STATUS QUO IS NOT A STRATEGY TO FACE HEALTH CARE CHALLENGES IN 2014

After several years of sitting on the sidelines and waiting to see what happens with the Affordable Care Act (ACA), players in the field can expect 2014 to be a year of massive change. There is no time remaining to take a “wait and see” attitude regarding challenges facing the industry. Status quo cannot be a strategy. It is imperative that health care leaders begin the task of creating the right strategies to navigate the changing landscape. Do you want to change your culture to meet the challenges, or are you willing to let someone else change it for you?

VALUE NOT VOLUME

Volume-based delivery models will soon be history. Pay-for-performance or value-based systems are the future – ready or not. The financial reality is that reimbursement models are trending downward. Health care systems and health care organizations on the leading edge are discovering that they can thrive – not just survive. Their strategy involves pulling together clinical care teams that share data and establish best practices to treat an episode of care for better patient outcomes – at reduced and sustainable costs.

Since reimbursement will be based on quality metrics or clinical outcomes, successful systems are:
- Streamlining processes to eliminate waste
- Replicating procedures that demonstrate higher quality and/or lower cost
- Employing evidence-based clinical support
- Eliminating unnecessary tests or procedures and “overtreatment”
- Involving patients in decision-making to improve satisfaction

This is a transformative process that needs to change more than behaviors. It needs to change attitudes. Evidence-driven care is not just about data. It incorporates patient values and expectations in addition to provider clinical expertise. Administrators must provide incentives and motivate clinicians to work collaboratively sharing knowledge and skills for a better patient experience, thus achieving the highest performance with the least expense.
Collaboration and Integration

Let’s face it – hospitals and physicians both have skin in the game and the degree with which they work together will determine if they prosper, persevere, or perish.

There isn’t one single solution regarding integration of doctors and hospital systems. Many factors will drive the industry towards integration. Lower physician incomes will stimulate an increase of practice acquisitions and physician employment by hospitals. Bundled payments, or reimbursement for multiple providers bundled into a single payment that covers all services included in an episode of care, will necessitate collaboration. Focus on quality clinical outcomes and cost effectiveness will promote integrated delivery networks such as ACOs (Accountable Care Organizations). The growth of mega health systems through continuation of mergers and acquisitions will push stand-alone hospitals and individual physician practices to extinction.

Regardless of which factor is the strongest at the moment, hospitals and doctors need to come together like never before and work toward the same goals. Whether it involves hospitals directly employing physicians or integrating clinically through a network, it is critical doctors and hospitals trust one another in order to be successful in the new environment.

Big Data

Those that succeed in the changing health care landscape will have at least one thing in common – they will embrace technology. Methods may vary, but the degree to which technology is successfully integrated into the processes will largely determine the winners and losers.

The emergence of electronic medical records (EMR) created opportunities for improved care that were not possible in the past. Predictive modeling integrated with EMR systems will lead to better diagnoses and treatment plans. Clinical decision support embedded in the workflow within EMR systems will offer support and stronger standards for evidence-based medicine. Patient portals linked to EMR systems give consumers quick and easy access to their individual health information — and consumers want this level of control. The ability to share electronic information securely has also advanced collaboration between providers.
Integrating data from all sources provides a depth of knowledge not known to the industry in the past. Data analytics uncovers variations in care that, when reduced, can improve quality and cost effectiveness. Data mining can provide insight into patient demographics, lifestyles, and health attitudes — all of which can assist in better research and development.

We have just begun to experience the benefits that the enormous amount of data, which is now at our fingertips, can provide to the health care community. Failure to capitalize on this information will leave you “in the dark”.

**DEMOGRAPHIC SHIFT**

Changes to the patient population will impact the way that care is delivered — primarily who will be delivering care and where it will be found. Health care reform is providing access to care for millions of previously uninsured, and most likely untreated, individuals. Providers should plan for the number of patients to increase. In addition, millions of baby boomers are reaching retirement age. As the boomers are aging, they are experiencing more chronic medical conditions, thus increasing their need for care. The ability, or inability, to provide adequate care for these two groups is intensified by a shortage of primary care physicians.

One trend expected to accommodate the new population is stronger team-based care to emerge in which non-physician providers play a larger role in patient care. Physician assistants, nurse practitioners, and pharmacists will be ‘repurposed’ to alleviate the shortage. A second trend surfacing is an increase in retail clinics, urgent care facilities, and online physician consultations or other telemedicine options. Hospitals and traditional physician clinics won’t be the only players in the market.

The bottom line for health care organizations in 2014 is that a seismic shift is on the way. The health of the patient populations is on the line, as well as the ability to stay profitable and keep the doors open. Health systems that are proactively seeking to improve the culture, advance physician/hospital collaboration, embrace technology, and plan for a change in demographics are the ones that will thrive. Facilities and practices that maintain a status quo strategy risk being left behind. As educator and author Peter Drucker says, “The best way to predict the future is to create it.”