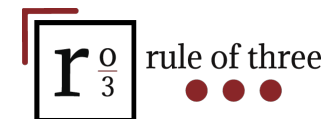


# An Academic Medical Center's Value-Based Care Journey

May 6, 2023



# Speakers



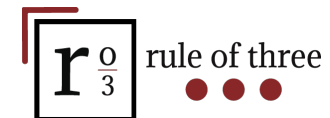
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**Josh Berlin** | JD  
Chief Executive Officer  
**rule of three, LLC**  
Atlanta, GA



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**Tom Macy** | MHA, FACHE, FACMPE  
Vice President  
Ambulatory Clinics & Medical Group  
**Nebraska Medicine**  
Omaha, NE



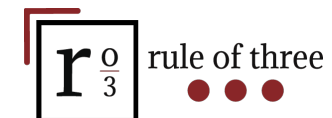
# Learning Objectives

## Overview:

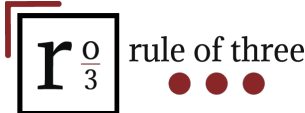
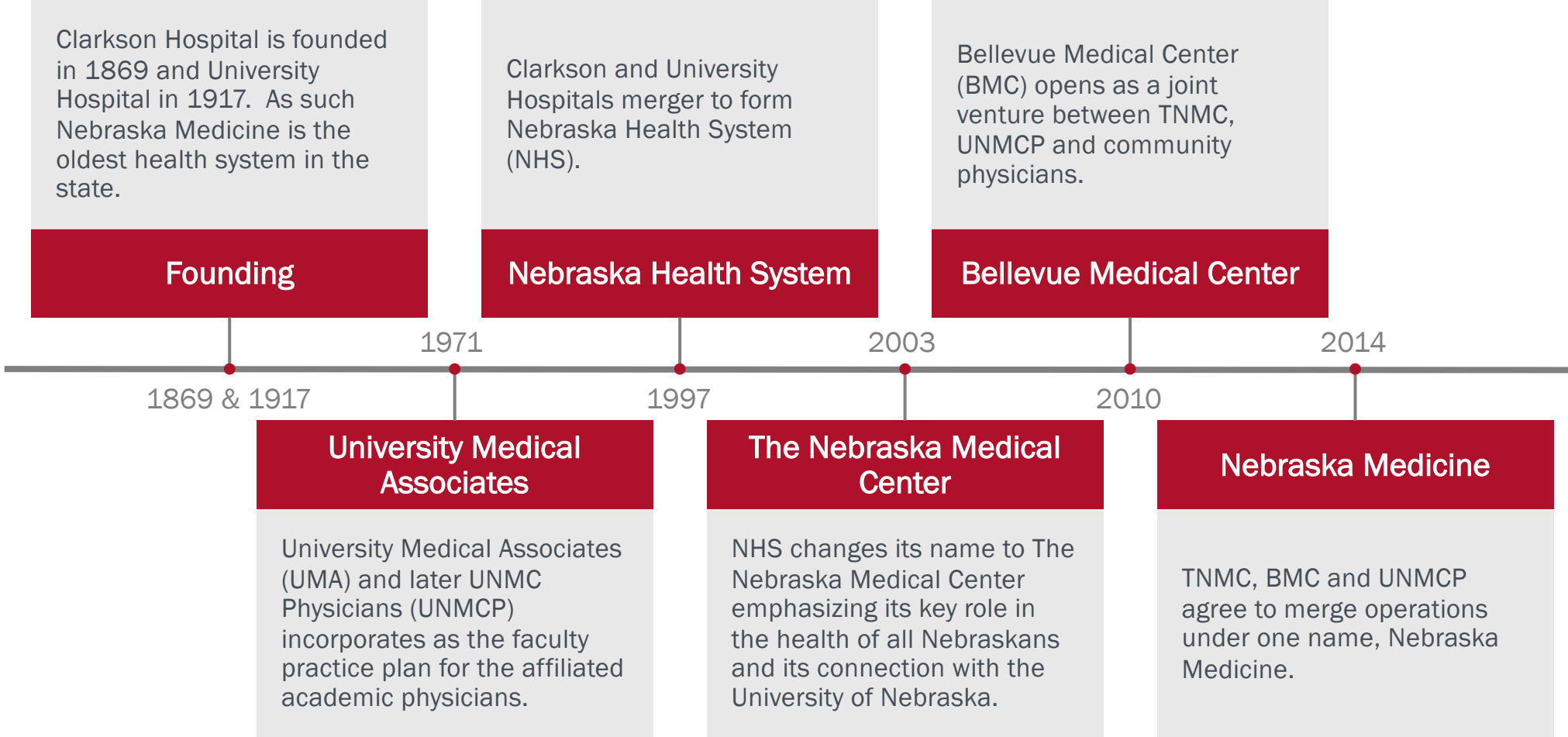
Embarking on the journey to value-based care (VBC) can seem overwhelming. But there are key strategies organizations can implement to set themselves up for success on their VBC journey. Join this session for a review of current market trends in VBC and a deep dive into Nebraska Medicine's approach to growing its VBC market share and reimbursement. This discussion will include strategies for growth and perspectives on partnerships with provider networks and new entries to the provider landscape.

## Learning Objectives:

- Discuss current trends in value-based care (VBC).
- Describe strategies to grow value-based care revenue.
- Identify how partnerships can aid in the growth of value-based care.

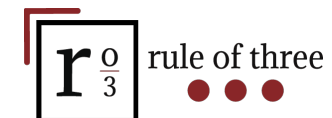


# History



# History/Background

- Nebraska Medicine is the academic health system for the University of Nebraska (UNMC)
- 2 Hospitals
  - Nebraska Medical Center & Bellevue Medical Center
  - 809 licensed beds
  - Level 1 Trauma Center (NMC)
- 60+ Outpatient Clinic (1,000,000+ visits)
- 750 employed physicians (plus 150 advanced practice providers)
- 12,000 employees (NM & UNMC)
- Key Service Lines – Cancer, SOT, Heart & Vascular, Neurosciences
- Significant role with U.S. DHHS – Biocontainment & Infectious Disease
- USN&WR #1 Hospital in Nebraska for 10 consecutive years



# Governance Challenges

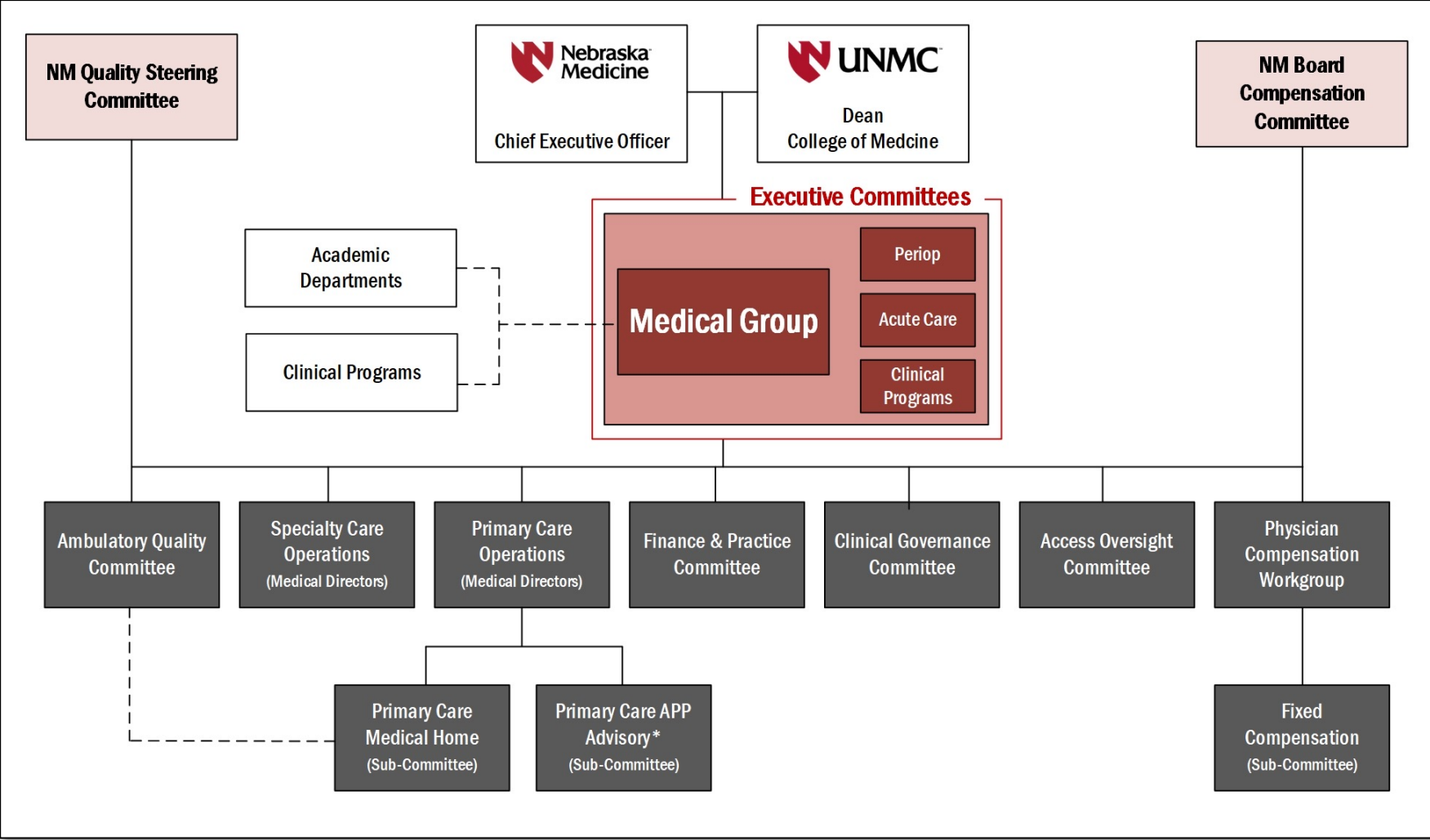
- Integration to Nebraska Medicine requires merging from three operating Boards to one.
- Organizational parents (UNMC and Clarkson Foundation) control board seats, governance structure and control of some operational proceeds.
- Elimination of UNMC Physicians Board of Directors effectively eliminates physicians from governance structure.
- Transition of physicians to dual employment (NM and UNMC).
- Five CEOs within the first four years.

# Governance Goals

- Physician-led, professionally managed.
- Physician ownership of operations.
- Improved structure for allocation of capital and other resources.
- Transparency of decision making.
- Dyad model for leadership.
- Develop formalized medical group structure within the health system.

