Care Model Redesign
Part 4: Value of the transition

Authors: David Veroff, Mark Bethke, Stephanie Beever, Steven Milenkovic

Acknowledgments: Jessica Hutcheson, Nicole Murrell, Brent Nachison, Brian Rush

December 2022
Throughout this four-part series, we have discussed how marketplace dynamics have accelerated the transition to value-based care (VBC), requiring greater attention on care model transformation to drive value. The adoption of a value-based model is no small feat, and that is often the impediment to change. But the current health care landscape is adopting (or sometimes forcing) innovation at an accelerated pace, enabling better outcomes supported by a multidisciplinary, patient-centric care model. In our support of plan and provider care model redesigns, several key value themes for patients, providers, and health care organizations commonly arise.
Uncovering the benefits of a value-based care model

The obvious primary benefit of a shift to a multidisciplinary, patient-centered care model is the hope and expectation that it results in improved outcomes and reduced health care costs for participating patients. The pod operating model and supporting technology discussed in previous installments of this series allow care team members to proactively target patients based on their risk level. Care team members are equipped with comprehensive background information on targeted patients to make outreach and support more effective and address the highest patient needs with the most appropriate resources. The increased availability and more holistic nature of patient data fosters more immediate connections between care management team members and patients, encouraging a collaborative approach to care that builds trust and empowers patients, reducing barriers to care.

An example of how patients experience this new model can be illustrated by a patient who is flagged for having a known diagnosis of diabetes (based on available data) but is experiencing transportation issues in dealing with their care needs. Pod model support staff are able to contact the patient and connect them with a multidisciplinary care team that includes a social worker and a diabetes educator. This team supports the patient and their caregivers on an array of needs, such as coordinating transportation to medical appointments, working with the patient to set and monitor health goals to manage diabetes diagnosis, and facilitating access to telehealth solutions for ongoing, at-home support. Based on this model, the patient is able to form a relationship with their care team members, while the care team focuses on the patient needs that are in their specialty, coordinating with each other and communicating with the patient’s provider. The patient is supported and monitored both virtually and in person based on their preferences and needs, and costly acute care services are avoided given the proactive nature of the support provided. This whole-person, data-driven approach to identifying and targeting patients for support has helped Deloitte clients that have implemented a value-based model more effectively target patients.

One regional health system saw an increase of patient engagement to 44% of targeted patients engaged, 23% of whom sustained participation.
In the above example patient journey, both patients and providers have better care delivery experiences as a result of the shift to a value-based population health management model. Due to the availability of more real-time, multidimensional patient data in a value-based model, providers have increased knowledge and awareness of a patient’s condition and risk factors over time and receive more frequent updates on patient progress (e.g., in a longitudinal care plan) without needing to see the patient. Providers also receive additional support from the care team (i.e., the social worker and diabetes educator in the above example), encouraging shared responsibility and greater collaboration to deliver patient support and education.

The cooperative care delivery environment and more frequent, consistent communication driven by a value-based population health management model has the potential to curtail provider burnout and result in better quality outcomes for patients. Organizations that implement integrated care models see the return in various ways. Not only do health plans and health systems benefit directly from the increase in provider and patient satisfaction, but the transition to a value-based model is also often associated with additional in-network spend (as the care is managed and coordinated more within the system) and improved quality and outcomes due to the more intentional coordination of value-driven support. Enhanced quality and reduced total cost of care achieved as a result of a shift to a value-based model help provider organizations become more successful in existing VBC contracts, and/or demonstrate readiness to be successful in future VBC arrangements, which could attract interest from potential market partners and payers.

Considerations for measuring financial impact

While the value-based care model described in this series has the potential to make a positive impact on stakeholders across the care ecosystem, it is critical to note that efforts to measure the financial impact of value-based care models is complex and multifaceted. There is a necessary ramp-up period for the operating model changes and supporting technology build often associated with value-based models to reach patient populations and make progress on patient needs. We encourage our clients to measure the impact of the shift in the population health model in multiple ways: First, to continuously improve the programs, key indicators of patient and provider actions and behaviors must be regularly tracked. Second, the value of these actions and behaviors should be projected to ensure investment levels are optimal to credibly achieve impact. Finally, in the longer term, to support proof statements for purchasers and other strategic stakeholders, a rigorous retrospective evaluation of the financial and health outcomes of the shift should be conducted.
To highlight this through a real-world example, a regional integrated health system that implemented a value-based care model in 2019 has already seen many positive trends in operational and financial KPIs, even while enduring the pressures of the pandemic. In addition to the numerous efficiencies seen in patient targeting and care team productivity, this system has seen an improvement in priority quality measures. In fact, when compared to targeted patients without sustained participation in multidisciplinary care management, the system’s patients with sustained participation had significantly lower utilization (7% lower admissions, 33% lower emergency department visits, 48% lower re-admissions). As evidenced by the client and illustrative examples included in this series, with the appropriate approach to design, execution, testing, and validation, numerous financial and care delivery benefits can be realized from the implementation of a value-based care model, favorably impacting stakeholders across the care ecosystem.

Results of these population health management models will vary depending on the population mix, quality of model design and execution, and the level of leadership support. However, the frameworks described in our four-part series highlight the tremendous potential for improved population outcomes, clinical efficiency, and growth in operational and financial impact as value-based models become more pervasive. This series reinforces why organizations must prioritize integrated care management, what care model capabilities are required, and how technology is a key enabler to support care model transformation. In case you missed previous segments of the series or want to learn more about value-based care, [click here](#).