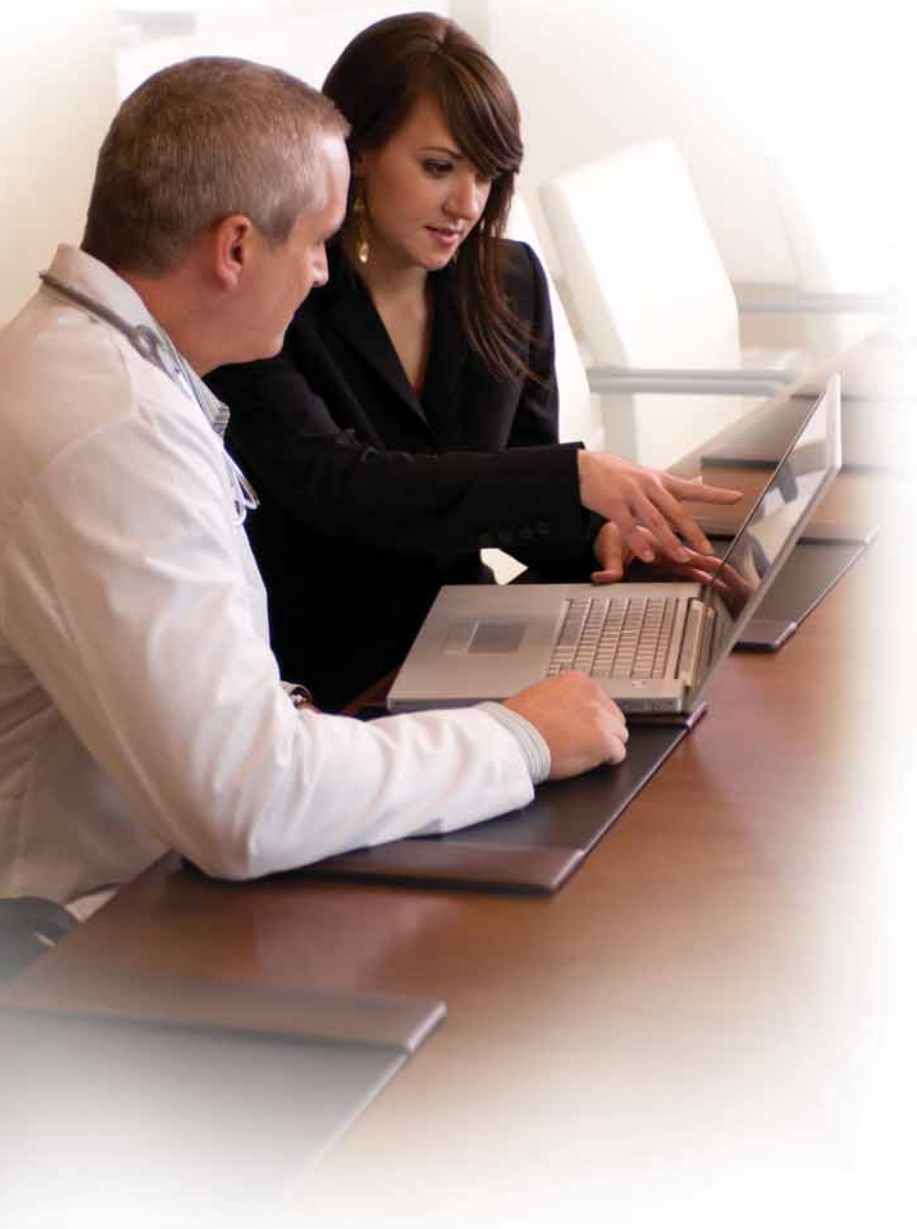


Interactive Care
Management: A Framework
for Healthcare Quality and
Cost-Containment Initiatives



An Emdeon
White Paper



Simplifying the Business of Healthcare

The Fundamental Problems that can cause Population Health Strategies to Fail

The American healthcare system today is facing a multitude of problems - a number of which are attributed to failed or less than successful population health strategies. Costs are out of control, and the quality of American healthcare has been challenged when compared to several other developed countries. Approaching these problems, health plans rely on a spectrum of tools, including Prevention and Wellness, Disease Management, Case Management, and Utilization Management, and more recently, accountable care organizations, patient-centered medical homes, and pay for performance initiatives. These initiatives attempt to reduce short-term and long-term costs while improving the healthcare delivery process and outcomes. Each of these strategies relies on healthcare stakeholders, such as doctors and health plans, exchanging and analyzing information that prompts different actions by physicians and patients. Furthermore, the effectiveness of the strategies is often subject to meaningful adoption and utilization by healthcare providers and the openness of patients to participation and behavior change. Although each of these programs can work in tandem to improve quality and tackle cost challenges, total population health strategies often fail to be as effective as they could be in part because they are not tied together in a new conceptual framework called Interactive Care Management.