# Structure

## Medical Group Executive Committee





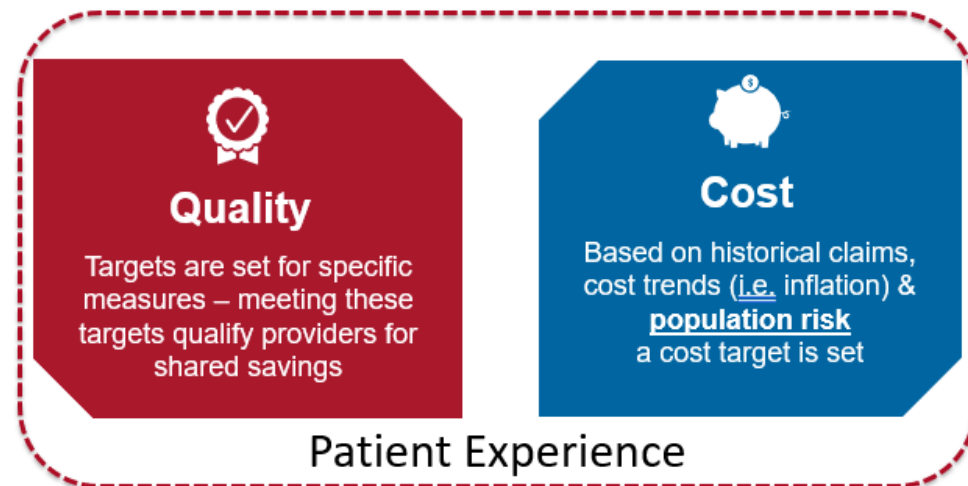
# Population Health & Value-Based Care

Getting to Basecamp

## Population Health: A Definition

The health outcomes of a group of individuals, including the distribution of such outcomes within the group

## How is Value-Based Care Measured?



# The Beginning

## Accountabilities

8 ACO  
Value-Based Contracts



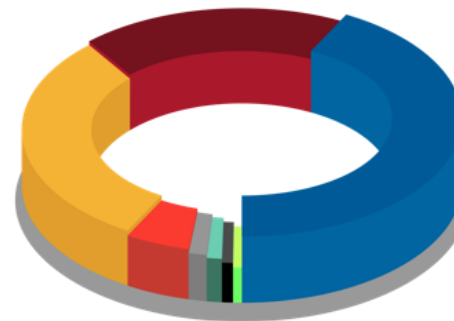
1 Downside Risk  
Contracts



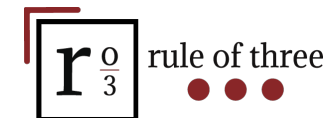
40,000  
Attributed Patients

0 NeMed Only  
Value-Based Contracts

Blue Cross Blue Shield	60,200 lives
Medicare Shared Savings Program	33,500 lives
UnitedHealthcare	29,500 lives
Nebraska Total Care (Centene)	7,900 lives
Aetna Medicare Advantage	4,000 lives
Medica	3,800 lives
Humana Medicare Advantage	3,500 lives
Blue Cross Blue Shield Medicare Advantage	500 lives



142,900 total lives



# The Beginning

## Care Delivery

### Quality Measure Success



UNSTRUCTURED  
Gap Closure  
Outreach Strategy



Ambulatory  
Care Standards



53%  
Completion  
Rate

### Managing Care Transitions

43%  
Transitional Care  
Management  
Completion Rate



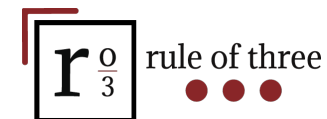
MINIMAL  
Follow-ups After  
ER Visits



UNSTRUCTURED  
Approach for Identifying  
Discharges Outside of NeMed



MINIMAL  
Management of Patients  
Discharged to Skilled Nursing  
Facilities



# The Beginning

## Performance



SUBOPTIMAL  
Quality Measure  
Dashboards



Performance Data  
Sharing



LIMITED  
Alignment Between  
Variable Compensation  
& VBC Priorities



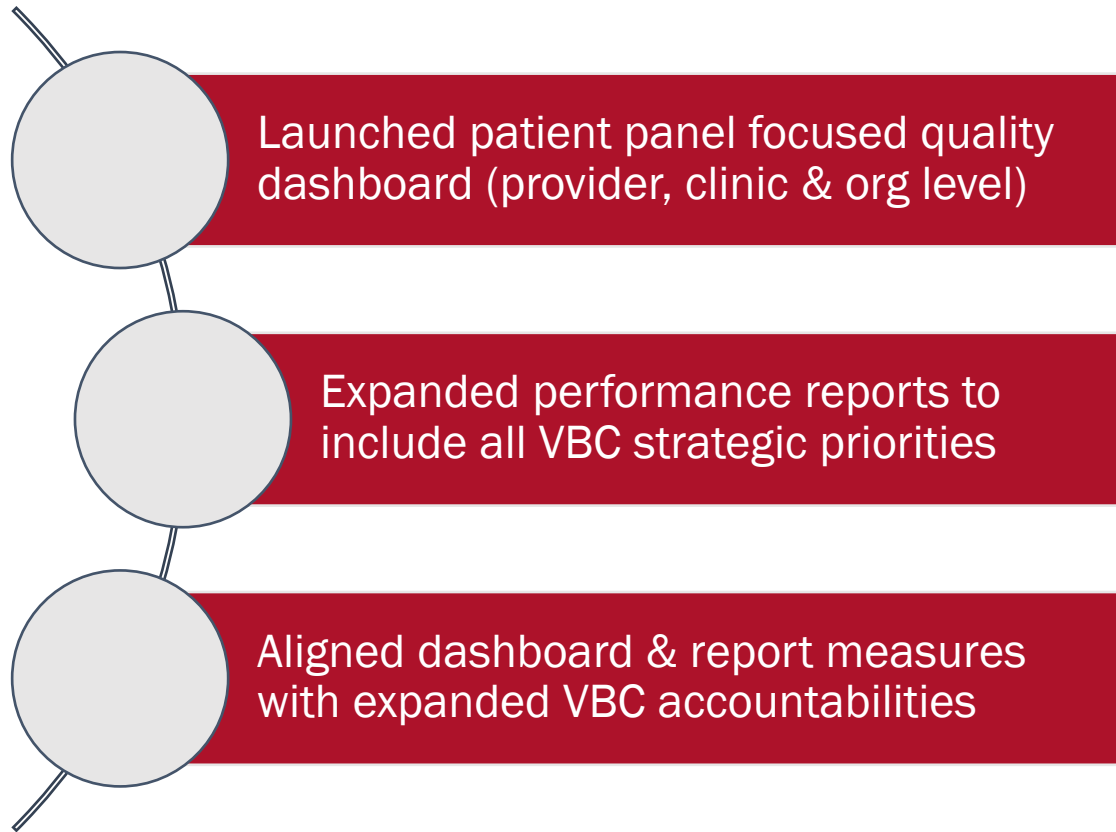
### INCONSISTENT

Performance in VBC  
Quality Measures

# Commit to the Value-Based Journey

1. Patients are the “why”
2. Quality is the key to success
3. Make it easy to do the right thing
4. Cost is not about doing less, it's about doing it right
5. Grow with purpose

# Actionable Insights Empower Teams



**My Clinic Panels -**

Summary Level: Group: NM PRIMARY CARE

**My Panel Reports Information**

Diabetes

Hypertension

Wellness

**PCMH - TRANSITIONS OF CARE MANAGEMENT**

Summary View

Office	Discharge to SNF/ICP	Discharge to Facility	Discharge to Home
NM BELLEVUE FAM MED	112	13	
NM BELLEVUE PRIM CARE	32	4	
NM BRENTWOOD	26	8	
NM CHALCO	12	8	
NM CLARISON	55		
NM FONTANELLE	72		
NM DOC FAM MED	110		
NM GEN DOC	102		
NM EAGLE RUN	52		
NM ELKHORN	52		
NM GERI HCSA	52		
NM MDTOWN	52		
NM VILLAGE PONTE	52		
NM FM MILLARD	52		
OVERALL	1000	100	100

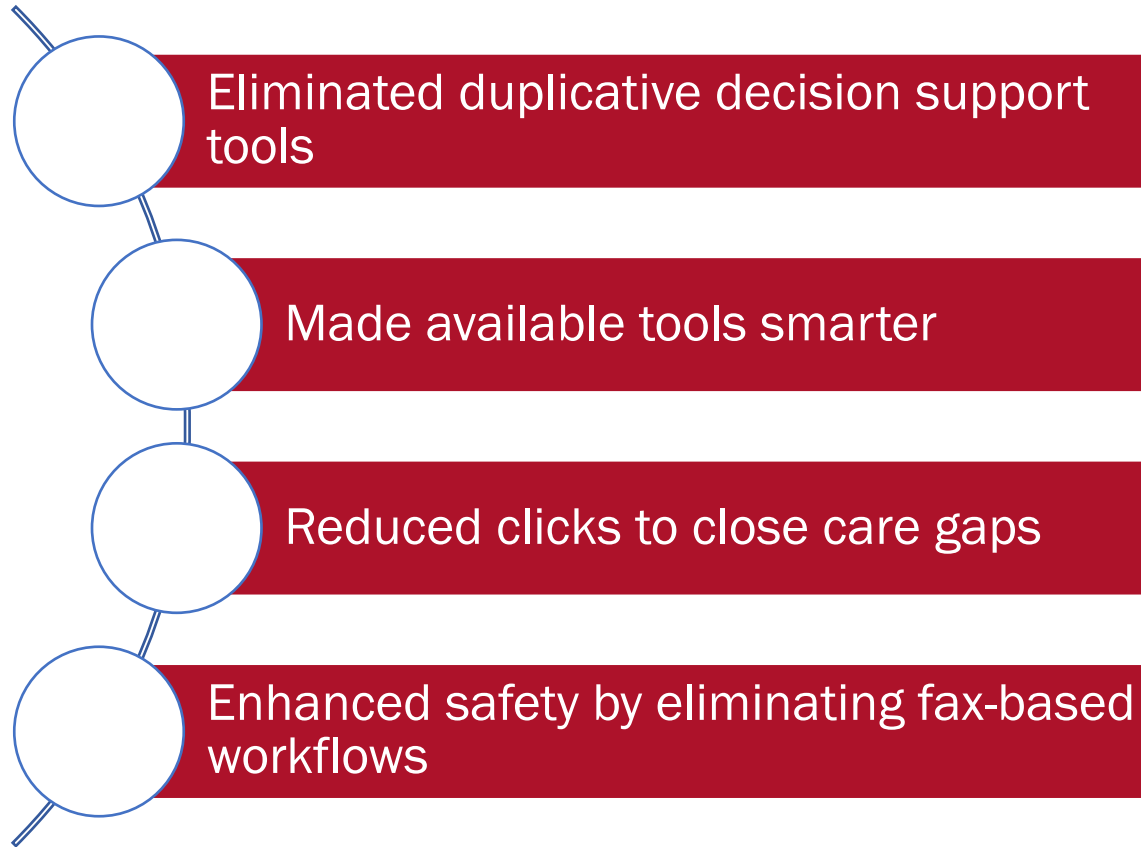
**HCC Receipture Summary By Department**

