



Care Model Redesign

Part 1: Why provider organizations need to spend more time on integrated care management

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Many health care provider organizations are pursuing value-based care (VBC) contracts and business models in response to cost pressures, fee-for-service model shortcomings, federal policies and regulations, and consumer expectations. These new payment models tie reimbursement to outcomes and align incentives around reducing the total cost of care. Payers are currently in hot pursuit of more robust and substantive partnerships with providers. Success depends on the ability of health systems to effectively manage population health risks while delivering high quality care and growing the number of patients attributed to these contracts.



Many organizations are striving to reduce the cost of care by reducing unnecessary or low-value services and avoidable admissions while improving the quality and efficiency of care provided in the most appropriate settings.

The COVID-19 pandemic has exposed fee-for service model shortcomings leading to delivery model changes and improvements, as well as the increased adoption of digital and virtual solutions. Virtual care and telehealth usage is commonplace, helping to reorient care delivery to prioritize consumers' preferences.



In addition to providing convenient ways for patients to engage with health systems, virtual health presents health care organizations with compelling new opportunities to gain data-driven insights on their patients and connect patients to optimal clinical resources.



Efficiently managing the total cost of care

Health system success in value-based arrangements demands well-managed total cost of care. Effective care management for patients helps ensure well-coordinated care, increased adherence to care plans, and accessible, high quality care. Appropriate management of chronic conditions with support from an integrated care team can reduce the need or intensity of future care. Many provider organizations currently have care management programs in place, but they are not realizing the desired outcomes despite the investment that they have made in these programs. In some organizations, care management teams operate in silos (e.g., ambulatory, inpatient, and specialty), making coordination across teams challenging. Other organizations leverage only registered nurses as care managers, and do not use other clinical and non-clinical resources. Given the multifactorial needs of patients, this practice limits the scope of practice of individual care managers and drives up operational costs.



Data and technology matter

To maximize the efficiency and impact of care management programs, organizations need to leverage several data sources that they likely already have but are not utilizing to their full potential. Health systems have rich electronic health record (EHR) data that reflects patients' clinical needs that can be coupled with data from payers (including claims data) to gain a more comprehensive view of patients' needs and their medical history. Using digital tools and assets, they can leverage these different data sources to more efficiently and accurately identify the segment of the population that has the highest impactable risk, then route them to an extended care team member with the appropriate skills.



Care model transformation and care model enhancements will ultimately drive down the future total cost of care.

Beyond identifying patients and assigning them to the proper resource within the healthcare ecosystem, there are other ways to use technology to improve population health outcomes and total cost of care management. The pace of improvement in underlying technology can unlock important new value. Supporting technology, such as cloud infrastructure and application modernization, enables

both exceptional opportunities to drive new analytics with integrated data platforms and more engaging and integrated consumer, provider, and care team front end applications.

These technologies take advantage of a wide array of data sources connected to each patient such as

- electronic health records,
- medical claims, pharmacy records,
- social drivers of health data,
- patient engagement information,
- care management records,
- customer service records,
- and commercial and publicly available data assets

As an example, technology advancements have dramatically improved the integration of analytics insights into care management applications that are interoperable with providers' electronic health records and consumer-facing digital health apps. These consumer health applications are commonly integrated with full-featured platform that may include customer service features, condition-specific care planning, electronic health record integration, well-being support tools, scheduling, and virtual health integration.





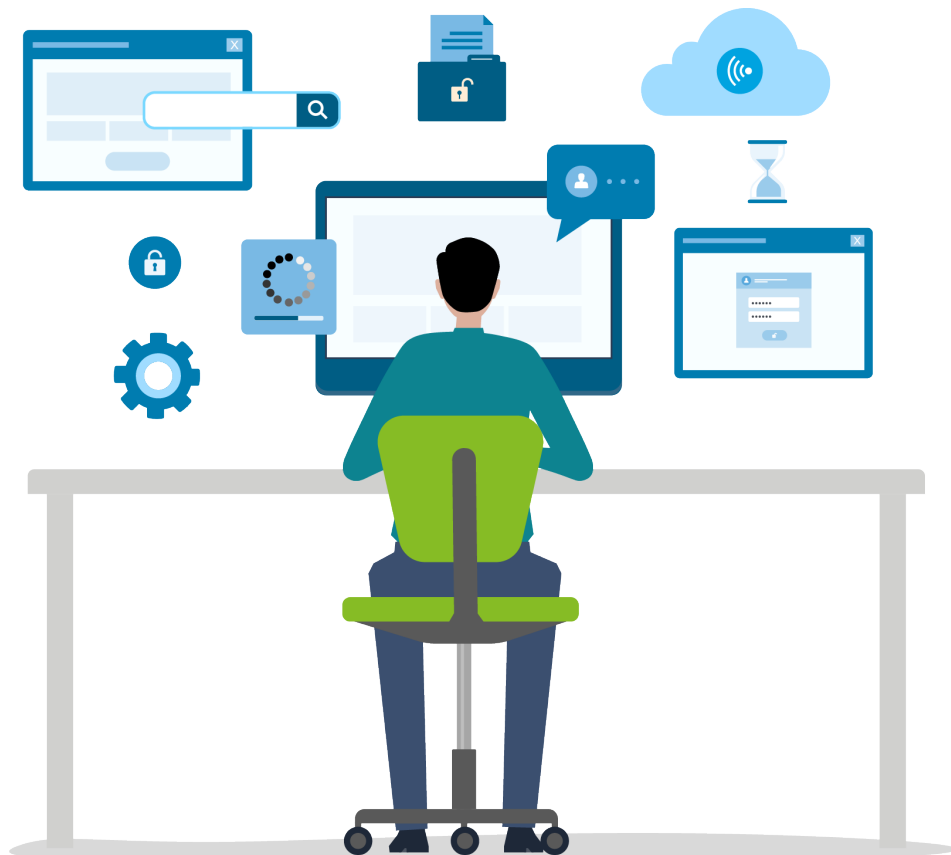
Modernizing patient engagement

While many changes are being driven by value-based contracts, today's technologically savvy consumers and their engagement preferences have shaped care delivery. Consumers have an unprecedented amount of access and ability to engage with the healthcare system outside of hospitals and clinics. While access to care and communication has been a barrier in the past, patients have been forced to adjust during the pandemic era. These patients have the tools at their fingertips to connect with the health system when and how they choose. Refreshed care models should account for patient channel preferences to drive engagement to maximize activation and receptivity.

At Deloitte, we have worked with many regional provider organizations to redesign care management teams, processes, and analytics to position them for success in value-based arrangements while delivering high-quality care to patients. These organizations were looking to increase the scope of the organization's value-based

contracting. They all had existing care management teams excited to modernize and realize newfound levels of value for their organization. We helped them to become more data-driven in their decisions about how to engage patients and leverage higher impact, multi-disciplinary patient support models. Our work at these organizations paved the way for them to achieve their total cost of care management goals while keeping their greater organizational goals as their north star.

In a previous [blog series](#), Deloitte detailed the importance, steps, and the long-term success of pursuing value-based care business models. With this four-part blog series, we discuss the supporting care model needed to be successful in value-based arrangements. Specifically, we summarize the common pain points, the solution we designed and implemented, and the key benefits that organizations have been able to realize based on those solutions. In part two of the series, we will examine the key design elements of a care model.





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