Strategies for Right Now to Control Patient Care Costs

written by Theresa Hush | June 27, 2024



Policymaker confidence in Value-Based Care and the Accountable Care Organization (ACO) model has, so far, prevailed despite only small overall savings. There is still enduring belief that ACOs can rationalize health care and produce affordability by transformative strategies. But here's where wishes and reality conflict: ACOs have, until now, lacked the data and tools to transform health care. The ACO savings results support the promise but not the delivery of affordable health care.

The fact is that ACOs must deliver on the affordability of the promise, or as the shift to risk payment models continues, there will be financial consequences for ACO providers. And now is the perfect time to start, since new patient data is becoming available to ACOs that gives them greater ability to better reduce patient risk and patient utilization.

Providers and ACOs Have a Greater Ability to Control Costs

What is the vision for ACOs that policymakers and financers of health care can't achieve on their own, through cuts and payment model incentives? How can your ACO be more successful in lowering the cost of care than you have demonstrated so far?

Your physicians have clinical knowledge for directing optimal patient care. They also have the closest relationship with patients. Their actions will influence total patient costs, whether directly through diagnostics and treatment, or indirectly through communications and forward planning with patients. *But you must identify patients who are on a downhill slide and get your clinicians involved, or your providers are powerless.*

Specialized skills, expertise, and knowledge build the pathway for change in the patient's health status if combined with effective communication with patients and timely interventions. Health status is the crux of costs; if patient health is poor or rapidly deteriorating, that triggers more clinical events, expensive diagnostics and procedures, and higher costs. If patient health is improving or better managed, those costs will not materialize. Cost control is an adjunct to clinical management, not separate.

ACOs have an ability to identify where these triggers are likely to spark costs and can deploy interventions before they happen. But it depends on having data and using it strategically to identify patients according to their risk level, then effectively targeting timely interventions .

The obstacle has been a lack of clinical data to adequately assess patient risk. ACOs are only beginning to comprehend how that clinical data enhances their efforts. Equally as important, even if you have a lot of data, you must also have the capability to analyze and use it.

How Do You Create a Strategic Map for Cost Control?

All ACOs must start aggregating their participating providers' EHR clinical data into a patient-centric database for Value-Based Care efforts. Together with claims data, this gives you what you need to identify all the diagnoses of your patients as well as their health status. We will delve into the details and complexities of that data in a future article.

But you don't need to delay initiatives. You can start right

now to use the data you already have to initiate cost control.

Your first foray into the development of a strategic map for controlling costs can be iterative. Even if that data is not enough to generate huge savings, creating the analyses and testing interventions to control costs will be essential to your overall plan.

In short, start at Square One: the clinical data you are collecting for the required APP Quality Reporting, which you must start gathering by performance year 2025.

APP Measure Data is Rich for Cost Strategies and Already Available

The three APP Measures require that your ACO provide the latest values for each eligible patient's HgbA1C (for patients with diabetes) and blood pressure (for patients with hypertension). They also require screening every patient for depression and developing a follow-up plan for cases where depression is indicated.

These are important Measures, and there will be many patients. Of the three Measures, hypertension and depression will capture the largest number of patients. Patients with these conditions also have higher potential utilization events. Behavioral health-associated admissions and ER visits are an under-acknowledged source of utilization. Hypertension and its association with stroke and cardiac risk also triggers cost and outcome events. As HgbA1C and blood pressure represent actual values, they will provide strong indicators of patient status.

Additionally, if your data source format for APP data captures

values throughout the performance year, trends for patient outcome data will reveal patient status over time, indicating treatment effectiveness (or not). You can then create patient cohorts at a higher level of risk, based on clinical values and not retrospective diagnoses and utilization, such as HCCs. With that information, you can easily start processes for clinical review and population health interventions.

Three Measures, Three Key Paths for Cost Prevention and Reducing Risk

Initiatives that use one or a combination of the Measure values are a way to make your cost prevention strategies more powerful. Consider just these three possibilities for patients with poor outcomes in one or more conditions:

- Create a high risk pool of patients with poor control in diabetes and hypertension, and assign additional risk factors based on events in claims or behavioral health. Then use the data to refer patients for review of treatment plan, referrals to specialists, or other management programs.
- Create a cohort of patients with depression plus previous events and refer to community behavioral health providers. Set up frequent monitoring of patients through population health.
- For patients with high metabolic disease risk based on blood pressure, diabetes, and other outcomes (e.g. obesity), create screening programs such as cardiac, kidney, and others based on potential disease progression.

Combining measure data will lead you in a variety of directions and provide more ideas for cost control.

Take Advantage of Early Startup

Don’t wait to embark on cost initiatives for fully aggregated data. Reducing costs involves both data aggregation and effective strategies for achieving change in patient status. The latter will require clinician involvement, population health, patient communications, and goal-setting—all of which will take time, because this is a new, proactive approach to medicine. Experimenting with different interventions and methods will produce a better outcome. It will energize your providers about the what can be done with more data.

Generating initiatives with APP measure data makes economic sense. You have already spent the resources to collect and report that data. Now empower your ACO to start an iterative and engaging process for connecting clinical data with cost initiatives. It’s a win-win.

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Image: Victoria Ballesteros