Department	RECEIVED	RECEIVED	RECEIVED	RECEIVED
BELLEVUE FAM MED	112	13		
BRENTWOOD	26	8		
CHALCO	12	8		
CLARISON	55			
FONTANELLE	72			
DOC FAM MED	110			
GEN DOC	102			
EAGLE RUN	52			
ELKHORN	52			
GERI HCSA	52			
MDTOWN	52			
VILLAGE PONTE	52			
FM MILLARD	52			
OVERALL	1000	100	100	100

**PCMH Medicare Annual Wellness Visit (2768TC) Age 65+**

Office	Overdue	Delinquent	Completed	Not Started
December	55	232	8	1
BELLEVUE FAM MED	232	152	9	1
BRENTWOOD	52	58	1	1
CHALCO	38	45	11	2
CLARISON	102	100	12	15
FONTANELLE	102	99	1	4
DOC FAM MED	273	238	8	126
GEN DOC	211	139	13	8
EAGLE RUN	211	134	3	1
ELKHORN	216	210	8	2
GERI HCSA	146	138	1	1
MDTOWN	124	95	10	2
VILLAGE PONTE	52	52	10	83
OVERALL	2000	2224	100	843

# Actionable Insights Empower Teams



Default Frequency: Every 5 years  
If patient is over age 40 or on a lipid lowering agent: Annually

Default Frequency: Annually  
If patient's GFR=30-60 or Urine Albumin Cr: 300mg/g: Every 6 months

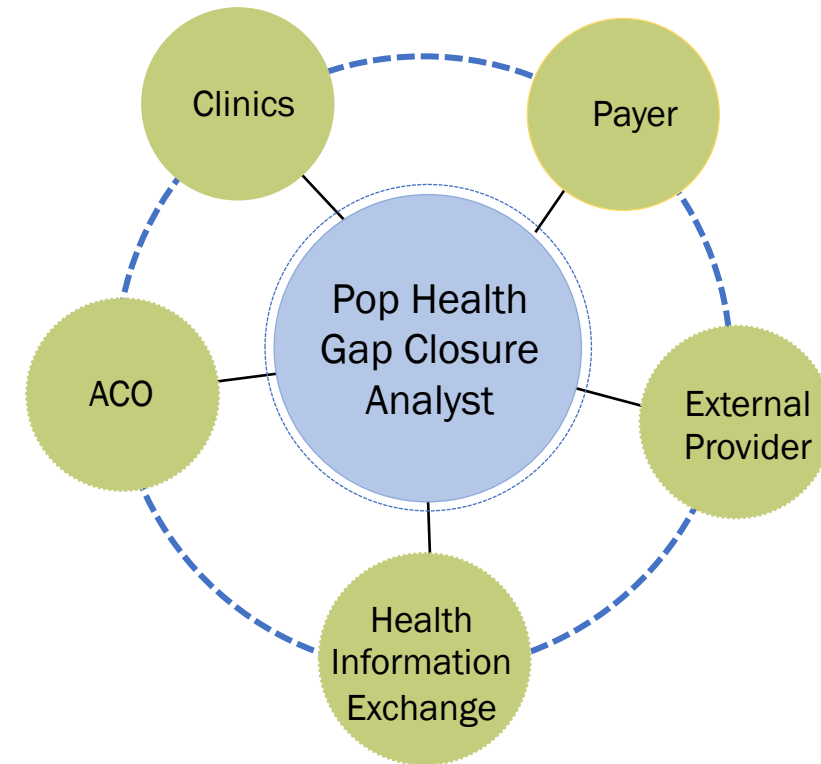
CARE GAPS

- Urine albumin/creatinine ratio
- Diabetic Eye Exam
- Lipid Panel
- Metabolic Panel (Nephropath...)
- Hemoglobin A1C

Clicking this icon will open the Diabetes Health Maintenance SmartSet for efficient ordering

# Gaps in Care: Never Events

- Built out team accountable for coordinating care gap efforts
- Established processes for
  - Proactive outreach to patients with preventative care needs
  - Acquiring clinical documentation from external providers and HIEs
  - Closing care gaps with VBC payers





# Medication Annual Wellness Visits

Impact on Quality and Total Cost of Care

## The Why?

- Associated with increased quality metric performance and reduced total cost of care
- Drives patient attribution in Medicare value-based contracts
- Fully covered visit is associated with 1.5 to 2.43 work RVUs

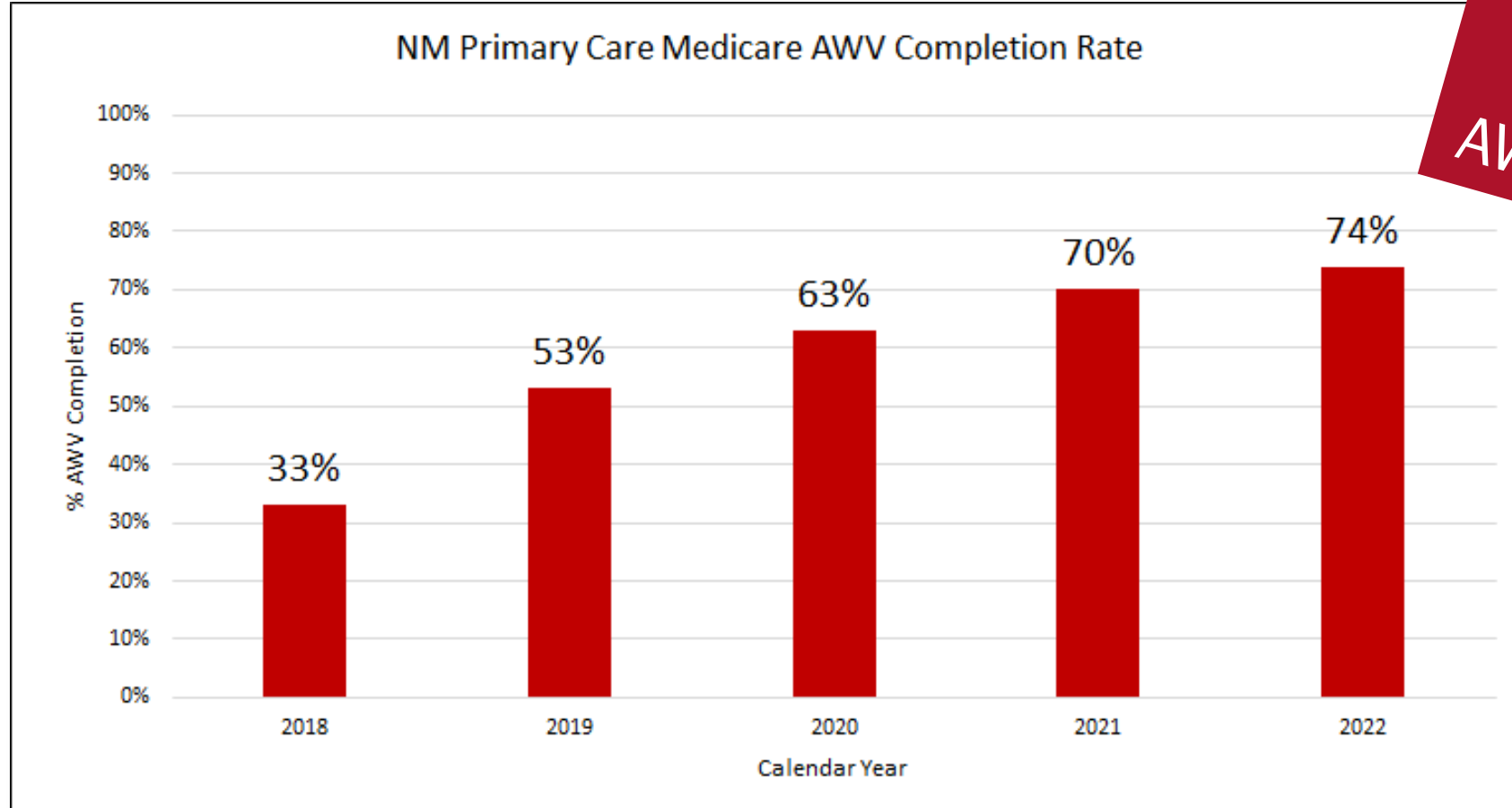
## The What?