Interactive Care Management: A Strategic Framework

Interactive Care Management (ICM) is a strategic framework that enables clinical data sharing and enhances communications between healthcare stakeholders. The ICM concept requires real-time information exchange, personalized health information analysis, application of evidence-based best practices, and intentional collaboration. Real-time information exchange allows all stakeholders to benefit from having all of the information available to make better healthcare decisions. For example, doctors who know their patient is allergic to one medication, will likely select a different one, avoiding the consequences of an allergic reaction that places the patient in the hospital.

Coupling real-time information exchange with personalized health information analysis allows individualized patient analysis to be pushed to doctors and patients at a time when action can be taken.

ICM framework involves the application of best practices. Research organizations focused on specific diseases dedicate millions of dollars and commensurate hours each year on finding the best practices in healthcare that can be applied to the disease. ICM communicates these best practices to the patients and providers in a timely way so that behavior can be altered.

Collaboration is critical to ICM. Providers constantly use lab tests, imaging studies, and expensive medications and devices to perform their trade, and intentional collaboration allows them to partner with other doctors and even health plan clinical resources to make the safest and most appropriate decisions. Rather than making decisions in silos, doctors can join forces with other experts to help ensure comprehensive factors have been considered, and less costly, more convenient, and more effective alternatives are selected.

Proven Delivery Systems

The Interactive Care Management framework provides an opportunity to replicate the success of Integrated Delivery Systems (IDS) that have forged new ground by fusing a health plan, major hospitals, and primary care physicians into the same organization. Evidence indicates that they are already experiencing the cost and quality benefits demonstrated by reductions in hospital admissions and savings in overall medical costs. The creation of accountable care organizations, medical home environments, and pay for performance initiatives largely attempt to emulate the IDS experience in a non-integrated healthcare delivery system. The ICM strategy enables communication for non-integrated providers and payers by making information available, sharing the analysis of more comprehensive sets of patient information, and enabling collaboration with experts so that best practices can be applied. These factors compel the highest quality care to be provided at the optimal cost.

Consider some of the total population health strategies mentioned earlier. Disease Management attempts to engage patients with chronic disease and encourage them to make lifestyle and behavior changes, often through a variety of health coaching programs. Data analytics vendors analyze volumes of stale claim data only to identify problems that no longer exist, are identified too late to implement timely action plans, or communicate those problems to stakeholders in a way that rarely leads to addressing the expressed concern. In an ICM framework, providers, patients and health plans have real-time access to analyzed patient data from various stakeholders and have the ability to update each of the other stakeholders when new and important information is available.

Real-Time Collaboration

In utilization management, providers must request approval to provide various healthcare services from internal health plan utilization review or external niche benefit management companies seeking to decrease costs by curbing inappropriate utilization of services. Interactive Care Management alters this scenario by adding a collaborative environment where both the provider and the utilization reviewer can exchange information about the patient situation in real-time and collaborate on the best course of action. It is no longer an approval or denial discussion. The discussion is about what the most appropriate course of treatment is given the set of circumstances, thus avoiding time spent waiting for authorization and reinforcing a teamwork concept.

In yet another situation, health plans seek to identify those patients that frequently use emergency service in lieu of primary care physicians so that they can redirect them to more convenient and less costly service. At best, hospital emergency rooms communicate this type of information to health plans through a manual and untimely method. Understandably, the hospitals derive some significant revenue from these services, and seeing the related revenue go away is not desired. Therefore, at worst, nothing is communicated to the health plan except for and until the claim is submitted to the health plan. ICM breaks this paradigm by automatically informing stakeholders when important events happen so that health plans can consider more timely patient information, get involved in care planning earlier, and make a real impact on medical costs.

