Using New Key Performance Indicators to Transition from Volume to Value

ISMA 2015 Practice Management Conference
Indianapolis, Indiana
May 8, 2015
Today’s Objectives

- With the shift from volume to value-based reimbursement, practices need to retain diligence on traditional key performance indicators ("KPIs") while adopting next generation KPI’s to manage in this emerging payment environment.
  - Track next-generation KPIs
  - Communicate KPIs to physicians
  - Incorporate KPIs into dashboard reports
  - Apply the data
  - Leverage KPIs in payer contracting
Healthcare Today
Complex, Confounding, Challenging … Changing
Payment for Value

Payment Model is Changing

From getting paid for doing things

To getting paid for doing certain things

To getting paid for outcomes
Making the Leap

Fee-For-Service
- Lack of Quality Indicators
- Volume Driven
- Fragmented Care

Value-Based
- Quality/Outcome Driven
- Performance Payments for Chronic Care Management
- Continuity of Care
Where Do You Want to Be?

Create Patient-Centered Care Model
- Coordinate care within practice population
- Establish value around chronic disease outcomes
- Use outcomes to create value with payers

Clinically Integrate Care
- Track quality across continuum
- Establish a patient longitudinal record
- Prepare for value-based contracting

Do Nothing
- Maintain fee-for-service ("FFS") model
- Negotiate contracts under current strategy
- Tolerate fee schedule reductions

Develop Organization Coordinated Care Model
- Focus on cost reduction
- Invest in health information technology
- Connect providers to acute care setting

Medical Group Level of Collaboration

Organization’s Level of Collaboration
How Do You Get There?

Next Generation KPI’s

- Focus on Traditional KPI’s as the practice’s foundation
- Incorporate Next Generation KPI’s to propel you to the next level

### Traditional
- Revenue Cycle
- Cost/Profitability
- Production
- Payment Analysis

### Next Generational
- Cost of Care
- Quality
- Patient Access and Operational Effectiveness
- Patient Satisfaction
- Care Gap Reports
5 Next Generation KPI’s
5 Next Generation KPI’s

- Cost of Care
- Gaps in Care
- Quality
- Patient Satisfaction
- Patient Access and Operational Effectiveness
Next Generation KPI’s #1

Cost of Care

- Important for new contracting models
- Total average cost of care per member per month ("PMPM")
  - Total cost of caring for an attributed patient
  - Risk adjusted
  - Calculated on a PMPM basis
- Monitor cost of care
  - Obtain at least 2 years of historical claims data
  - Calculate the average PMPM cost for all members
  - Analyze total spend by category
    - Medical spend vs. pharmacy spend
    - Risk-cohorts
    - Assess potentially avoidable complications
Cost of Care

Examples of Usage

- Hospital Spend
- Ancillary Tests
- Brand Name Drug Usage

- Reduce admissions and monitor care gaps in the outpatient environment
- Reduce duplicative and unnecessary tests
- Implement a program to increase generic drug prescribing

High Cost

Area of Focused Reduction
Next Generation KPI’s #2

Quality

- Key component of most new payment models
- What measures should be tracked?
  - What measures must be tracked?
  - What measures are payers rewarding in your market?
  - What are the top 5 conditions your providers treat?
Why Is Quality More Important Now?

Medicare’s Move to Payment for Value Accelerates

<table>
<thead>
<tr>
<th>Year</th>
<th>FFS linked to quality (Categories 2-4)</th>
<th>Alternative payment models (Categories 3-4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>30%</td>
<td>85%</td>
</tr>
<tr>
<td>2018</td>
<td>50%</td>
<td>90%</td>
</tr>
</tbody>
</table>

Source: www.cms.gov
Why Is It So Difficult?

Over a thousand measures in the NQMC for ambulatory/office based care!

- Which measures actually increase value?
SGR Fix Is Near, But Establishes New Payment Path

Senate Action Required

- Movement to pay-for-value starting in 2019
- Streamlines current quality programs under the Merit-Based Incentive System beginning in 2019
  - Quality
  - Resource use
  - Clinical practice improvement activities
  - Meaningful use of certified EHR technology
- Implements new incentive protocol based on a “composite performance score” based on the above 4 categories.
- Need to attest to Stage 2 Meaningful Use (“MU”) in 2015 to avoid penalty in 2017
- Proposed Stage 3 MU rule
  - Must be at Stage 3 by 2018 or face 4 percent penalty
2015 Performance Matters for 2017

What Practices Need to Do

■ Participate in the Physician Quality Reporting System (“PQRS”).
  ▸ Medicare will apply a 2 percent reduction in Medicare payments for not successfully reporting on quality measures in 2015.

  ▸ Under the Value Based Payment Modifier program, Medicare payments will be adjusted up or down based on performance on quality and cost indicators as compared to the national performance benchmark.

■ Attest for meaningful use in 2015 (Stage 2) and meet the electronic prescribing requirements.