- Preventative visit covered by Medicare at no cost to Medicare Part B covered patients
- Focused on creating a personalized preventative health plan. NOT a physical exam



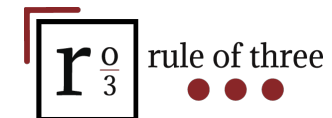
# Medication Annual Wellness Visits

## Primary Care



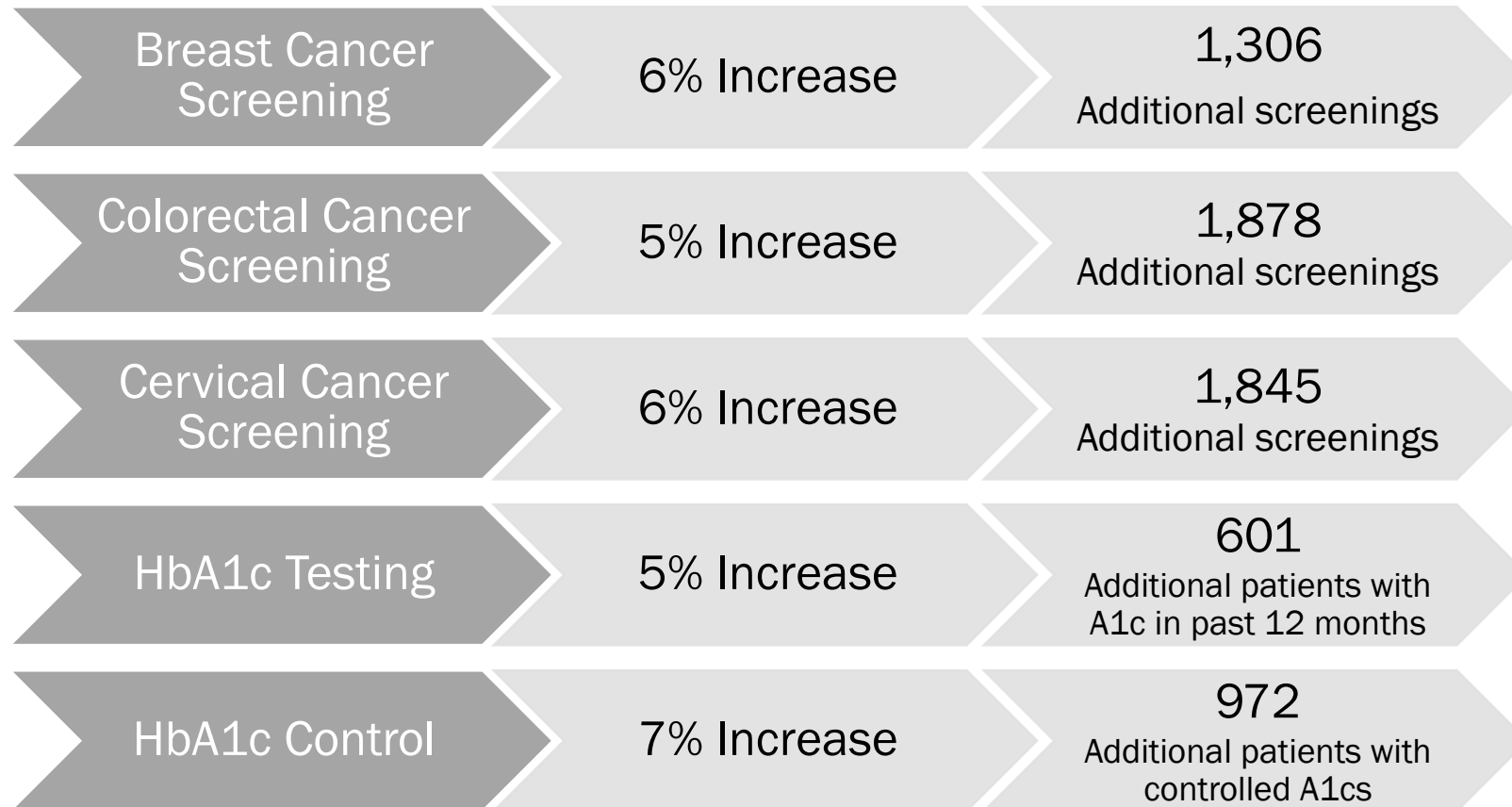
**7,744**  
additional  
AWVs vs. 2018

Source: NM Crystal report. Data through December 2022.  
Population: Primary care patients, age 65+, with Part B Medicare Coverage.

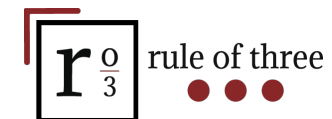


# Quality Measure Performance

## Primary Care



Source: NM My Clinic Panel Dashboard. Data through December 2022.



# Today

## Performance



**STRUCTURED**  
Gap Closure Strategy

**IMPROVED**  
Quality Measure Dashboard



**TRANSPARENT**  
Performance Data

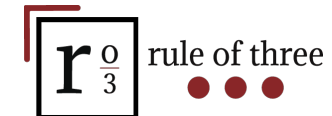


**74%**  
Completion Rate

**INCREASED**  
Alignment Between  
Compensation & VBC Priorities



**CONSISTENT**  
Performance in Value Based  
Contract Quality Measures



# Follow a Playbook

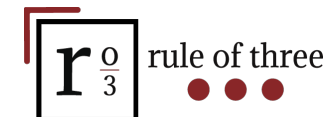
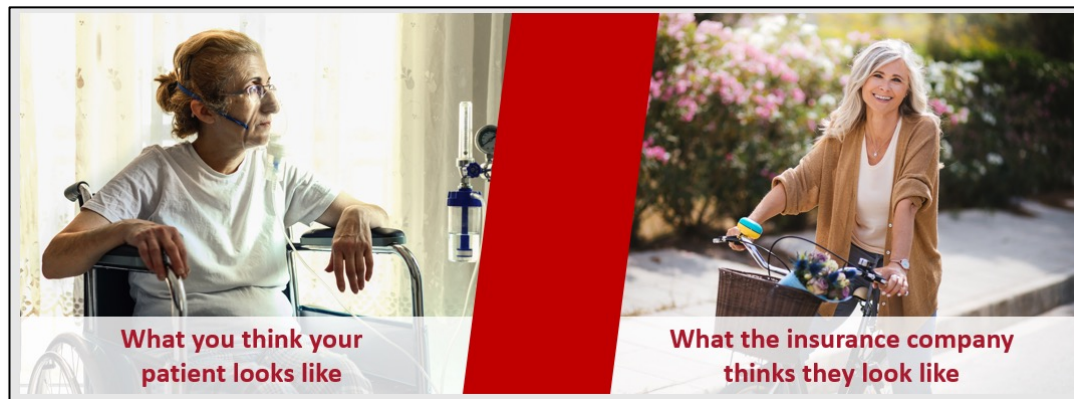
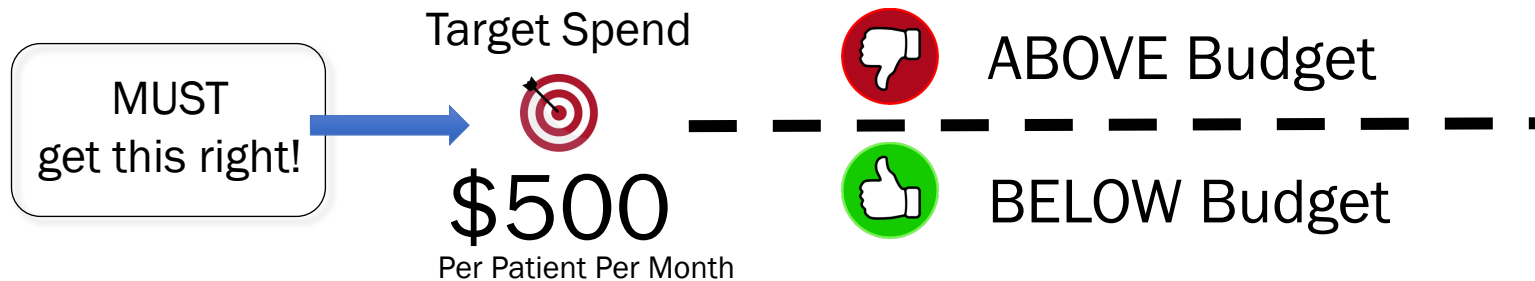
# Medical Risk Adjustment

Accurate Cost Targets are Key

## What is Medical Risk Adjustment?



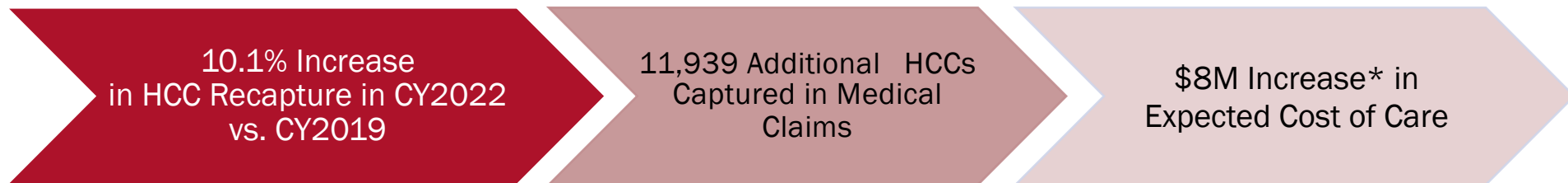
A tool used by insurers to predict the health-care costs of a population



# Medical Risk Adjustment

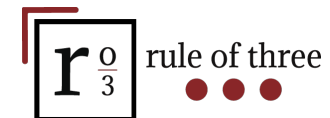
## Successes

- 10.1% increase in HCC recapture for primary care patients vs. 2019
  - Family Medicine: +11.5%
  - Internal Medicine: +8.3%
  - Geriatrics: +4.8%
- Transparent performance data available
  - Real time via physician quality dashboard
  - Quarterly via PCMH brief update email
- High priority specialties engaged in diagnosis recapture efforts
- Recruitment: Medical Risk Adjustment Analyst (Sept 2022)



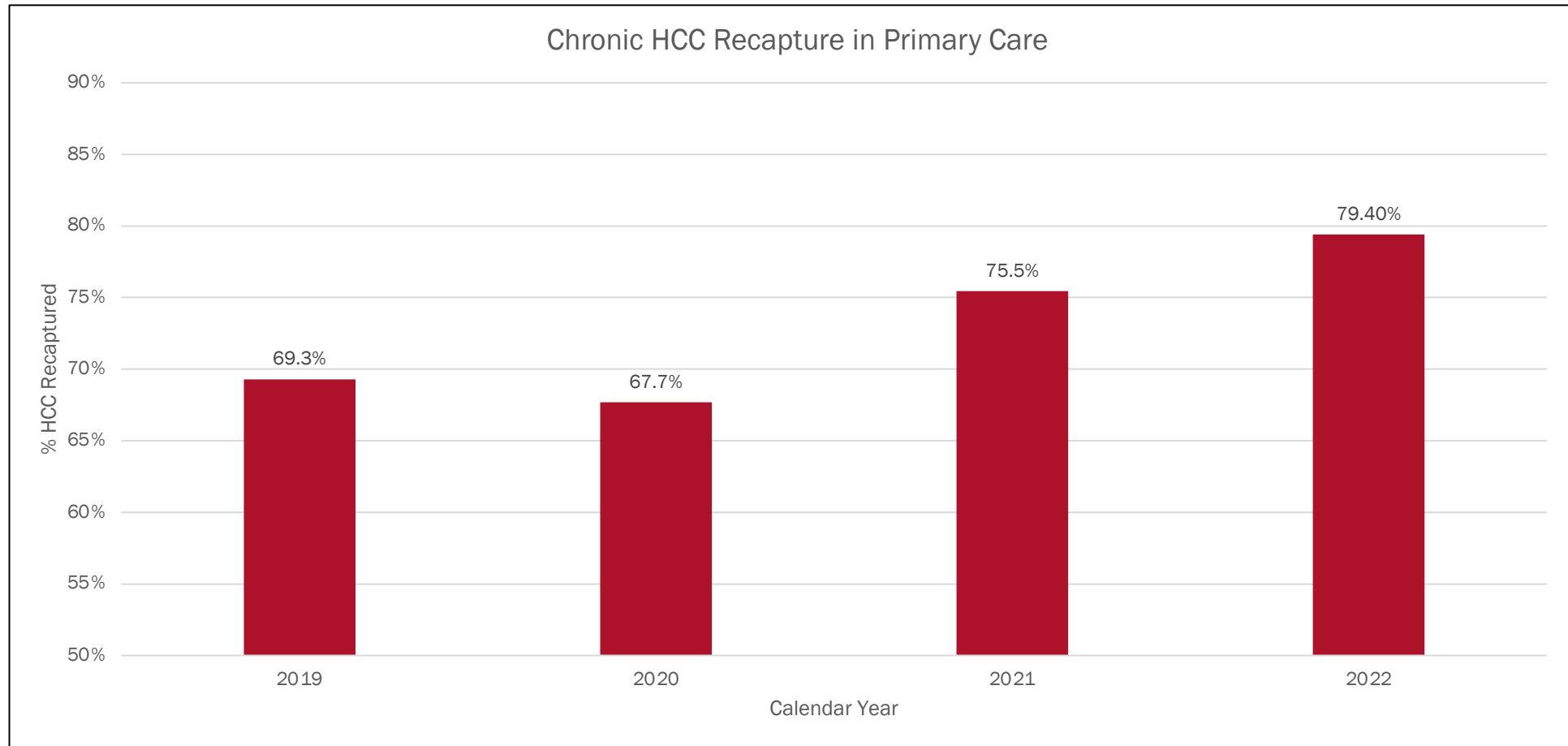
\*Assumptions:

