



# eHEALTH INITIATIVE

Real Solutions. Better Health.

## **Moving Beyond HIE to Value Realization**

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# About eHealth Initiative

- Since 2001, eHealth Initiative is the only national, non-partisan group that represents all the stakeholders in healthcare.
- Mission to promote use of information and technology in healthcare to improve quality, safety and efficiency.
- eHealth Initiative focuses its research, education and advocacy efforts in four areas:
  - Using Data and Analytics to Understand and Improve Care
  - IT Infrastructure to Support Accountable Communities
  - Connecting Communities through Interoperability and Data Exchange





# GOVERNMENT AFFAIRS RETREAT 2014

HEALTH IT - SETTING THE FOUNDATION TO TRANSFORM OUR FUTURE

February 12, 2014 | Washington, DC



#eHIGAR14

*Come Meet ONC National Coordinator  
Karen DeSalvo in Person!*

# SAVE THE DATE!

**REGISTER NOW**

For questions about the retreat or troubles registering, please contact Nadeen Siddiqui at [nadeen.siddiqui@ehidc.org](mailto:nadeen.siddiqui@ehidc.org) or go to [www.ehidc.org](http://www.ehidc.org).



# **2014** National **Forum** on Data & Analytics in Healthcare

May 21-22, 2014 | Omni Shoreham, Washington, DC

**CALL FOR  
SPEAKERS  
OPEN UNTIL  
FEBRUARY 7**

If you have questions about the Forum,  
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Real Solutions. Better Health.

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# eHI RECEPTION at the HIMSS Conference

**JOIN US for a  
MARDI GRAS  
RECEPTION!**

## ● What?

eHI Reception at HIMSS  
Annual Conference

## ● Where?

ROSEN CENTRE SALON 16

## ● When?

February 24, 2014  
6:00 pm - 8:00 pm



# Thank You to Our Sponsor



# Today's Agenda

- **Rebecca Jones**, Program Manager, eHealth Initiative  
(1:00 – 1:10 PM)
- **John Moore**, Founder and Managing Partner, Chilmark Research (1:10 – 1:40 PM)
- **Q&A** from Audience (1:40 – 2:00 PM)





# MOVING BEYOND HIE: THE NEED FOR A NEW PARADIGM

Value Realization in an ACA World



# ABOUT CHILMARK RESEARCH

- ▶ Founded in 2007
  - > Based in Cambridge, MA
- ▶ Chilmark's Sole Focus is Healthcare IT
  - > Singular Focus, Objective, Fact-based Research
- ▶ Research Driven: Transformative Technology
  - > Five Core Domains: Population Health Mgmt., HIE, Clinical Analytics, EHR 2.0, & Patient Engagement
- ▶ Content-Driven Services
  - > Chilmark Advisory Service
    - ▶ **Technology & Adoption Trends**
    - ▶ **Strategic Advice**

# NOT TRIPLE AIM BUT TRIPLE THREAT



# SHIFTING RISK TO PROVIDERS

## Penalties for Missing CMS “Value”

Targets Began Oct. 1, 2012 (FY13)		
Program	% Risk	\$ at Risk*
Readmissions	1.0%	\$1MM
Value-based Purchasing	1.0%	\$1MM
Begins Oct. 1, 2014 (FY15)		
Program	% Risk	\$ at Risk*
Readmissions	3.0%	\$3MM
Value-based Purchasing	1.5%	\$1.5MM
Hosp. Acquired Condition	1.0%	\$1MM
EMR (1/15)	1.0%	\$1MM

