

WHAT'S UP?

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Flagstaff
Medical Center

Northern Arizona Healthcare

FMC and healthcare reform

It's time to give an update on FMC activities to encounter the many changes of the rapidly changing healthcare environment. A major challenge is that the precise form of healthcare legislation is yet to be determined – lots of political sand is in the air, and that makes predicting the future difficult. The key is finding the fundamental aspects of change that will predictably come, and preparing for them, rather than worrying about details that are yet to be clarified. It doesn't matter if Accountable Care Organizations (ACOs) become real or not.

ACOs are just one structural form of change that might occur. The issue is determining the key issues driving change, and then to prepare for them. The art will be to have adequate but not excessive flexibility in how we prepare.

It seems a few fundamental issues driving reform are indeed clear. First and foremost is the concept of increased accountability of healthcare providers for outcomes: clinical outcomes, (quality); service outcomes, (patient and family satisfaction); and cost of care outcomes.

Earlier, the value equation was discussed – no matter the calculus used to determine value,

the key variables in the value equation are these: quality, service and cost. In the future, (and that future is really here), providers at all levels will be more accountable for these three variables. The concept “Accountable Care” is used to reflect increased provider accountability for quality, service and cost.

This focus on accountability is taking three forms. First is increased transparency. As we all know, public reporting of outcome metrics, patient survey assessments of provider service, and cost data are widespread. Not only does

Medicare make such data available, so do several private initiatives such as the LeapFrog Group. And the data being reported is more and more specific to provider, and is readily

accessible by consumers and payers of care.

Another aspect of provider accountability is a gradual shift from payment for services, to payment for results. In college I drove a cab as a part-time job. I was paid for distance traveled, not for how good the ride was or for arriving at the destination in the most expeditious way. Even now for hospital services this approach of “per-click” payments for number of services provided is slowly changing. Hospital acquired conditions and readmissions are subject to

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Reform, continued

Reform, cont.'d

non-payment. In the near future payment will be based to some extent on results, not volume of services provided, and that trend will increase. This applies to practicing physicians as well as hospitals.

The third form of accountability is a movement to selectivity among providers. Currently the focus is on consumers (patients) being informed by comparative information and the idea is they will make informed choices. The next step of selectivity will likely be which providers are even included in certain payer insurance plans. Bundled payments to providers are one emerging approach to this type of selectivity. Such payment methods as bundling allow payers to offer insurance plans which allow access at a lower cost, but to a limited group of providers.

So what are we doing regarding the increased reporting of provider data? The FMC Clinical Value Department was created to work with all providers to gain access to data. The Crimson initiative is a key tool providing practicing physicians the ability to see where they stand in term of process and outcomes compared to their colleagues, both locally and nationally. The availability of this data can help physicians become more effective and more efficient through variation reduction of practice styles. More extensive IT solutions are planned that provide markedly enhanced access to data for both real-time clinical care, and retrospective analysis. More to come on these plans later.

Working with the Advisory Board as consultants, FMC is sponsoring the creation of a Clinical

Integration Organization. A steering committee of practicing physicians is leading this effort. Dr. Kevin Conn is the Chair. Dr. Derek Feuquay is the Chair of a subcommittee which is developing clinical outcome metrics that can be used to improve care, and that can be used to demonstrate value to payers. Derek also sits on the Steering Committee. This is a key effort, and much information about this will be shortly forthcoming.

Closely related to the Clinical Integration initiative are IT projects that will: facilitate practices in acquiring EMRs; create a "hub" for data integration from multiple sources, including the hospital; and establish a data warehouse designed to facilitate data availability real-time, as well as provide for analytics. These projects are big-dollar but have been demonstrated to enhance both effectiveness and efficiency of care delivery.

This overview hopefully gives a glimpse into the many strategic efforts to prepare this medical community for the challenges that lay ahead. And most importantly, we believe these changes will help us provide even better care in the future, and that from a starting point which is already pretty good. Please call me if you have any questions or thoughts.



FMC CME program receives award

The FMC Continuing Medical Education program recently was presented the C.H. William Ruhe, M.D. Award by the Arizona American Medical Association (ArMA).

FMC has been recognized for achievement of high standards in its overall CME program, and for outstanding creativity and

successful implementation of new ideas that enhance compliance with the criteria set forth by the Committee on Accreditation and Medical Education. This honor is not presented unless the ArMA CME board believes that an organization has demonstrated outstanding performance. This is the first time in three years that the ArMA has awarded the C.H. Ruhe award.

Congratulations to the CME committee's hard work and devotion to the continuing education of our physicians and the physicians of Northern Arizona.

You can view the FMC CME calendar online at FlagstaffMedicalCenter.com. Click on "For Physicians" and "Education and Research" for the latest CME offerings.