- 20% of population in VBC
- \$800 Avg. PMPM

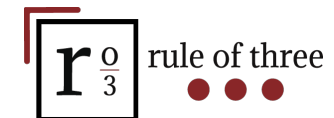


# Medical Risk Adjustment

## Primary Care



Source: Epic HCC Registry. Data through December 2022.  
Population: NM primary care patients.





# Post-Acute Care

Established steering committee, defined physician & administrative leadership, and actively expanding team focused on impacting skilled nursing facility (SNF) utilization



Admissions



Length of  
Stay



Readmission  
Rate

## Initiatives include:

- Expanding SNFist team
- Implementing decision support tools to inform optimal discharge location

# Care Transitions & Care Management

- Expanded care transition and care management efforts in Patient Center Medical Homes
- Established processes for:
  - Completing and documenting emergency room follow-ups
  - Identifying and engaging patients with acute care encounters outside of Nebraska Medicine
  - Structured care management of patients with uncontrolled diabetes

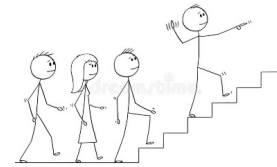
# Today

## Performance



**LAUNCHED**  
Epic Tool to Support Care Management

**ACTIVELY**  
Identifying Patients with Acute Care Visits Outside of NeMed



**LEADING**  
ACO in SNF Utilization Management

**55%**  
Transitional Care Management Completion Rate



**85%**  
Follow-up Rate for Acute Care Visits Outside of NeMed

# Grow With Purpose

16 ACO Value-Based Contracts

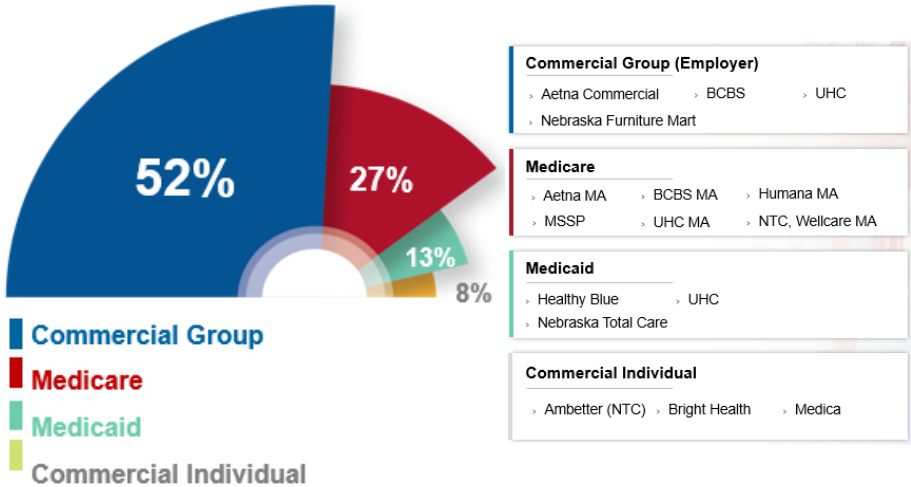


1 NeMed Only Value-Based Contracts

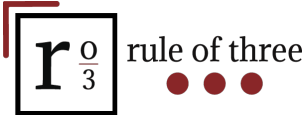
6 Downside Risk Contracts



55,000+ Attributed Patients



200,000 Attributed Patients



# Meet the Team



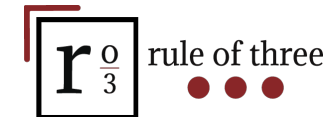
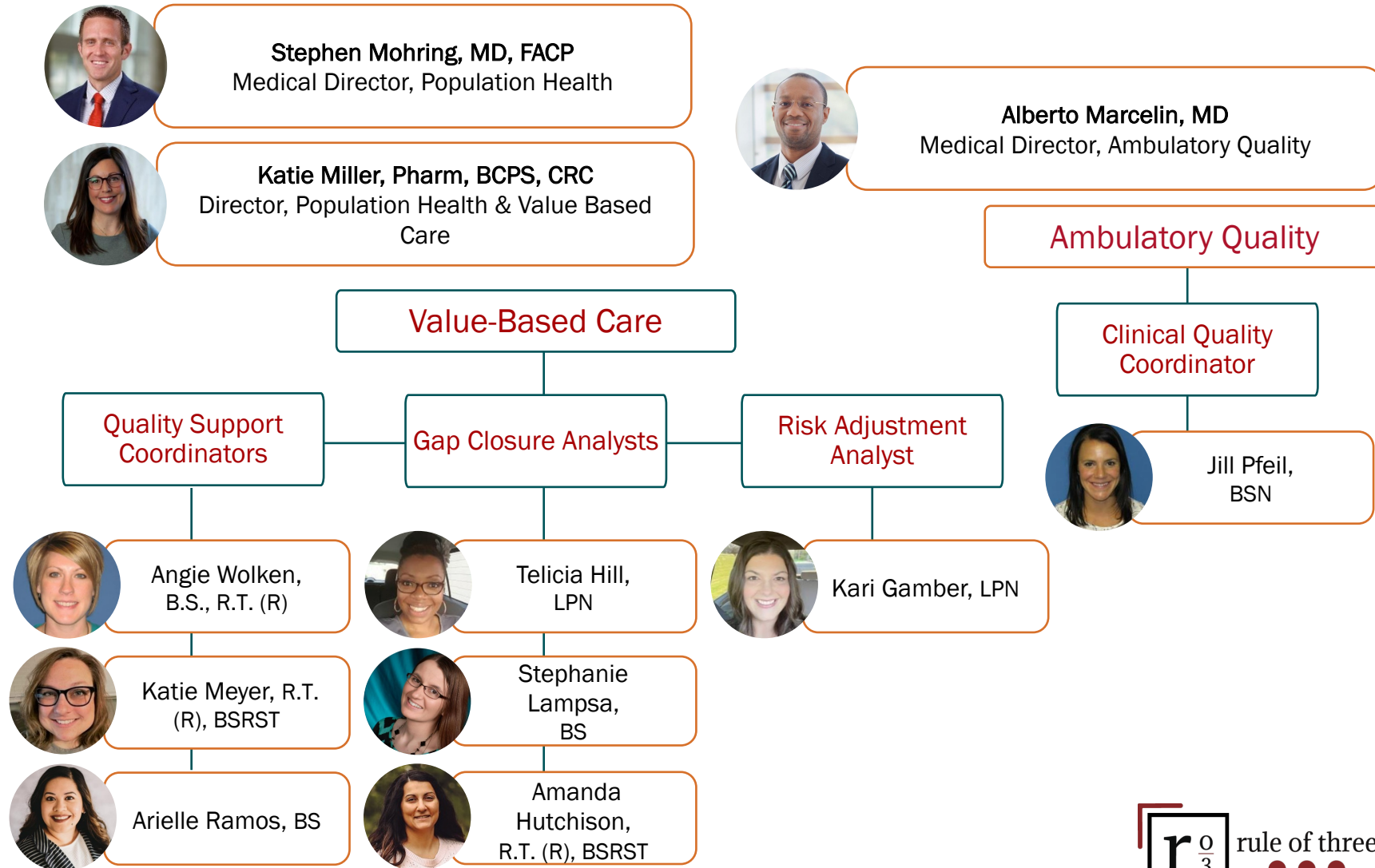
**Stephen Mohring, MD, FACP**  
Medical Director, Population Health



