the system and all of the players within the system – whether it's the physicians, the payers, or especially the hospitals – tend to make a lot more money when you're sick."

"How do we build the right set of incentives to actually invest in prevention, and keeping people healthy and out of the hospital?"

> *"Value-based care is the answer. It's the only thing, I think, that has been presented as a viable solution to that problem."*
>
> **- Dr. Waterman, SCAN Health Plan.**

Baycare's Amy Roy, meanwhile, tells us how the patient experience often speaks for itself.

> *"We do patient satisfaction surveys with every patient that goes through our program, and the feedback is incredible."*
>
> **- Amy Roy, Baycare Health Partners**

"They never thought that they would get this from their provider practice. They don't know what they would have done if they didn't have someone they could reach out to immediately when there's a problem. And I think that's the real benefit."

And if the patients benefit, so too do the providers, explains Dr. Ramirez.

> *"VBC is a recruiting superpower."*
>
> **- Dr. Ramirez, Community Medical Group**

"You can tell a doctor that they don't have to worry about seeing tons of patients – 30-40 patients in a day, or even more in some cases. Instead, all they have to do is be good doctors: just be a good doctor, do your thing."

Ultimately, the CCO tells us, patients understand that the VBC model is in their best interest – and they're letting the industry know about it.

> *"I just think patients are voting with their feet. Every year – even during a pandemic year – they're choosing these plans. The patients want this."*
>
> **- CCO, leading at-risk physician group**

DoctusTech would like to thank Amy Roy and Dr. Brian Banker of Baycare Health Partners, Dr. Rayny Ramirez of Community Medical Group, Krystyna Sienkiewicz of Inspira Health, Dr. Daniel Croymans and Dr. Gabriel Waterman of SCAN Health Plan, and our anonymous CCO for their time and support in the creation of this ebook.

About DoctusTech

DoctusTech is a comprehensive health platform company focused on elevating value-based care capabilities with providers, payers, healthcare systems, and accountable care organizations.

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