*Practices can learn on how to access their QRURs at https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Obtain-2013-QUR.html. They can access the reports through the CMS portal using an Individual Authorized Access to CMS Computer Services at https://portal.cms.gov. CMS expects to make 2014 QRURs available in late summer 2015.
Ease In

- Groups often have multiple programs in place
- Understand the measures that are involved in each program
- At what stage is your group in terms of changing the care model, implementing health information technology systems, etc.? 
- Have you been successful in previous incentive models?
- Do you need penalties such as a withhold to gain attention to measures?
- Of the measures that the group is currently accountable for, determine which make the most sense.
- Do not bite off more than you can chew – change is difficult.
Next Generation KPI’s #3

Access Is the New Driver

- Patients want convenient access
  - Patients value their time
    - Weekends and evening hours matter
    - Minimal wait times and efficient patient cycle times are a must
  - New provider entrants are going after low intensity market share (and some are moving into specialty care) because they can meet patient requirements for access
Markets Responding to Unmet Needs

Physicians at Risk of Losing Patient Panels

Primary Care Office

Urgent Care Center

Self Diagnosis

Source: The Advisory Board and Mehrota A et al, "Visits To Retail Clinics Grew Fourfold From 2007 To 2009, Although Their Share Of Overall Outpatient Visits Remains Low," Health Affairs, August 2012; Health Care Advisory Board interviews and analysis.
Trend Towards Advanced Access

Traditional
- Schedule is always full
- Patients pushed into the future (no capacity for today's demand)
- Patients have to prove they are "sick enough" to be seen today

Carve-Out
- Some slots available for today's demand
- Patients pushed into the future (limited capacity for today's demand)
- Patients have to prove they are "sick enough" to be seen today

Advanced Access
- 40-60 percent of the schedule is available for today's demand
- Work is done today
- Patients determine their need to be seen today
Patient Access and Operational Effectiveness KPI’s

Third Next Available
Ability to access practice on short notice

Supply, Capacity, and Demand
Relationship between provider supply and demand

Cycle Time, Wait Time
Value and non-value added time in a process |
Increased practice efficiency

Electronic Medical Record ("EMR") Optimization
Limit provider time spent on data entry |
Reduce clicks and screens

Patient Portal Usage
Demonstrate patient usage on portal |
Use the portal to view, download, or transmit data

LIMIT PROVIDER TIME SPENT ON DATA ENTRY
REDUCE CLICKS AND SCREENS
Actions for Success

Ensure Access

- Measure your capacity vs. demand and expand capacity, if needed
  - Expanded hours
  - Group visits
  - E-visits

- Effectively use your patient portal (create one if you do not have one!)
  - Scheduling appointments
  - Access to test results and medical records
  - Health information

- Communicate by e-mail and text to create seamless communication
Patient Access and Engagement

Patient Portal Usage

- Meaningful use – must provide portal access to half your patients
  - ≥ 5 percent usage to view, download, or transmit PHI
  - ≥ 5 percent must send an electronic message to a care provider

- KPI’s to track, number of patients that:
  - Have access to PHI within 4 business days
  - View, download, or transmit PHI
  - Send an e-message to their provider
Actions for Success
Maximize Operational Efficiency

**Cycle Times Study**
- Track *cycle times* for clinical and non-clinical processes.
- Record value-added time and non-value-added time (waste)

**EMR Optimization**
- Study user *efficiency and optimization of the EMR* through the tracking of clicks, screens, and amount of typing in the EMR.
- Document how long providers spend on each component of the patient visit.
Reduce Wait Time and Increase Efficiency

Workflow Diagrams Identify Opportunities
Current State Cycle Time Mapping Identifies Opportunities

Patient

Check-In
- Patient signs in at front office
- Insurance is verified
- MA prepares shadow chart

Room Patient
- MA retrieves patient from waiting room
- Vitals performed in exam room
- Physician notified of patient readiness by various means
- Eligibility not consistently verified
- Lengthy new patient packet
- No automated reminder system

Physician Exam
- Reviews history and test results
- Examines patient
- Completes orders, referrals, and prescription refill
- Gives verbal orders to MA
- Completes note before next patient
- Variation in MA intake process (completion of medical/social history, preventative measures, standing orders, etc.)
- Variation in use of EMR in patient room
- Variation in use and setup of EMR system by Physician
- EMR lag time

Order Completion
- MA administers test/injection orders
- MA provides follow-up appointments and instructions
- Referrals submitted to central referrals
- Multiple competing priorities for MAs
- Lab draws in exam room (no Lab MA)
- Non-interfacing referral system and increased responsibilities for phone MA for referrals

Check-Out
- Performed by Floor MA or front office check-out desk depending on the site with verbal and written instructions
- Infrequent use of AVS
- Physicians sometimes discharge patients if MA not available

Process variation

<table>
<thead>
<tr>
<th>PT</th>
<th>WT</th>
</tr>
</thead>
<tbody>
<tr>
<td>3:15</td>
<td>10:53</td>
</tr>
<tr>
<td>6:06</td>
<td>14:35</td>
</tr>
<tr>
<td>13:49</td>
<td>3:55</td>
</tr>
<tr>
<td>6:00</td>
<td>0:46</td>
</tr>
<tr>
<td>2:51</td>
<td></td>
</tr>
</tbody>
</table>

Total Lead Time: 1:02:11
N = 126
Mobile-Enabled Software Makes it Easy

Tracking Patient Cycle Time

Tracking time is as easy as touching the “Start” or “End” of the respective process.
Compare Performance to Benchmark

Lead Time Varies by Primary Care Clinic

Total Lead Time in Minutes
- Average: 1:02:11
- The Camden Group Best Practice: 0:40:00
Quantifying Impact on Physician Time

Identify Physician Time Savings Opportunities

Physicians spend approximately 38 percent of their day in direct patient care activities and have the potential to optimize their hours by 1.5 hours per day.