\*Assume Total CMS Annual Revenue of \$100MM

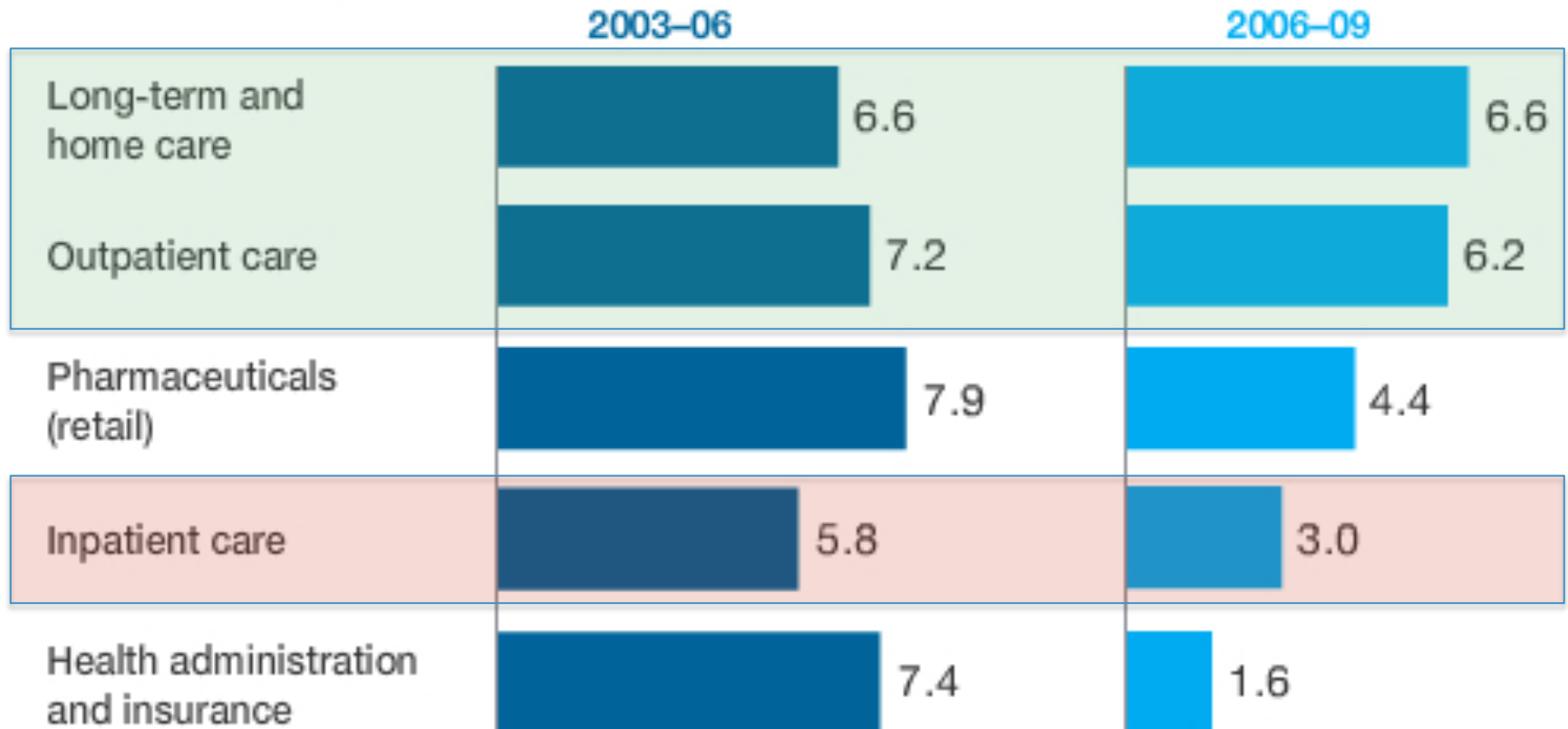
**In FY13, 2% of  
CMS Revenue at  
Risk**