**Katie Miller, Pharm, BCPS, CRC**  
Director, Population Health & Value Based Care

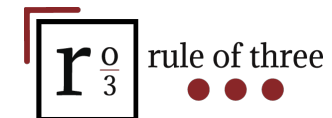
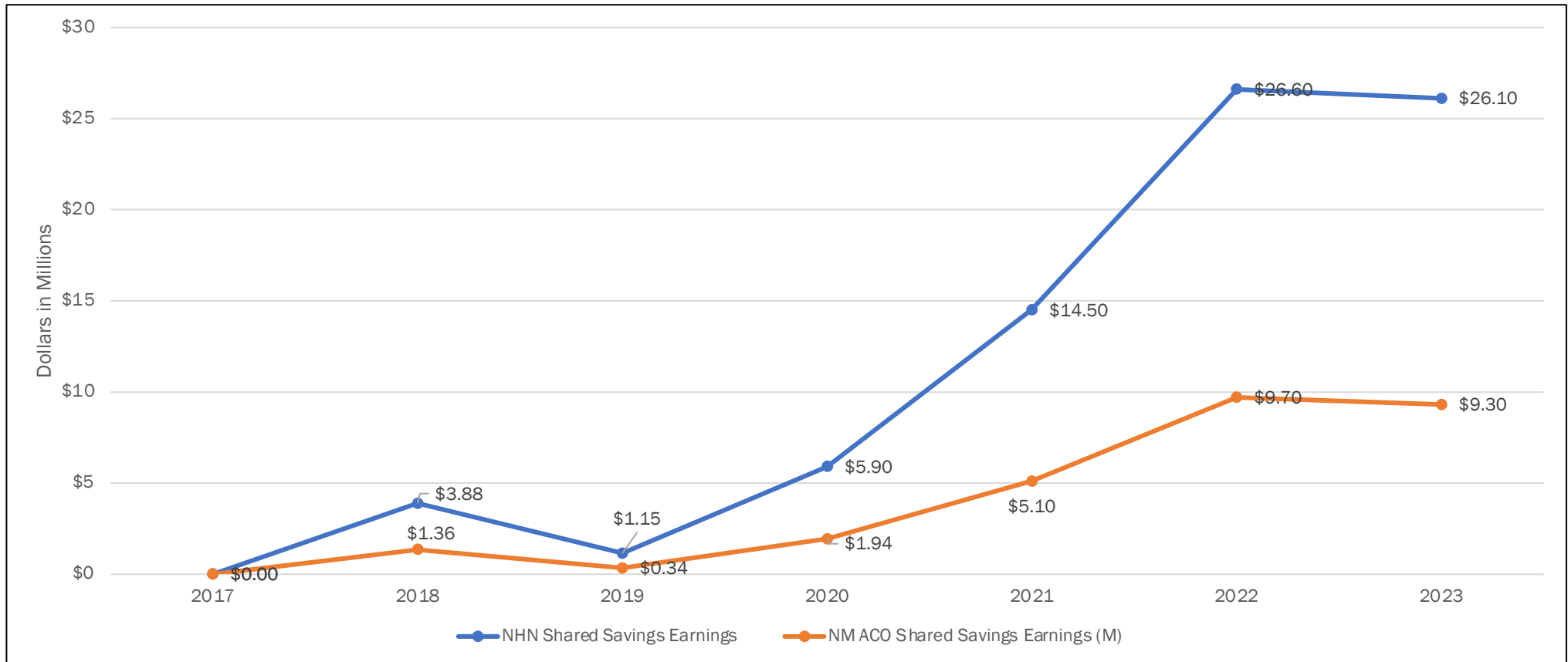


**Alberto Marcelin, MD**  
Medical Director, Ambulatory Quality



# Positive Performance Trends

## ACO Shared Savings Earning



# Project Overview

Nov. – Dec. 2021

Jan. – Mar. 2022

Apr. – Jul.

Discovery

Synthesis

Visioning

## Project Objectives

Recommend strategies and tactics where the organization's maturity:

- Exceeds the market and could capitalize on potential competitive advantages
- Is lagging the market and may require focused strategies to catch-up
- Aligns to the market and offers potential partnership or alignment opportunities



### Interviews and Data Gathering

- Conduct interviews with the executive team, operators, physicians, and other key stakeholders
- Document review (related to the VBC evaluation framework)

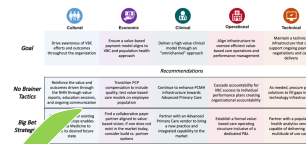
### Executive Summary



### VBC Maturity Evaluation

- Synthesize market and organizational findings into the VBC evaluation framework (cultural, economic, clinical, operational, technical)
- In parallel, conduct an AMC industry scan around VBC strategies

### Tactics and Recommendations



### Recommendations

- Define areas of opportunity and potential considerations to evolve the organizations VBC strategy
- Gather stakeholder input to refine recommendations



### Vision Articulation






- Solicit input on VBC vision through interviews and survey
- Broader discussion with organizational leaders and key stakeholders on the VBC vision and direction of value-based activities

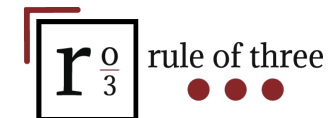
# 10-Year VBC Vision

Our mission is to lead the world in transforming lives to create a healthy future for all individuals through premier educational programs, innovative research, and extraordinary patient care

Excellence in value-based care enables this mission through the transformation of care delivery, understanding of populations we serve, closer integration with appropriate providers, and growth in risk-based lives. Over the next 10 years...

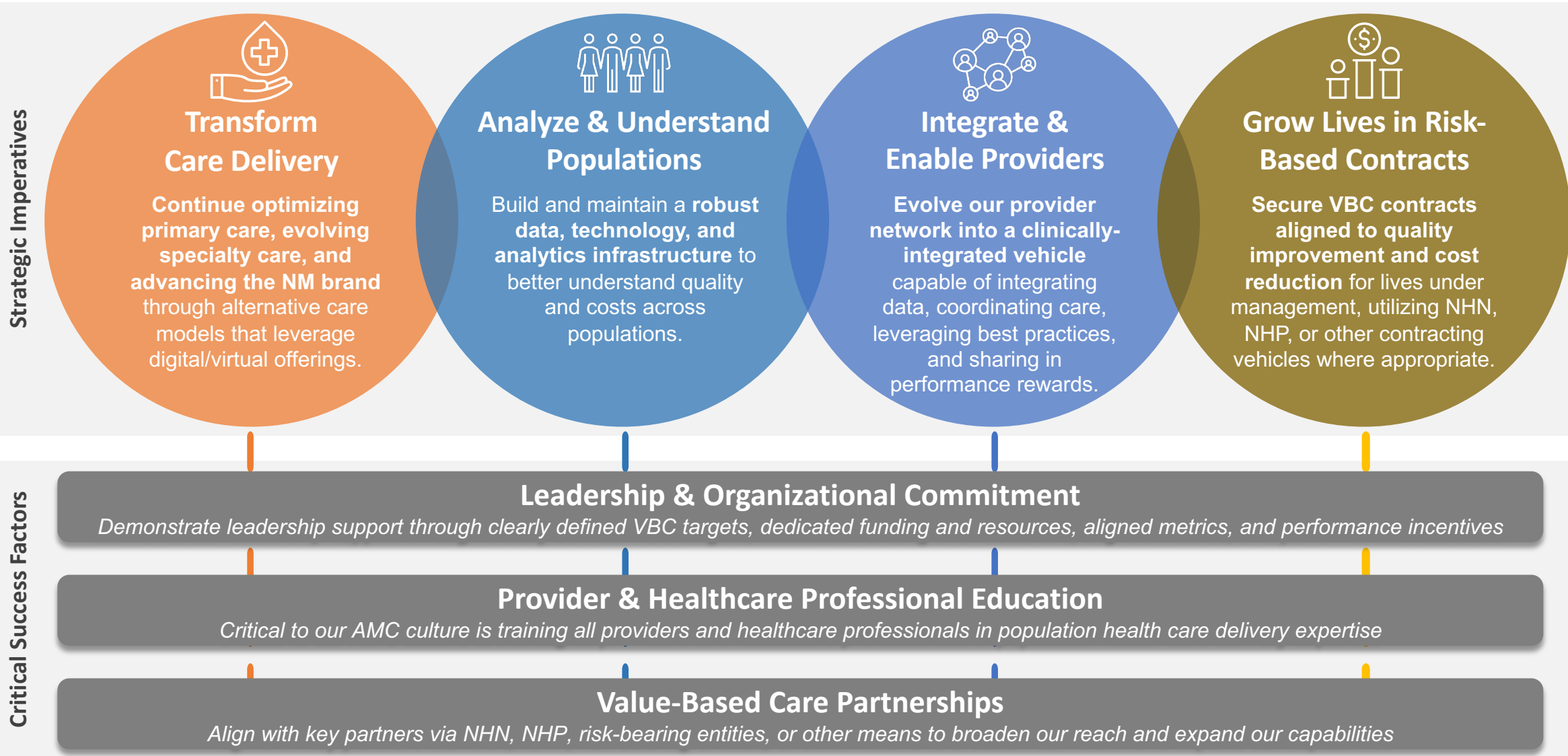


-  We will **adopt appropriate risk-oriented capabilities** and **integrate them into our clinical operations**.
-  We will actively **align with partners that share our vision** by creating a Clinically Integrated Network (CIN), starting with UNMCP, NHP, NHN, and Community Connect.
-  We will **maintain a strong bias for clinically integrated providers sharing our Epic platform**, but we will **align with non-Epic partners** willing to meet minimum necessary data sharing and activation criteria.
-  We will **transform both care delivery and financing across all value-based populations**, beginning with Nebraska Medicine and University employees and retirees.
-  We will **be positioned as the destination of choice for complex care** across the region, while offering those capabilities to potential partners.





# Value-Based Care Strategy



# Tactics and Recommendations



**Cultural**



**Economic**



**Clinical**



**Operational**



**Technical**

**Goal**

Drive awareness of VBC efforts and outcomes throughout the organization	Ensure a value-based payment model aligns to VBC and population health approach	Deliver a high value clinical model through an “omnichannel” approach	Align infrastructure to oversee efficient value-based care operations and performance management	Maintain a technical infrastructure that can support ongoing payment negotiations and care delivery
-------------------------------------------------------------------------	---------------------------------------------------------------------------------	-----------------------------------------------------------------------	--------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------