Enabling the Patient-Centered Medical Home

More recent interest in patient-centered medical homes (PCMH) and related accountable care organizations has sparked pilot projects throughout the country in an attempt to promote accountability for patient care at the primary care provider and shared accountability through collaborative arrangements between payers and providers. Tenets of the PCMH model include 1) safety and quality, 2) whole person orientation, 3) coordinated and integrated care, 4) personal physician, 5) enhanced access, 6) physician directed practice, and 7) payment for added value, and an Interactive Care Management platform advances these concepts, supports engagement by stakeholders, and improves overall healthcare decision making.

Through collaborative data sharing, such as providing individualized analysis of patient information to providers in a real-time fashion, primary care physicians can see the comprehensive datasets that are collected by health plans as well as other providers and specialists, such as labs, pharmacy and radiology, providing a full 360-degree view of the patient. Duplication of tests, procedures and medication safety concerns have the potential to decrease – not to mention the decrease in need to fill out the currently unavoidable health history forms at each and every doctor's visit. This all presents the opportunity for cost savings, and both improved care quality and overall patient experience.

Health plans with capabilities to analyze their member population data and identify clinical problems such as gaps in care and concerns about medication can tie specific provider payments directly to the best practices that health plans want providers to take with specific patients. Currently, a variety of pay for performance programs taking the form of increases in reimbursement rates, or even some form of gainsharing, promote and measure various process or outcome goals on an annual or longer-term basis; these incentives sometimes produce less than optimal results because they don't tie the desired action strongly enough to the incentive payment. An ICM structure in the context of performance-oriented payments allows providers to understand the desired treatment objectives with specific patients, recognize the upside financial benefits of assisting the health plan by meeting those needs, and receive near-immediate feedback through financial remuneration. Both forces, the health plan looking out for costs and appropriateness, and the provider managing what actions to take with each patient and carrying out that treatment, work together to inform and enhance healthcare dialogues and create a tighter sense of community that is interested in the care and well-being of the individual while regarding the sustainability of the care model for future generations. The ICM framework enables a collaborative healthcare community urgently sought by health plans and providers across the country that are looking for quality benefits and cost savings that haven't been found elsewhere.

The Payer-Provider-Patient Dialogue

Interactive Care Management improves patient access by pointing patients to more convenient and less costly providers of healthcare services. In an ICM model, the real-time information exchange between payers and their provider networks is augmented by communication with patients so that patients also understand identified health problems as soon as possible and can collaborate with their health plan and provider resources to seek the best courses of action.

How can this all be achieved? Typically speaking, a new model for care coordination is not something that can be accomplished either quickly or without legislative action, but even at this point in time, we have an opportunity to begin using these Interactive Care Management principles to build a more collaborative system that can achieve the desired quality and cost goals on a nationwide basis by repurposing the existing administrative network. With expectations of slow physician adoption of new programs and inherent difficulties of building any new nationwide infrastructure, ICM methods can be adapted to existing infrastructure and expanded as new infrastructure and programs are introduced. The electronic administrative networks that are already in place today connect most of the payers and providers in the nation and should be considered a solid and reliable platform for implementing the ICM principles. There are several advantages. Whereas population health vendors and health plans use datasets that are often 60-90 days old to identify patient health problems, networks such as Emdeon can provide access to patient data that is much more up-to-date; this significantly improves the analytics that would have otherwise resulted from stale patient data. In addition to data timeliness, through direct connectivity with providers via practice management systems, the computer applications that doctors and administrators use to run their practices and hospitals, the tenets of ICM, ie: real-time information exchange, personalized health information analysis, application of evidence-based best practices, and intentional collaboration can be incorporated into provider workflows, allowing for more convenient application of the principles. All of these factors, using an existing infrastructure and existing workflows, coupled with improved access to timely actionable data, support the use of administrative networks as a compelling place to start.

A Call to Action

What steps can you take today? Payers and providers alike need to consider their vendor and partner relationships and consider whether they are structuring their cost containment and quality initiatives in the most effective manner and in alignment to meet their overall business objectives. Are they building new infrastructure or using existing assets? Are they using less than optimal data sources that misdirect population analysis or using the timeliest data sources available? Do quality and cost containment programs gain scarce provider adoption or do they drive collaboration? Answers to these questions expose important needs that should be addressed in the new framework of population health strategies through Interactive Care Management principles.

Emdeon is a leading provider of revenue and payment cycle solutions that connect payers, providers and patients to improve healthcare business processes.

To learn more about our company, our services and our commitment to improving healthcare, visit our website at www.emdeon.com.



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