Why Traditional VBHC Trouble Shooting Will Get You in Trouble with Performance Improvement

written by Theresa Hush | January 27, 2016

You've heard the phrase. You know it's a key goal in Value-Based Health Care. But many providers don't understand the full meaning of performance improvement. All too often, health care systems rely on piecemeal, troubleshooting approaches that emphasize short-term gains over meaningful, improved outcomes.

Here's a common example: Almost every hospital has adjusted its discharge process to avoid readmissions. But unless they can explain *why* patients were readmitted—few actually can—gains will diminish. New patients presenting with the same high-risk conditions will challenge reduction of readmissions because efforts addressed the symptom but not the root cause.

Improving performance means more than spot reductions in costs above the average or benchmark. If you want your organization to succeed under the methodologies being implemented by Medicare and private health plans to reimburse higher value providers, you must achieve high quality and low cost that will sustain over time and beat everybody else's marks. And the *only* way to do this is to improve outcomes. Yes, it helps to tweak the administration of services. But the larger impacts will come from sustained improvement in patient status.

Current Performance Measurement Is Often Flawed

Time and again, we see the same issues as providers fail to succeed in ACOs, Patient Centered

Medical Homes and under the Value-Based Payment Modifier:

- Single point-in-time performance measures and analytics are not very actionable and often give an erroneous picture of real outcomes;
- Most measurements do not even begin to address key areas that influence costs, such as coordination and transitions between primary and specialty care, and between different locations;
- Patient outcomes are measured minimally by most systems and only when lab or objective results are available, and patient-reported outcomes are relegated to a smaller and less significant part of measurements;
- Providers often assign lower priority to measurement of root causes, patient belief systems, and other attributes (e.g. pain, living alone) that impact outcomes
- Use of patient samples in reporting performance only reinforce provider thinking that one-time measurement of results is useful, masking the need to address variation of outcomes and performance over time.

Moving the Bar on Performance Requires a Long-Term Approach

As payers shift to rewards based on performance, we need to significantly change how we understand performance and approach performance improvement. Improvement is actually the easy part—performance improvement, as the term suggests, involves time. This implies that we must have data that is more than a single point in time, and that the data is kept longer than current measurement systems require.

- Measurement of outcomes for high-risk patients will require including data for multiple outcomes, evaluated over months and years;
- Data should be captured on outcomes that are directly associated with key conditions, but also independent conditions and variables (e.g. depression, pain), since we have often underestimated the impact of these conditions on high risk conditions;
- Focus of provider rewards and analytics should be on trends of improvement rather than single annual measurements of outcomes;
- Improvement also suggests that we are deploying various types of interventions to effect change. Therefore, to adequately understand why there is improvement or not, we need to evaluate interventions to determine their effect, which must be done with good research design.

Performance Must Address Both Systemic Efforts and Individual Needs

The more difficult part of performance improvement is to comprehensively execute a plan that will simultaneously achieve higher quality, lower costs and measurable increase in patient status. The industry has (we hope) grown beyond the notion that we can take a shortcut to

improved results by managing patients in population groups alone, while not addressing individual patients and variations in their care needs. The fact is that improved outcomes will come from two interwoven approaches:

Systemic Efforts

- Measure performance over time, as discussed above;
- Implement evidence-based protocols for standardizing basic clinical care in all areas;
- Improve coordination of care between providers, reinforced with documentation between providers and with the patient;
- Evaluate main indicators through data, to identify key process improvement areas;
- Establish a valid risk assessment process for each patient to create a baseline for costs.

Individualized Care Plans

- Implement a care plan for individual patients based on risk stratification and needs;
- Track results between targeted costs and outcomes for individuals against actual outcomes and costs;
- Share results continuously with the providers.

How Can You Get There?

Stepping up to real performance improvement also requires the infrastructure and knowledge to effect that transformation. After making huge investments in electronic medical records, many providers are coming to realize that EMRs are not powerful enough, nor are these systems nimble enough to respond to the constant changes in the Value-Based Health Care environment. Here are the essential tools for performance improvement:

Patient and Provider Data. Providers will need more comprehensive data, including patient feedback on their functional status, to fill in the missing pieces of traditional performance measurement. These data must also include payer claims to identify services and diagnoses for patients that come from patients' referrals and self-referrals to outside providers. This is the gold standard for achieving a full picture of the patient's risk and needs to create a cost-effective care plan that will improve outcomes.

Risk Adjustment Methodology for identifying individual risk and stratifying the patient population. This requires research and statistical expertise beyond most providers' capabilities, so deploying such a methodology will likely take outside expertise. The cost of this help, however, should be offset by its value in negotiating rates on the basis of risk.

Clinical Data Registry that will manage data aggregation and integration, comparisons, benchmarking, and deliver analyses and views of data online. The key is for providers to be able to see not just their performance, but also comparisons to peers. The CDR should also be able to facilitate outcomes research, better performance measurement and performance improvement.

Performance Improvement Technology to manage and track results of initiatives, and show trends and outcomes over time. Some Clinical Data Registries, such as ICLOPS, also provide this technology so that providers can test interventions for effectiveness.

Patient Involvement in Measurement and Improvement. Providers cannot act upon patients and expect positive results, yet too many programs are built on a one-way patient outreach or education premise. Patient feedback is often discounted or discredited, alienating patients who want to be part of the planning process. There must be built-in ways for patients to accept or reject interventions, disclose their belief systems and make choices under a shared decision-making model.

Provider Collaboration and Input. The consolidation of hospitals and physicians has turned off many physicians who no longer feel in control of their clinical practices. It seems obvious that providers need to be actively involved in outcomes improvement programs, but many health care systems do not effectively involve them in the design of these programs. Since this is the committed front line of care, provider engagement in every step of the process is essential to the success of performance improvement.

Founded in 2002, ICLOPS has pioneered data registry solutions for improving patient health. Our industry experts provide comprehensive Performance Improvement and Technology Services, ICLOPS Clinical Data Registry and ACO Services Solutions that help you both report and improve your performance. ICLOPS is a CMS Qualified Clinical Data Registry.

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