**In FY15, 6.5% of  
CMS Revenue at  
Risk**

**Most HCO Operating  
Margins >5%**

# REVENUE SHIFT

Average yearly growth, CAGR,<sup>1</sup> %

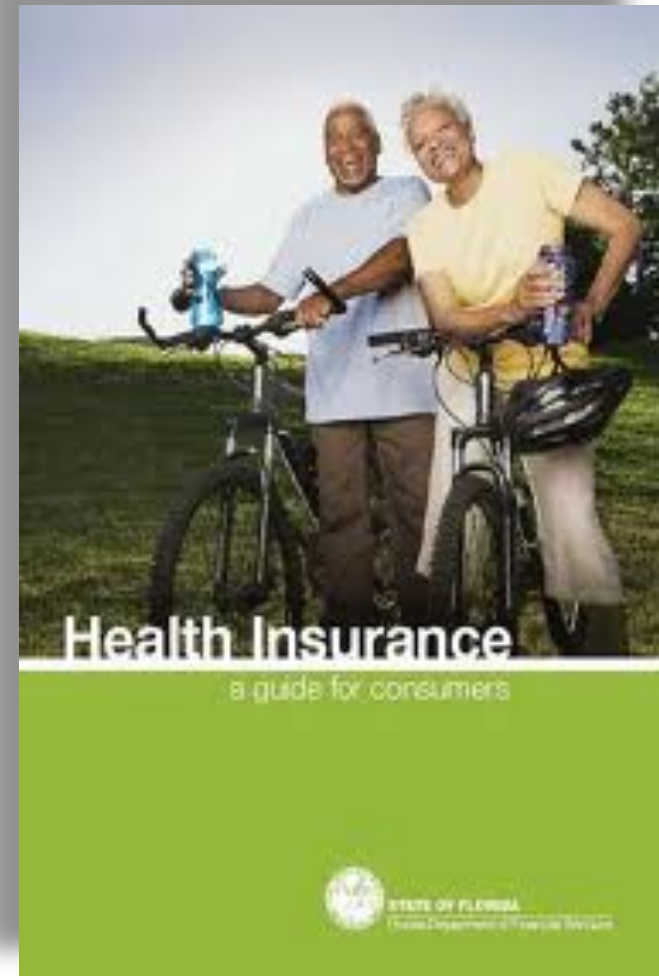


<sup>1</sup> Compound annual growth rate.

Source: Centers for Medicare & Medicaid Services; McKinsey analysis

# ENTER THE CONSUMER

- ▶ Migration to HIX
  - > Public & Private Exchanges
  - > By 2020 Roughly 50% will get Their Insurance from HIX
- ▶ Rise of Narrow Networks
  - > Provider Plans on HIX
    - ▶ Attractive price points
- ▶ Price & Quality Transparency
  - > Challenge Industry Ill-prepared to Meet
- ▶ Satisfaction = Loyalty



# TRIPLE THREAT => CONSOLIDATION

Lower Risk via  
Continuity of Care

> Manage Patient Care  
Across All Settings

Increase Outpatient  
Presence

> New Revenue  
Stream(s)

