The Resource for Healthcare IT Leaders   Login   Register

HealthData
Management   All Sections ▾   Resources Events 🔍

NOW READING: The Latest | **HIT Think** How analytics can help | **Web Seminar** How to use | HIEs could cut billions in | Streamlined supply purchasing | NorthShore, A
                            | hit 5 key targets in value-based … | healthcare information to … | Medicare spending if … | practices could boost hospital … | precision medi   ›

HIT Think How analytics can help hit 5 key targets in value-based care

By George Dealy | Published September 14 2017, 4:25pm EDT

Value-based care contracts have quickly emerged as the new standard of care delivery, with the Health Care Transformation Task Force noting that 41 percent of its members were in a value-based payment arrangement at the end of 2015.

Under this new reimbursement model, healthcare paybacks are directly tied to the quality of care provided rather than the quantity of care. The end-goal of value-based care programs is to ultimately support the Triple Aim framework, which looks to enhance care quality, improve population health and reduce the per capita cost of care.

Analytics aim at pop health, aiding care
Top investment priorities for data-driven research

Population health
_____

Clinical management
_____

Financial management
_____

Enterprise performance
_____

Research
_____

Source: Deloitte Center for Health Solutions, 2015 Hospital and Health System Analytics Survey

As healthcare organizations look to navigate this new fee-for-value landscape, many are quickly realizing that the old ways of providing care in the fee-for-service world will no longer cut it. Instead, organizations now need to be focusing on several key areas that will enable them to reduce their spending while simultaneously improve business margins.

Heightened cost awareness

Under a value-based care model, it's critical for healthcare organizations to have a detailed understanding of their costs to reduce spending and improve profitability. To achieve this, organizations need access to clinical and financial data sets. James J. Pizzo and Debra L. Ryan hit the nail on the head in their recent Journal of Healthcare Management article, "Four Strategies for Succeeding with Bundled Payments." In it, they write the following: "Hospitals that do not have accurate information about costs across a defined episode are at risk of overpricing the bundle, thus making it less attractive to purchasers, or underpricing the bundle, which exposes the organization to increased financial risk."

Improved tracking and reporting on quality measures

Similarly, healthcare organizations also need better tracking and reporting of quality measures to be successful in the fee-for-value world. In the state of Maryland, for example, hospital reimbursement depends on how a facility performs on certain measures, such as hospital readmissions or patient deaths. With this, facilities need to know exactly how they are performing on those indicators to make informed decisions on how to improve. It's also important for organizations to have "one version of the truth" for these measures, meaning that the entire organization needs to be looking at key quality measurements in the same, consistent way.

Optimized use of staff resources

A common hurdle that occurs during the value-based care transition is when organizations try to rein in costs without taking full advantage of staff resources. Take, for instance, a hospital trying to more appropriately staff its nursing units. Often times, there ends up being too many nurses on staff for the number of patients present, resulting in unnecessary staffing costs. On the opposite end of the spectrum, hospital units are also often understaffed, which can lead to gaps in patient care and costly overtime charges for those on the frontlines. Making sure staffing is being optimized at all times is a critical component when looking to rein in care costs.

Enhanced patient experience

A key component to succeeding in value-based care is improving the patient experience. Because many patients feel frustrated with the current healthcare system, they naturally become disengaged with their own care and let things like provider follow-ups and medication compliance fall to the side. Because of this, healthcare organizations need to find ways to improve the patient experience by keeping them engaged in their own care if they want to increase their reimbursement numbers.

Delivery of long-term value to patients

By providing long-term value to patients, healthcare organizations will naturally become a trusted partner in the care journey. Just by working together more closely, providers will be able to deliver the right care at the right time, ultimately driving better patient outcomes across the board.

So how can healthcare organizations capitalize on these key quality areas to succeed in the value-based care world?

While any strategy for success under a fee-for-value model will require a multi-pronged approach, leveraging analytics can help organizations to get the insights needed to significantly reduce care costs and improve patient outcomes. In fact, a recent report from Deloitte stated that more than 80 percent of IT stakeholders noted value-based care as a key driver for incorporating analytics in their organizations.

A healthcare analytics system works best when it seamlessly combines disparate data sources together into a cohesive and uniform information resource that provides greater visibility into clinical, financial and operational trends. Analytics also can help organizations both better understand the quality measures that affect their contracts, and report the required data to commercial and government payers.

Healthcare organizations will need advanced analytics capabilities to succeed under value-based care. They'll need to view data in a consistent manner across all departments, even those that may use different information systems. And analysis will need to drill down into data in order to provide detailed answers that will support action steps.

Becoming proficient at analytics is a necessary step in improving operations and advancing the quality of care, both necessary steps for organizations looking to make the transition to value-based care.
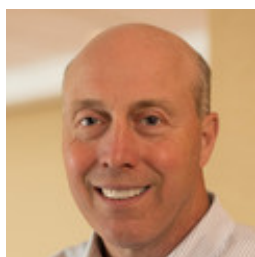
George Dealy

George Dealy is vice president of healthcare applications for Dimensional Insight