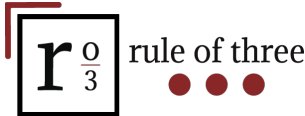
*Recommendations*

**No Brainer Tactics**

Reinforce the value and outcomes driven through the NHN through value reports, education sessions, and ongoing communication	Transition PCP compensation to include quality; test value-based care models on employee population	Continue to enhance PCMH infrastructure towards Advanced Primary Care	Cascade accountability for VBC success to individual performance plans creating organizational accountability	As needed, procure point solutions to fill gaps in VBC technology infrastructure
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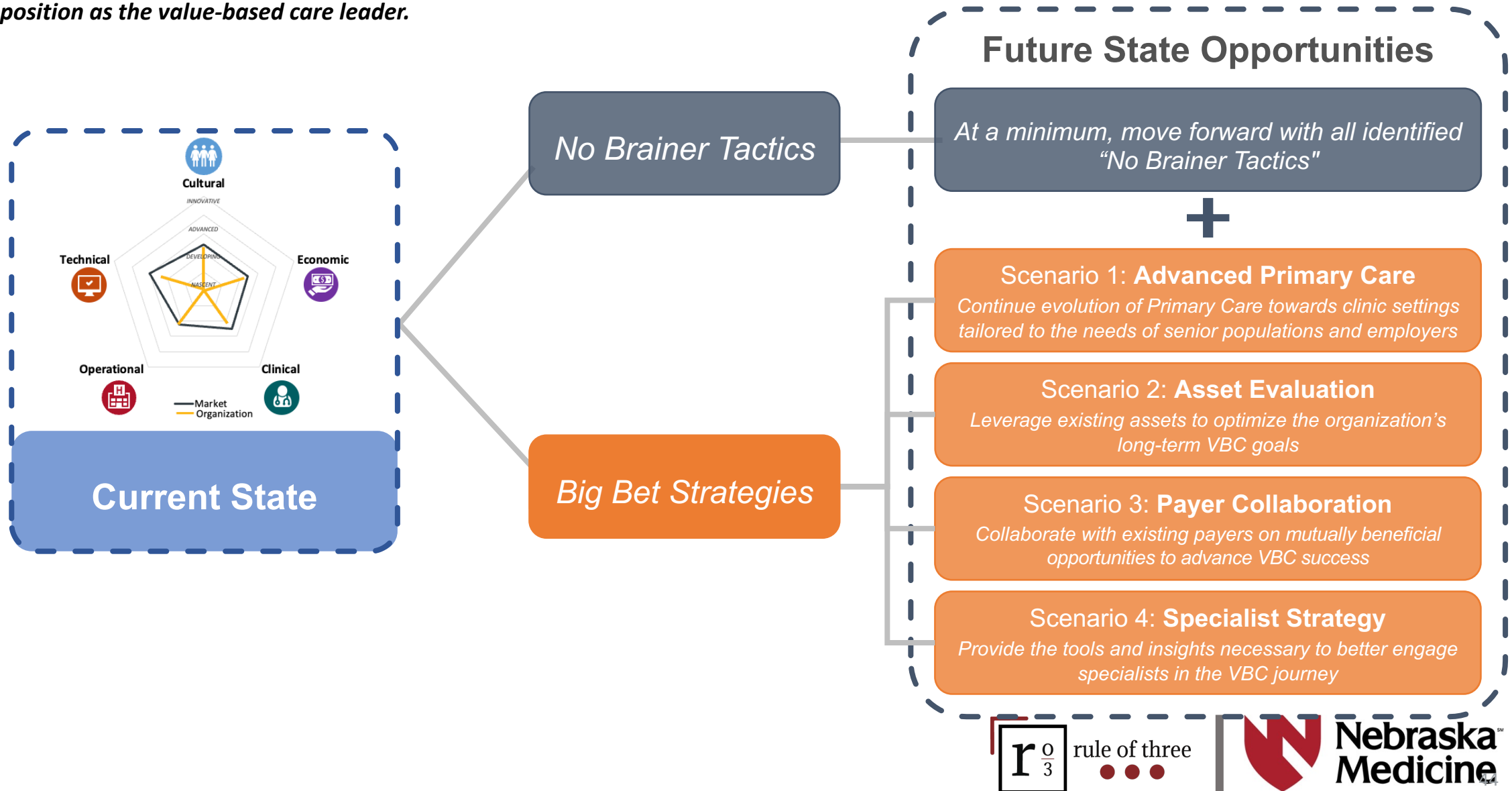
**Big Bet Strategies**

Consider whether existing VBC partnerships enables Nebraska Medicine to achieve its desired future state	Find a collaborative payer partner aligned to value-based vision; if one does not exist in the market today, consider build vs. partner options	Partner with an Advanced Primary Care vendor to bring a new practice and integrated capability to the market	Establish a formal value-based care operating structure inclusive of a dedicated P&L	Partner with a population health analytics vendor capable of delivering on a multitude of use cases
----------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------



# VBC Strategy Scenarios

For Nebraska Medicine to achieve the VBC goals, there are four potential “big bet” scenarios that can accelerate the organizations market position as the value-based care leader.



# Scenario 1: Advanced Primary Care

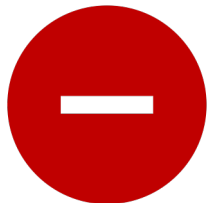
*Goal: Continue evolution of Primary Care towards clinic settings tailored to the needs of senior populations and employers.*

## Build “DIY”



### PROS

- Nebraska Medicine captures 100% of the upside opportunity
- Full control over model design and tailoring for Nebraska, staffing model, and all other components
- Opportunity to leverage the Nebraska Medicine brand and strengthen patient loyalty



### CONS

- Organizational capacity to strategically develop and implement an APC model with dedicated time and resources
- Defining an effective model with a compelling value proposition will take time and trial periods with pilot populations
- Go-to-market strategy requires sales and marketing capability to educate employers

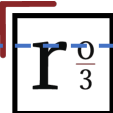
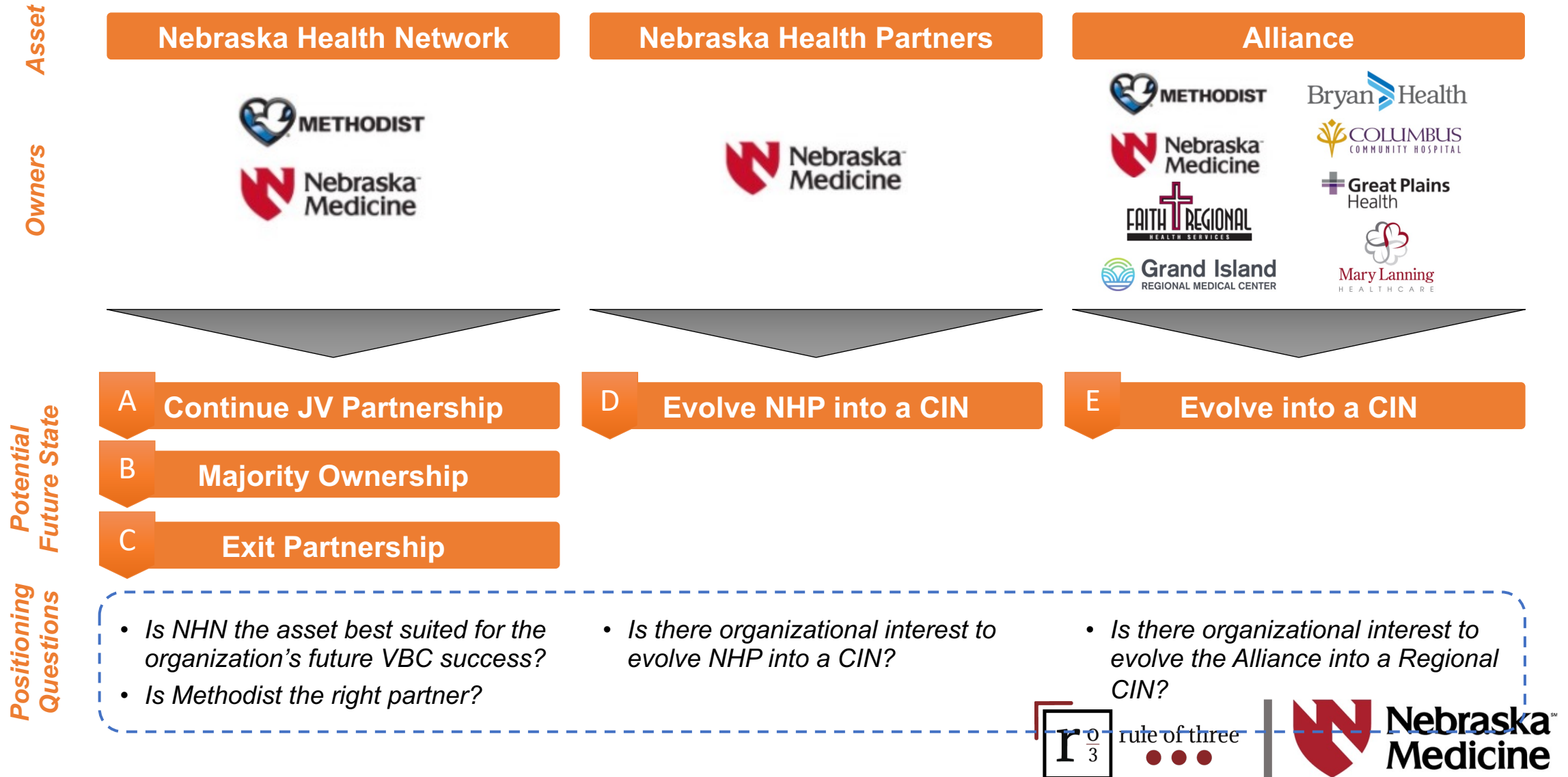
## Partner

- Multiple potential vendor partners with demonstrated results exist across the country
- Variety of business models provide options for a successful partnership
- Speed-to-market and ability to scale enabled through established implementation and operational playbooks

- Upside opportunity is shared with partner
- Finding a culturally aligned partner with a business model designed to be a win-win-win may be difficult
- Ongoing potential risk of partner being acquired based on private equity backing

# Scenario 2: Asset Evaluation

Goal: Leverage existing assets to optimize the organization's long-term VBC goals.



rule of three



Nebraska Medicine

# Scenario 2: Asset Evaluation

*Goal: Leverage existing assets to optimize the organization's long-term VBC goals.*

## Clinically Integrated Network

### + Benefits

- Improve patient care, clinical outcomes, and overall efficiency to **help control medical costs**
- **Increase provider accountability** to better manage their patient populations and effectively manage utilization
- **Enhance collaboration and care coordination** with participating independent and employed physicians
- Ability to **collectively negotiate payer contracts** and enhance reimbursement for demonstrated quality
- **Increase data interoperability** and access to patient information to manage populations more effectively