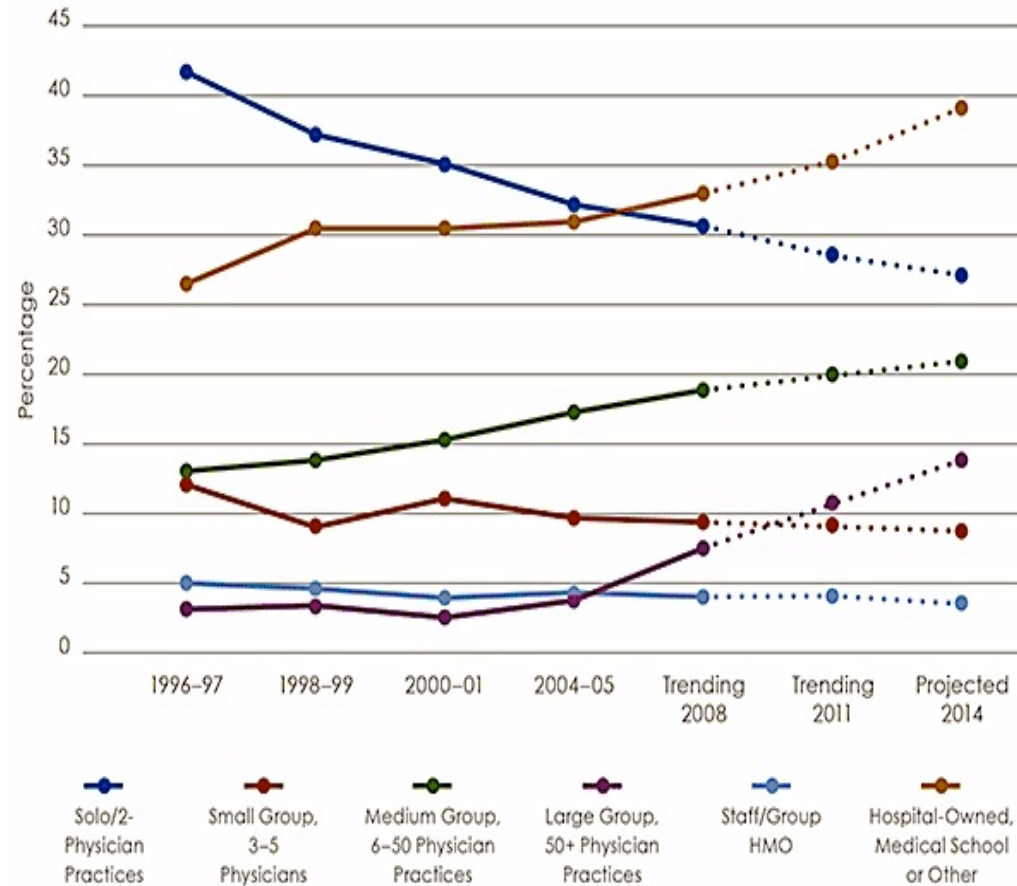
> In-network Referrals

Create Narrow  
Networks

> Participate in HIX

▶ Direct to employers

TABLE A: PHYSICIAN BY PRACTICE SETTING



Source: Navigant Healthcare Pulse 2013

# FUTURE KEYS TO SUCCESS

- ▶ Create Clinically Integrated Networks
- ▶ Drive Deep Alignment Across Clinical Ops
  - > Affiliated & Owned
- ▶ Reduce Variability
  - > Improve Quality
  - > Lower Costs







