



PHCA Spring Meeting

March 2017

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Navigating Integrated Care

Simple Solution consulting is dedicated to helping health care providers meet the challenges of a changing industry.

Francesca Muterspaw: Clinical and operational expertise

Vince Albergato: Program design, implementation and management

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Changing Payor Climate

- Medicare – increased focus on alternative care models, bundled payments and patient satisfaction. Greater measurement of ancillary providers.
- Private Payors – experimenting with dedicated networks, piloting solutions to gather data and determine strongest financial and clinical outcomes

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Impacts on Assisted Living/Personal Care Homes

- Increased awareness in the industry of importance of ALF/PC
- Greater external influence on provision of care within facility
- Increased need to track and analyze care and outcomes data
- Requires higher level of involvement in patient's care and care decisions

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Real World Scenario

- **Senior Living Community**
- 225 Unit senior living community in Pennsylvania
- Dementia care unit in place
- Establishes relationships with two hospices, three home health organization and an outpatient rehab provider
- **Market**
- Operating independently
- Majority of referrals coming from community referral and ancillary providers
- Local hospital system creating a post-acute network with select providers, and this facility was not invited to participate
- Given the participants analysis shows this will impact 28% of annual referrals

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Real World Scenario

- **Option 1**
Facility can choose to do nothing and attempt to backfill referrals through normal development channels
- **Option 2**
Facility actively pursues network membership
- **Option 3**
Facility decides to look for partners to form its own network

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Real World Scenario

Option 1

- Short Term: Facility will analyze the current referral channels and repurpose existing resources to acquire referrals to fill the gap created by the new network.
- Long Term: Facility will need to develop broader referral sources and change its marketing plan/materials to demonstrate its place in the community and value as an independent provider.
- Advantages: Relatively small cash outlay on the short term with retention of control of processes, and programs
- Risks: As Medicare starts to reimburse based on survey results and bundles the financial model will not benefit this approach. In addition as hospitals and payors begin to build and provide in-network referrals and incentives, the cost of patient acquisition will rise significantly for independent providers.

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Real World Scenario

Option 2

- Short Term: Facility will maintain patient pipeline, and may see an increase in referrals. Facility will need to adopt and adhere to network processes.
- Long Term: Facility will be integrated into network processes, have access to network resources for participation and compliance, and will take part in broader community initiatives.
- Advantages: Stronger market positioning, partners who support in mutual success and referrals, reduced cost of patient acquisition over time.
- Risks: Cost of migrating processes and staff to new procedures is more costly than maintaining independence. Also, will need to adopt and comply with a minimum processes and reporting standard outside of organizational control.

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Real World Scenario

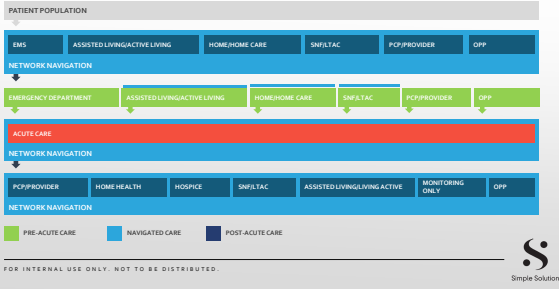
Option 3:

- Short Term: Facility will need to find initial patient replacements on its own while identifying partners and building a network and its processes.
- Long Term: Facility will be in a stronger market position with partners who are mutually accountable to each other and will support each other's success. Cost of sale will drop over time and profits increase based on network success and efficiency.
- Advantages: Opportunity to participate in the development of the networks goals, standards and financial models. Network control will offer network to present itself as an option to multiple systems and referral sources based on network efficiency and success. Offers its members a financial benefit based on contribution and participation.
- Risks: Short term cost of building a network while maintaining a functional business. Long term, picking the right partners and building an efficient process will define the program's success. Properly identifying the performance indicators, reporting standards and process management will determine the success or failure of the network.

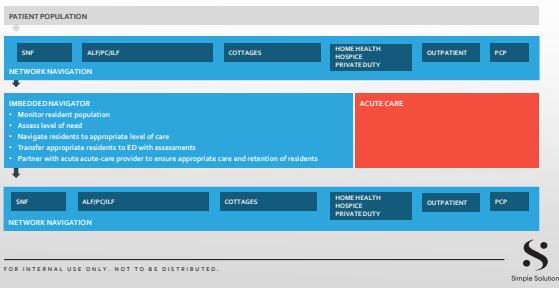
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Visual of an Integrated Network



Assisted Living



Real World Scenario

- **Program Goals:**
- Ensure patient community at appropriate level of care at all times resulting in reduced ED trips, re-hospitalizations and patient disruption.
- Insert a Network Navigator to support patient transition through various providers and increase patient education.
- Develop a post-acute care system allowing hospital system to choose partners who accept the program and support its goals. In exchange, ancillary providers have dedicated referral stream resulting in increased census and reduced patient acquisition costs.
- Build a system of care which provides strong financial and efficiency benefits in the short term while positioning hospitals to address and impact delivery of bundled payment programs in the future.

Process Design

- Process discussion and mapping per component (hospital, home health, hospice, etc.)
- Issue and roadblock identification and process revisions
- Process presentation, review and sign off from individual program partners
- Design of reporting, KPI's and SLA's
- Identification of associated technology, tools and work-arounds

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Program Management

- Determination of meeting rhythms, review categories, teams and tools
- Identification of communication and escalation processes
- Determination of reporting structure, frequency and report items
- Review and process improvement

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Where to go from here

- **Medicare:** Go to www.cms.gov and review the proposed bundled payments for your type of facility
- **Private Payors:** Identify the largest private payor(s) in your patient population and reach out to their regional representatives. Explore what they are doing in your region
- **Hospital:** Contact your local hospitals and ask what programs they are running for post-acute care in your region
- **PHCA:** The association has many resources and actively helps members with market intelligence.
- **Peers:** Reach out to your largest ancillary partners and learn how they are planning to address market changes

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