<table>
<thead>
<tr>
<th>Item</th>
<th>Current Hours</th>
<th>Optimized Hours</th>
<th>Difference</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Patient Care</td>
<td>3.7</td>
<td>3.5</td>
<td>-0.1</td>
<td>-3.8%</td>
</tr>
<tr>
<td>- EMR Training and Optimization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Network Speed and Connectivity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Single Sign-on/Badge Authentication</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Documentation</td>
<td>2.6</td>
<td>1.8</td>
<td>-0.8</td>
<td>-30.0%</td>
</tr>
<tr>
<td>- EMR Training and Optimization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Clinical Processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Network Speed and Connectivity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- HCC Coding</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tasks</td>
<td>1.3</td>
<td>1.0</td>
<td>-0.3</td>
<td>-25.0%</td>
</tr>
<tr>
<td>- Interfaces and Digital Fax</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Streamline referral/authorization process</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Simplify and Streamline Prescription Process</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phone Calls</td>
<td>0.8</td>
<td>0.7</td>
<td>-0.2</td>
<td>-20.0%</td>
</tr>
<tr>
<td>- Message Screening</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinical Staff Direction</td>
<td>0.5</td>
<td>0.5</td>
<td>-0.1</td>
<td>-10.0%</td>
</tr>
<tr>
<td>- Patient Appointment Access</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Message Screening</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9.0</td>
<td>7.5</td>
<td>-1.5</td>
<td>-16.5%</td>
</tr>
</tbody>
</table>

Source: The Camden Group
Next Generation KPI #4

Patient Satisfaction - Everyone Is Rating Physicians
Patient Satisfaction Survey: CAHPS

CAHPS Clinical and Group Survey

Getting Timely Appointments, Care, and Information
How Well Doctors Communicate With Patients
Helpful, Courteous, and Respectful Office Staff
Follow-up on Test Results
Patients’ Rating of the Doctor
Willingness to Recommend

Patients’ Rating of the Doctor

Source: www.cahps.ahrq.gov/clinician_group/cgdata/a4bar_results.htm
Next Generation KPI’s #5

Report Gaps in Care

- Care gap reports measure and support care coordination and management of patient populations
  - Use clinical and claims data to identify patients that have not received recommended services and compare to care standards
  - Measures current performance
  - Establishes tools to improve patient care proactively
How to Use Next Generation KPI’s
Know How You Perform and Compare to Others

Manage by Data
- Track only what matters
- Create and monitor dashboard reports to monitor key drivers of success
- Develop action plans with assigned responsibilities and timelines to resolve negative variances

Know What Others Are Reporting About You
- Review your payer performance reports and compare to your data
- Monitor your online profile

Set Performance Expectations
Communicate KPI’s to Physicians

- Involve physicians
- Information is relevant and actionable
- Establish monthly goals
- Meet monthly to review
- Use graphics as opposed to spreadsheets
- Create rapport and encourage open discussion
- Co-develop an action plan for practice improvement
- Keep it simple
Align KPI’s with Physician Compensation

We will stop paying for volume, when the world wants us to deliver value

**FFS**
*Eat What You Kill*
- Collections
- wRVUs
- Access
- Patient Satisfaction
- Individual/Site Costs

**Mixed Cap + FFS**
*Feet In Two Canoes*
- Collections
- wRVUs
- Panel Size
- Access
- Patient Satisfaction
- P4P Scores
- Citizenship (Meetings, etc.)
- Site Financial Performance
- Utilization Statistics (ED use)

**Accountable Care**
*The Whole Enchilada*
- Panel Size
- Access
- Patient Satisfaction
- Protocol Compliance
- 360° Review
- Citizenship (Meetings, etc.)
- System Performance (Population Management)
- Site Financial Performance
Incorporate KPIs into a Dashboard Report

Apply the Data
Incorporate KPIs into a Dashboard Report
Leverage KPIs in Payer Contracting

- Understand your performance and cost of care to negotiate favorable payment contracts
  - Select KPI’s that strategically target areas of quality, outcomes, and efficiency
  - Select KPI’s with the biggest impact on payer costs
- Review KPI’s on a regular basis
Key Words for Future Success

Access

Throughput/Efficiency

Process

Patient-Focus

Improvement
Thank you for your time
and if you would like to sign up for a free subscription to our quarterly newsletter and monthly online news briefing, please leave your business card.