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# The Wide Angle Lens: The case for an integrated approach to population health





Health care is rapidly changing and many organizations are still working to unlock the key to making the fundamental transition away from volume-based care, as payors are marching toward a value-based system. Experts cite the key lies in a three-pronged approach: value-based care economics, population health processes and technologies, and targeted clinical transformation. However, the health care remains somewhat siloed. The result is a clinical disconnect, investments in technology without clear deployment goals and return-on-investment expectations, and a lack of confidence in responsibly pursuing purely value-based medical objectives that are required to transform the clinical enterprise.

### **An Integrated Approach To Population Health**

Examples abound for a siloed approach to health care that address one factor of the evolution to value-based systems, while leaving out the others.

For instance, a major mid-western health care incubator intends to make “population health” the focus of an important next stage investment strategy, and is currently convening a broad array of health care businesses to help inform the initiative. However, the stated focus of the dialogue is simply about “data” and application of associated “analytics.” The project lacks an articulated agenda other than this narrow view of population health, which is not formally connected to either value-based care economics or targeted clinical transformation.

In another example, a nationally-recognized academic medical center acknowledges it has no playbook for a value-based medicine strategy (by any definition). Leadership has yet to plan for participation in optional episodic programs or other non-Fee for Service “learning” participation, nor is there a plan (or budget) for population health tools to support value-based objectives.

Finally, a large health system in the Southeast has developed a wide affiliate network, which is not controlled or otherwise economically aligned with the system. The affiliates want capital, and the system counters with

assurances of value delivery. Given there is no formal collaborative network platform or infrastructure, the substantive delivery of value remains an open question for both the affiliate “network” and the system. Yet, the system is preparing to invest heavily in a new population health tool while acknowledging there is not yet a clearly-defined plan to extend the investment into the affiliates or connect the tool with defined value-based care strategic planning.

The intention in sharing the examples above is not to criticize the subject organizations. Leadership here is well-intentioned and obviously these businesses are facing complex issues. The objective is to demonstrate how siloed thinking, often coupled with a lack of confidence in leading into the future, creates barriers to what we believe is a required level of responsible confidence in connecting mission to value.

Adding an even deeper level of confusion to the core objective of connecting mission to value, the current political dialogue about health care has created a level of decision-making uncertainty for many health care organizations. Through the uncertainty, it is important to remain focused on achieving risk capability and creating an organization-and-market-specific playbook for how mission connects to value for an organization and the community it serves.

We define “risk capability” as possessing the organizational buy-in and owning the necessary assets to confidently and responsibly accept a risk-based contract, as organizational strategy anticipates and market conditions dictate. Think of this as “controlling the shape of the curve” on the other side of that now-routinely-emerging tipping point towards non-FFS medicine models. Market fundamentals in the transition to risk capability remain unchanged by the dialogue in Washington – the need to be prepared, with an executable playbook, is emerging as a requirement for the current generation of health care leaders.

What is the conceptual underpinning for that playbook?



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There are three key components for consideration here:

- A value-based care framework that is based on risk capability goals and clearly- articulated economic expectations based on reliable, dynamic financial modeling.
- Well-articulated population health management goals that go beyond current “term of art” discussions and crisply define the needed supporting tool(s) and associated return-on-investment expectations.
- A game plan for the targeted clinical transformation required to execute value-based care, using responsibly-implemented population health tools, at the clinical level – led by fully-engaged clinicians with the freedom to put healthy communities first and provide exceptional care when community members become patients.

Many health care organizations have articulated strategies that address one, two or all three of the core playbook components described above in some fashion. However, there seems to be very limited examples of formal, executable integration of these three core components in a single playbook and on a single platform. Only by formally ‘connecting the dots’ between these

three components can the ultimate strategy be executed responsibly, confidently, and in organizationally-sustainable fashion.

This integrated value-based care approach requires that organizations formally and firmly address industry dynamics around effective leadership and leadership succession, key ecosystem changes associated with fundamental disruption, and ensure that organizational governance is well-stocked with the level of acumen required to understand the transformational decision-making required of leadership and confidently govern in such an environment. Building the kind of sustainable integrated platform described here not only requires that successful health care organizations acknowledge and understand the view through the wide-angle lens, but that they formally address, and strategically plan against the dynamics that the health care transformation presents.

### Conclusion

There is the path to a sustainable, market-based health care system – both as it should evolve in individual communities and throughout our broader domestic health care ecosystem. Connecting the dots can truly provide the responsible confidence that health care organizations require to connect mission to value for all of their stakeholders and the communities they serve.

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