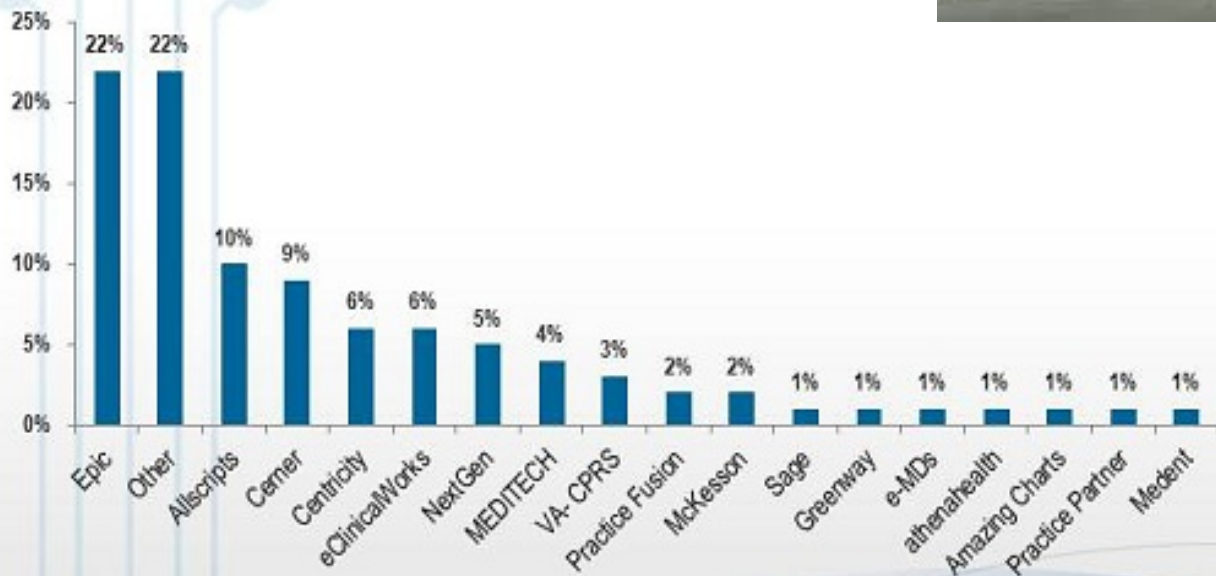
# INCENTIVES CREATED FALSE MARKET

Over 370 “Certified EHRs”  
in Market Today

Interoperability  
Non-existent



Most Widely Used EHRs



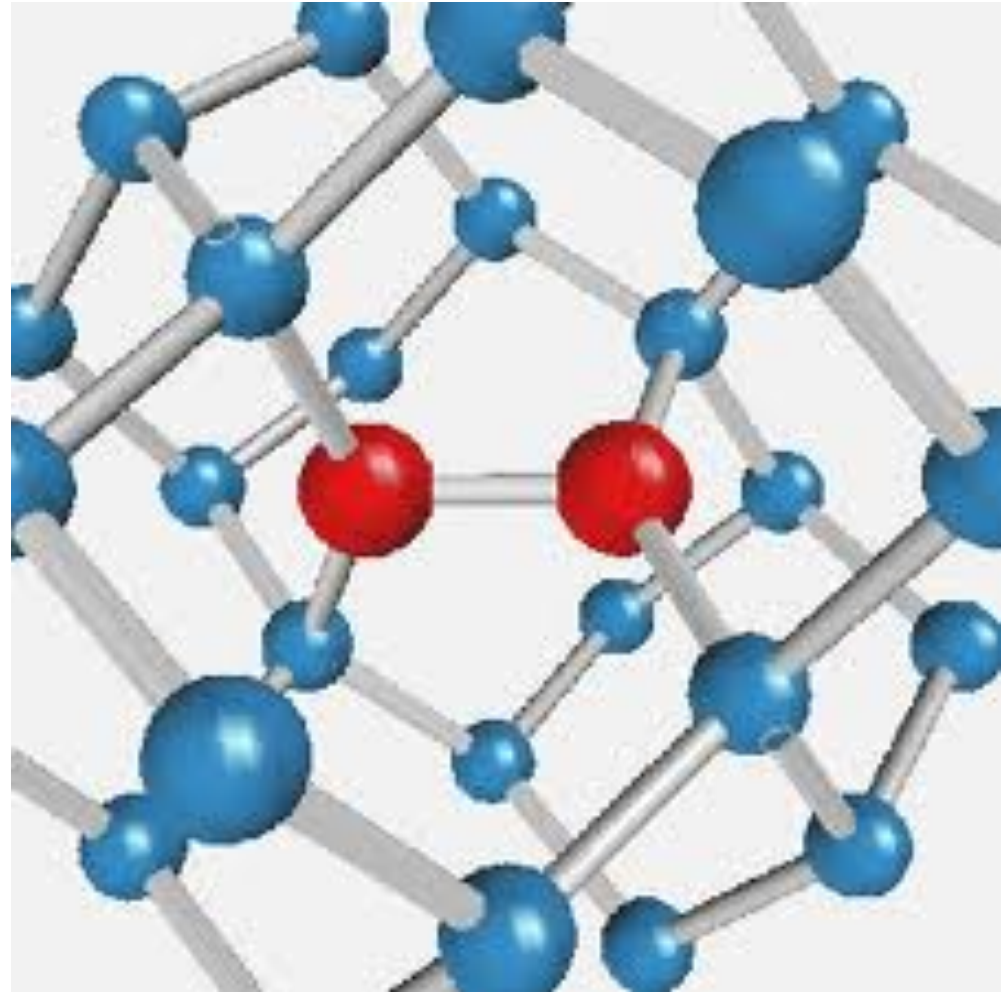
Data in Silos



# HIE: THE INTERSTITIAL LAYER OF HIT

## ▶ Filling Gaps in Market Needs

- > Connect
- > Extend
- > Leverage
- > Deliver



# HIE OF YESTERYEAR: HIE 1.0

- ▶ Objective: Increase Order Flow
- ▶ Pure Infrastructure Play
  - > Simple Federated Model
  - > Push Model
  - > Few Data Governance Issues
- ▶ Limited Utility

*Leading Adopters in  
Rip n' Replace Mode*



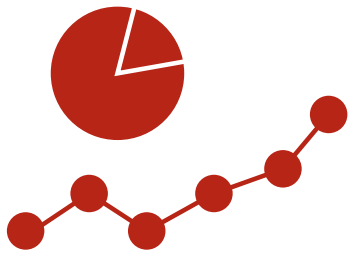
# HIE OF TODAY: HIE 2.0

- ▶ Enterprise Objective
  - > Align & Coordinate Care
    - ▶ Reduce Readmits
  - > Drive Orders
- ▶ Hybrid Model Common
  - > Query-based Exchange
  - > Direct Messaging
- ▶ Challenges
  - > Lack of EHR Interoperability
  - > Trust
  - > Value Proposition



