



**From the Top:
Expert Insights on
Value-Based Care**

**Accountable
Care Solutions**
from aetna

Value-based care

is here to stay and provider organizations understand they need to take on more risk-bearing models to improve patient care and lower health care costs. We spoke with executives from provider organizations in various payer and provider roles about key lessons learned over the past five years and gathered their thoughts on the current and future state of health care.



Contributors



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Meredith Duncan
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Q: What's driving the move to value-based care?

A | Duncan: The old system has a lot of incentives in it that drive providers to do more and, as we look at healthcare trends over the past decade, costs are really increasing at a rate that's not sustainable.

A | Diab: Everyone realized the fee-for-service model is unsustainable. When people looked at the health indicators in the United States vs. other countries, we found out we were spending more but not gaining value for the money spent. As a result, we came up with a new way to pay hospitals.

A | Nettesheim: There are elements of value-based care that we had attempted before. However, there was not a reason for the industry – particularly providers – to enter into these models. Payers felt the pressure of escalating costs, especially large employers refusing to pay them, early on. But nothing forced providers to start with value-based care until the Affordable Care Act.

A | Groves: What we need to do is help the industry transform. And we think it's better for patients. It's certainly better for payers, and it's certainly better for us to lead this change instead of trying to catch up and let the change happen to us.





Q: Why is value-based care a priority for your organization?

A | Groves: The ultimate goal here is to take healthy people and keep them that way. For folks that have chronic diseases, let's make sure that if it can't be cured, then it is optimally managed. And for folks that do need acute care services, we want to be the best in the world at providing that. In order to do that, we've got to weave the whole system together.

A | Nettesheim: It is about bending the cost curve by creating an entirely new revenue model that has the consumer in the center of what we're doing.

A | Diab: We have lots of resources dedicated to rolling up our sleeves and working with health systems to move toward best practices. Our focus is on collaborating with a provider and enhancing the local delivery systems to manage a population.

A | Duncan: We're trying to take better care of people in our community. We're trying to build a better system for central Texas, so the staff at Seton sees Seton Health Alliance as the way, one of the ways, in which we'll get there.





Q: How can technology improve provider performance in value-based care?

A | Groves: Technology really is a critical foundational piece of the equation or of that puzzle as we're trying to fit this together. We have all of the information on each patient in a single place so that everybody who needs it can access it. That really helps us reduce the level of redundancy. It helps us provide the right care at the right time.

A | Duncan: The aggregation of data is probably one of our biggest challenges; it's also one of the greatest facilitators of what we're doing. So, by bringing together the data that Aetna provides us – the historical data on our patients that we're managing, the lab data from our partners, the physician practice data and the hospital data – we're able to get a more complete picture of what's going on with that individual patient so that we can take better care of them.

A | Nettesheim: Technology can help bridge a lot of gaps between types of providers, particularly through data. Availability of data at the point of care is important. Technology can also provide quick and simple communications versus a phone call. Technology is a much more expedient mode of communication.

A | Diab: The most important factor in value-based care model success is an organization's ability to focus on populations by acting on key data. Technology can play a large role in these initiatives.



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Q: What are the key lessons you've learned in implementing value-based care?

A | Duncan: Oftentimes, what you find is if you improve quality, you do reduce costs. I mean, that's what research has shown us, so our focus right now is really on quality improvement. We are also looking at basic efficiency things, like generic prescribing for example, and making sure that we're using cost-effective drugs. By better taking care of really sick patients, you end up keeping them out of the hospital. We've been able to do that in other populations that we've managed, so by improving quality and actually better coordinating care, you ultimately do reduce costs. It just takes a little while to get there.

A | Groves: When we really break it down it's getting the right care at the right time in the right place. That's what will reduce cost. If we incentivize patients, their physicians, their care givers, their entire team in the right way not only does it align with the financial side of the equation but it aligns with where people's hearts want to take them anyway.

A | Nettesheim: Our approach has evolved over time because of what we have learned on the ground. The delivery system is more fragmented than we could ever have imagined, and the concept of coordinated care is extremely difficult to achieve. The lack of standardization in technologies is exacerbating fragmentation and adding to the cost of transformation overall. We have learned that any of these models need scale or critical mass to be meaningful to any individual transition.

A | Diab: You cannot jump steps. You need to look at it as a journey and not a point in time. This stuff is not easy. You are changing culture and culture eats strategy for lunch. Doctors have been practicing fee-for-service medicine for 100 years. If you think that by changing the model that you change everything, you're wrong. The culture has to change and change takes time. Culture is very important, particularly the physician's role in culture change. It cannot be an administrative decision only.



Q: What will the health system look like in the next 5 or 10 years?

A | Nettesheim: When we think about major transformation in any industry, it takes multiple years to evolve. So, for the foreseeable future – the next five to 10 years – we will continue to iterate on value-based models.

A | Groves: In five years, what I see frankly is a system that is focused on the patient. One that makes it easy for them to get their care. Whether it's on their smart phone, on their tablet, on the computer, on the phone, there's one place to go so that you can get the information that you need.

A | Diab: In a time of significant change like this no one can say, but I think we'll see more and more out of the payer space and more joint ventures between providers and payers.

A | Duncan: Fundamentally, what needs to change in the system and what I really hope to see in five or 10 years is that the financial incentives have changed significantly so that all parts of the system – the insurance companies, the hospitals, the physicians and the patients themselves – are all trying to provide and actually move toward better quality and lower costs.



To find out more, contact us at AccountableCareSolutions@aetna.com and visit www.aetnaACS.com.