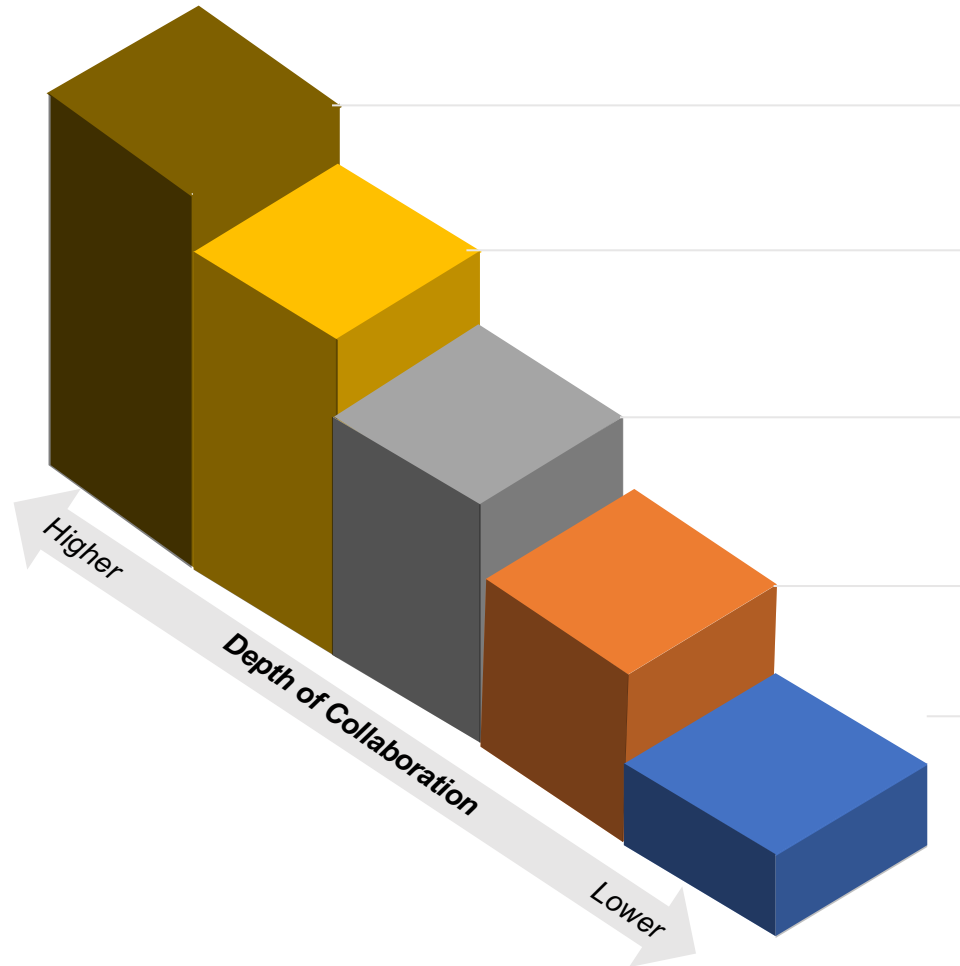
### Considerations

- What additional **care management** or **referral management** capabilities are needed to manage high-risk populations?
- How will the CIN be **able to assess compliance** among participating providers and what **funds flow** will be used?
- What tools are needed to **support advanced analytics** and **bi-directional data feeds** to physician workflows?
- With measured success, how will the **appetite for risk-bearing contracts** increase?
- How will the **CIN leverage the power of a unified clinical and claims dataset**?

# Scenario 3: Payer Collaboration

*Goal: Collaborate with existing payers on mutually beneficial opportunities to advance VBC success.*

## Types of Collaboration



### Risk Bearing Partnership

- Participating providers assume collective financial risk for some or all of the cost of care delivery (e.g., NewCo PHSO, JV Medicare Advantage Plan)

### Capital Partners

- Collective investments by a payer and provider towards development a regional value-based, community care network (e.g., Highmark and Penn State Health)

### Product Development

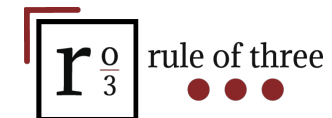
- Joint ventures for DTE plans, Medicare Advantage, etc.

### Programmatic Interventions

- Integrated EHR program to reduce the potential for adverse drug events among elderly patients (e.g., BCBS RI)
- Co-create clinical pathways and reduce administrative burdens (e.g., prior authorization)

### Transparent Data Sharing

- Involvement in identifying risk factors that are good indicators for predictive modeling
- Using data to identify rising rates of specific conditions in the community to target patient interventions



# Scenario 3: Payer Collaboration

*Goal: Collaborate with existing payers on mutually beneficial opportunities to advance VBC success.*

## Key Partnership Characteristics

### Risk Profile

Willingness to be innovative and take on financial risk to advance the transition to value



### Scalability

Developing an infrastructure with complimentary capabilities to enable scalability



### Collaboration

Creating products and solutions that address the needs of the target market while also supporting growth targets



### Sustainability

Working towards a common goal in a collaborative manner for long-term sustainability



### Flexibility

Ability to adapt quickly to the changing market dynamics and competitive forces





# Scenario 4: Specialist Strategy

Goal: Provide the tools and insights necessary to better engage specialists in the VBC journey.

## Optimize High Value Performance

### Goal

- Analyze the pattern of services within an episode of care and be able to compare to benchmark performance

### Outcomes

- Insights can serve as the foundation for clarifying expectations throughout the continuum of care
- Common understanding of appropriate evaluation, treatment, and criteria for a referral from PCP to specialist and back

### Reference models



## Programmatic Advancements

### Musculoskeletal (MSK)

- Develop alternative care pathways and use analytics to drive down costs across the MSK service line
- According to the American Academy of Orthopedic Surgeons, MSK care impacts ~126.6M Americans and costs ~\$213B in annual treatment, care, and lost wages
- Reduced medical claims spend by \$2,244 less per participant<sup>1</sup>
- Each participant averaged 69% pain reduction, reduced depression and anxiety by 58%, and avoided 2 out of 3 surgeries<sup>1</sup>



### High Risk Pregnancy

- Increase access to high-risk obstetrics services for pregnant women via virtual care platforms
- Decreased 60-day infant mortality rate by 0.5%<sup>3</sup>
- Cost savings for state Medicaid program as a result of fewer complications<sup>3</sup>
- Improved access and reduced the need to see patients in office by more than 50%<sup>4</sup>

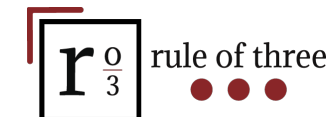


<sup>1</sup> Hinge Health, <https://www.hingehealth.com/health-plans/>




















<sup>2</sup> IncludeHealth, <https://www.includehealth.com/google-promedica-team-up-with-includehealth/>

<sup>3</sup> UAMS IDHI, <https://idhi.uams.edu/high-risk-pregnancy-program/annual-reports/annual-reports-and-newsletters/>

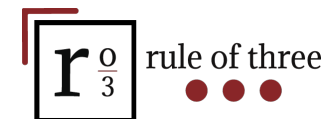
<sup>4</sup> Babyscripts, [startuphealth.com/babyscripts](http://startuphealth.com/babyscripts)



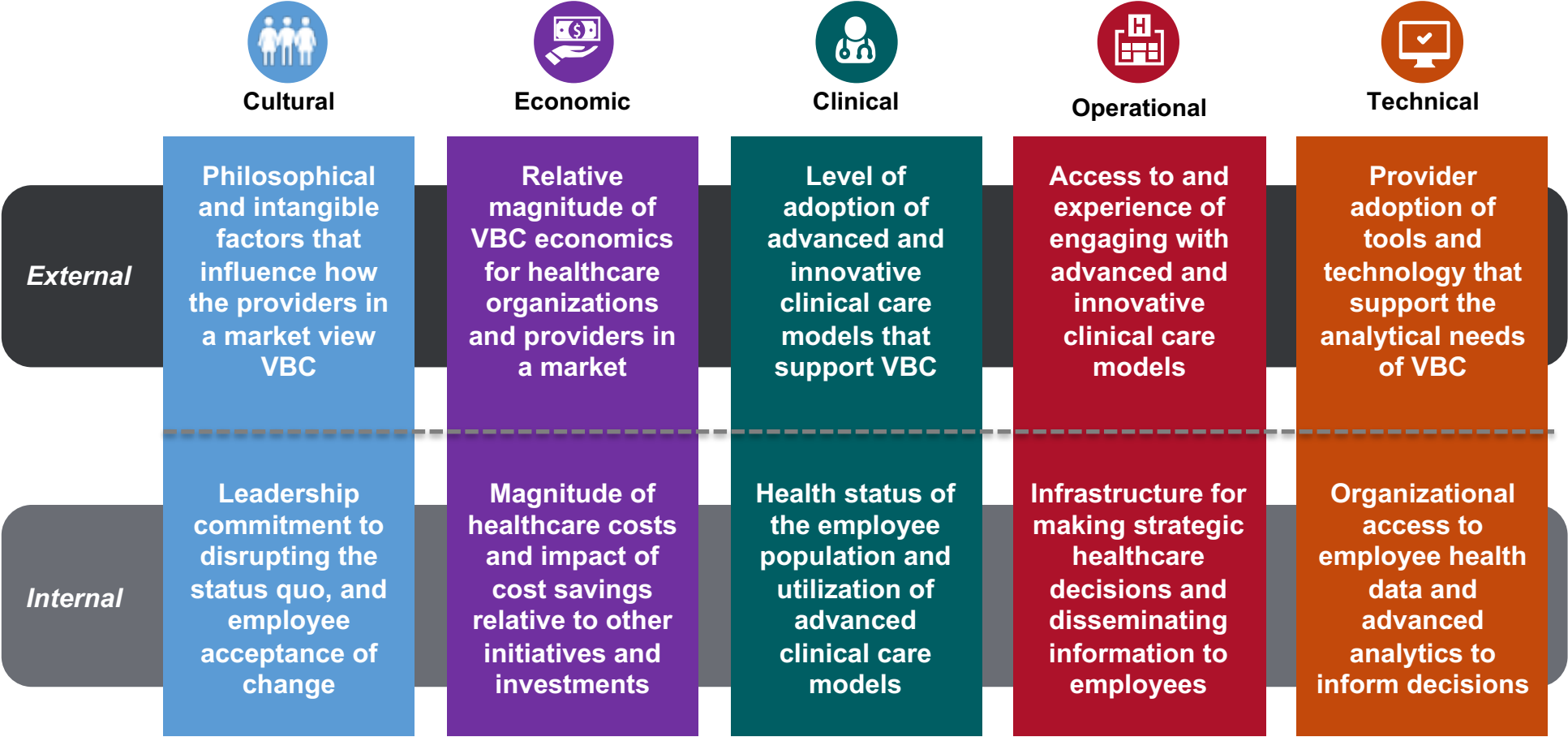
# Healthcare's New Big Four

	PHARMACY	PRIMARY CARE	HOME CARE	VIRTUAL	PAYER
 Major Acquisition Spend: \$4.8B	 With PillPack and \$5 Rx Prime add-on for 80 common conditions				
 Major Acquisition Spend: \$87.6B					
 Major Acquisition Spend: \$16.3B	 				
 Major Acquisition Spend: \$310M	 Includes CareZone acquisition, now Walmart Insurance Services				 Potential to leverage Change and LHC acquisitions

\*Denotes partnership rather than merger/acquisition



# Summary



*How do we mature? Where do we prioritize? What is our pace of change?*