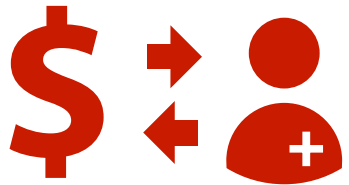


# HIE 2.0 – THE MISSING PIECES



## **Analytics, Analytics, Analytics**

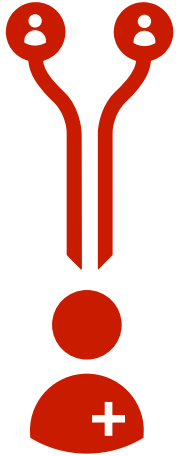
- > Market Need Moving Faster than Vendors
- > Partnerships will be Critical



## **Payer-Provider Alignment**

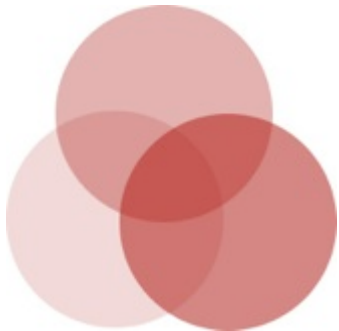
- > HCOs Need Actuarial Skills
- > Limited Use of Payer Data
  - ▶ Payer IP not well-leveraged either

# HIE 2.0 – THE MISSING PIECES



## Clinician Alignment

- > Focus on Episodes and Panels
- > Incentives, Penalties and Quality Metrics
  - ▶ Performance Management



## Cross-enterprise Care Plans

- > Project Management Tool for Clinicians
- > Integral to Workflow (EHR)
  - ▶ Must also function outside of EHR

