It’s no secret that hospitals, health systems, and health plans have acquired physician practices and increased the number of employed doctors at an unprecedented pace over the past three to five years. Based on our Deloitte Center for Health Solutions 2013 Survey of U.S. Physicians, two-thirds of physicians surveyed believe that physicians and hospitals will become more integrated in the next one to three years. Whether the driving force is clinical integration, market share based, or both, improving these relationships and their investments within the physician enterprise are top of mind for our client executives across the country. Unlike past trends where volume was the main driver and acquiring or affiliating with as many physicians as possible was the goal; today’s physician strategy is driven by quality and value based care (VBC) delivery.

Maintaining a High Value Network of aligned physicians is no longer just a market share play, it significantly impacts quality and continuity of care that are foundational to VBC arrangements.

Key Questions Being Asked by Leading Organizations

As hospitals, physicians, and health plans shift to VBC delivery models, the ability to form a high performing physician network to adequately serve specific populations has become increasingly important.

The following questions are at the forefront:

- Do we have an adequate mix of primary care and specialists to effectively coordinate care and manage costs for our patient populations?
- Can current capacity keep up with population dynamics, patient access expectations, and market demands?
- How do we prioritize our specialties in relation to projected population shifts, disease prevalence, and our clinical strategy?
- Have we engaged with the right physicians to meet the quality, outcomes, and cost improvements in VBC delivery models?
- Can we distinguish performance of physicians and physician groups within our market?
- Do we know which health systems potential affiliates are already aligned with?
- Do we know which physicians and physician groups to “say no to” that are seeking network affiliation?
- How does our physician network compare to that of our competition in terms of cost, quality, and market positioning?
- Do we have the right mix of physicians in the right locations, with the right performance to meet our patients’ care delivery needs?
A snapshot of ConvergeHEALTH’s Network Optimizer

**Performance Value**

To determine whether or not to acquire or affiliate with specific physician groups, the user selects criteria from access, quality, efficiency, operations, and relationship criteria categories that are meaningful to them to evaluate the performance value of individual physicians and composite scores of group practices.

**Geographic Value**

To feed the optimization algorithm, users have the opportunity to define what “geographic desirability” means to them by selecting values such as population density, age or sex distribution, insurance coverage, growth rates etc., to then be weighted and presented along with performance value criteria in a summary table.

**Optimization Map**

To help health systems in their efforts to identify the right mix of physicians, locations and performance—users are shown the optimization algorithm results by specialty and in aggregate based on performance value, geographic value, and a customizable set of hard and soft constraints.

**Existing Network Impact**

Network Insight™ users are presented with a graphical representation of the impact that optimal network affiliation targets are expected to have on the performance and geographic value of the existing complement of employed and affiliated physicians prior to executing the network development strategy.

Our Specific Three-Step Approach

ConvergeHEALTH’s Network Optimizer has helped our health care clients with an innovative approach to physician network development. The method can be tailored to address the overall network strategy and understand the market landscape with real-time scenario modeling to reduce decision cycle times.

**Network Optimizer**

1. **Characterize Market & MD Relationships**
   - Geographic visualization of provider landscape with physician network relationship maps for employed, affiliated, and physicians at large.

2. **Evaluate Network Adequacy**
   - Benchmark against access and adequacy standards by specialty to identify gaps as well as oversupply in any given market or region.

3. **Optimize Network**
   - Select criteria and score physicians for inclusion in a narrow, high value network based on quality, cost, operations, access, health system relationship, and geography.

**Bottom-line Benefits**

Our Network Optimizer can provide the insight necessary to leverage the opportunities relative to an organization’s community of physicians by:

- Achieving alignment through the integration of legacy physician practices and leveraging the combined strength of evolving physician complement by specialty to begin addressing “systemness” and physician market placement.
- Developing coordination between employed and affiliated physician groups who operate under aligned care delivery processes.
- Creating the preferred, care partner relationships and positioning with strategically located physicians required to serve the existing population and meet market share growth targets.
- Helping clients in their efforts to identify an optimal complement for their network with the right physicians, in the right location, with the right performance to address the quality and cost value proposition of accountable care models. to address the quality and cost value proposition of accountable care models.

**Contacts**

Help your leaders and administrators make smarter decisions and reap the rewards of using Deloitte’s Network Optimizer by contacting any one of us to start the conversation:

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