# TOMORROW...

## We Need a New Vocabulary

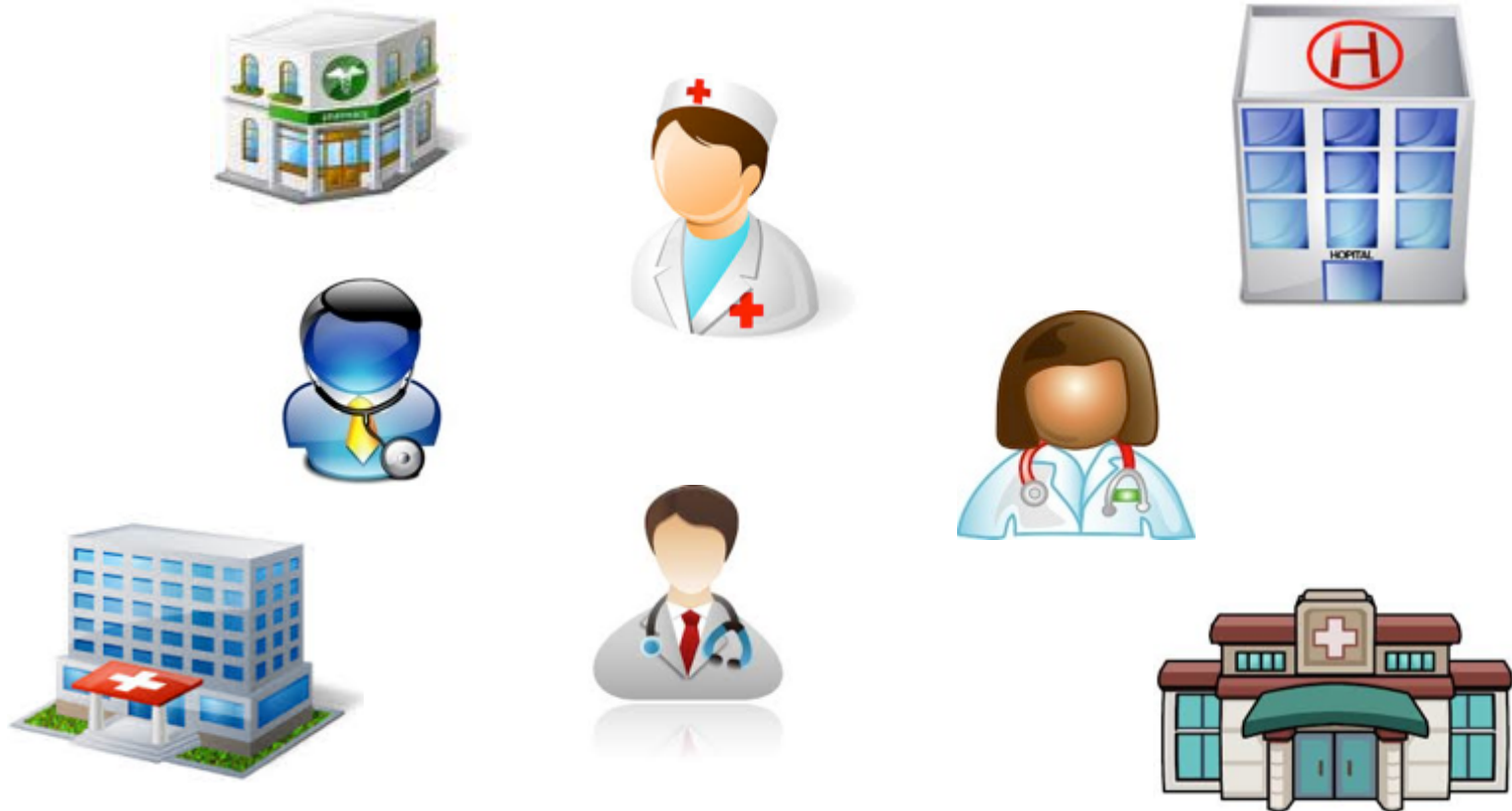


HIE is no longer where the value lies...

...its not about *Health Information Exchange*

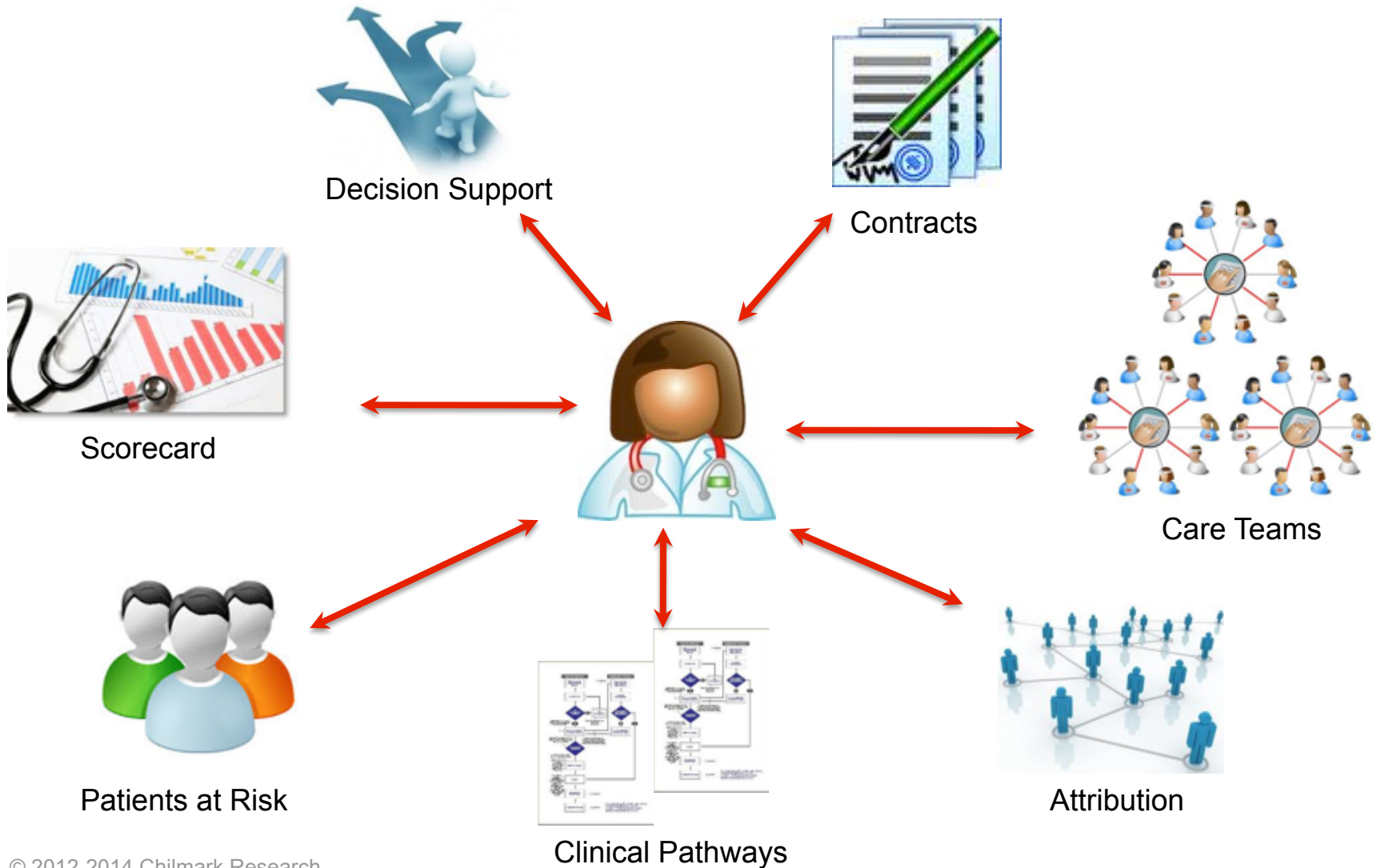


# TOMORROW...



*Success Defined By How Effectively an Organization Manages Their Network*

# ALIGNMENT BEYOND ORDERS



# CLINICIAN NETWORK MANAGEMENT (CNM)



# MOVING TO CNM – THE CHASM

Strategic Focus	Leaders (>10% of Mkt)	Followers
<b>Maximize Revenue</b>	<ul style="list-style-type: none"> <li>◆ Expand Capacity in Non-acute</li> <li>◆ Salaried Physicians</li> </ul>	<ul style="list-style-type: none"> <li>◆ Maximize referrals</li> <li>◆ Maximize revenue share</li> </ul>
<b>Deliver Coordinated Care Across Continuum</b>	<ul style="list-style-type: none"> <li>◆ Estab. &amp; Dist. Care Pathways</li> <li>◆ Integrate into Workflow</li> </ul>	<ul style="list-style-type: none"> <li>◆ Distribute Discharge Info</li> <li>◆ Improve Meds Mgmt</li> </ul>
<b>Optimize Physician Alignment</b>	<ul style="list-style-type: none"> <li>◆ Reduce Number of EHRs</li> <li>◆ Timely, Continuous Scorecarding</li> <li>◆ Care Pathway Metrics in T&amp;C</li> </ul>	<ul style="list-style-type: none"> <li>◆ Provide Access to Records</li> <li>◆ Condition/Episodic Specific Transition Support</li> </ul>
<b>Improve Data Availability</b>	<ul style="list-style-type: none"> <li>◆ Expand Query-based Exchange</li> <li>◆ Reduce Reliance on Directed Exchange</li> </ul>	<ul style="list-style-type: none"> <li>◆ Establish Portals for Data Lookup</li> <li>◆ Support Directed Exchange</li> </ul>
<b>Expand Data Inventory</b>	<ul style="list-style-type: none"> <li>◆ Leverage Many Data Sources to Enable POC, PHM &amp; Scorecarding</li> <li>◆ Embed in Workflow</li> </ul>	<ul style="list-style-type: none"> <li>◆ Make Basic Clinical Data Readily Available</li> </ul>

# COMMON GROUND

- ▶ Analytics is Backbone to CNM
  - > Not Present in Any Meaningful Way Today
- ▶ Access to Clinical Data a Sore Spot
  - > Cognitive Burden to Clinician too Great
- ▶ Physician Alignment is a Process
  - > HIE Infrastructure will Play Crucial Role
- ▶ Attribution is Huge Looming Issue
  - > No One has a Coherent Strategy to Address
- ▶ Accept Likelihood of Best-of-Breed Model
  - > Caveat: EHRs may Play Ever Important Role



# MANY MISSING PIECES = PATCHWORK

- ▶ New Data Requirements to Support CNM
  - > Multitude of Data Sources
  - > Layered Analytics
  - > Distribute Guidance
- ▶ Must be Embedded
  - > Process & Workflow Critical
- ▶ Solution will be Amalgamation
  - > Today - Best of Breed Path Required

# PATH FORWARD TO CNM

- ▀ There Are No Best Practices
  - > Assess
  - > Identify Gaps
  - > Prioritize
- ▀ Immature Market
  - > There is No Single Solution
- ▀ It's Not About the Technology



*“We are only as good as the information we have delivered at point of decision.”*

*- Dr. David Blumenthal  
Former Director ONC*





# Questions / Comments

- Please submit your questions using the chat feature in ReadyTalk.



# Thank You to Our Sponsor

