# What's Next for Allergy Practice?

AAAAI Practice Management Workshop July 24, 2016 Hyatt Regency – Capitol Hill Owen J. Dahl, MBA, FACHE, CHBC, LSSMBB

1

## Objectives

- A high level overview of alternative payment models and their impact on allergy practices
- How allergists are going to be paid for quality
- ACO and alternative payment models (APM)

2

## MGMA Member Challenges

- 1. Value Based Payments
- 2. Rising operating costs
- 3. Reimbursement model changes
- 4. MU and other incentive programs
- 5. Managing finances
- 6. Patient balances
- 7. Collect/report non-standardized quality measures
- 8. Understanding payer criteria for performance—Quality ratings

3

MIPS/APM

Access	Quality	Cost			
Exchanges Medicaid Expand Beneficiary Engage Population Health	Affordable Care Act - 2010  Evidence Base Enhance PQRS Enhance MU VBPM	Incentive/ Adjustment Assign Costs			
	MACRA				
Clinical Practice Improvement (15%)	Quality (50%) 6 measures	Claims Data (10%) 40 Episode measures 20 patient sample	es		
Access					
Access Beneficiary Population	Advanced Care (25%) Interoperability/Info exchange	4			
Beneficiary Population		4			
Beneficiary Population		4			
MACRA  • No SGR	Interoperability/Info exchange	4			
MACRA  • No SGR		4			
MACRA  No SGR  Payment optic	Interoperability/Info exchange	4			

# MIPS – Composite Score

- 10 Cost use of resources
- 15 Clinical Practice Improvements
- 50 Quality PQRS
- 25 Advancing care MU

# MIPS Incent v Adjust

- Based on the MIPS composite performance score, physicians and practitioners will receive positive, negative, or neutral adjustments up to the percentages below.
- MIPS adjustments are budget neutral. A scaling factor may be applied to upward adjustments to make total upward and downward adjustments equal.

2019 - +/- 4% 2020 - +/- 5% 2021- +/- 7% 2022 = +/- 9%

\_

### **APM**

APMs give us new ways to pay health care providers for the care they give Medicare beneficiaries. For example:

- From 2019-2024, pay some participating health care providers a lumpsum incentive payment.
- Increased transparency of physician-focused payment models.
- Starting in 2026, offers some participating health care providers higher annual payments.

Accountable Care Organizations (ACOs), Patient Centered Medical Homes, and bundled payment models are some examples of APMs.

https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-MIPS-and-APMs.html

8

# Payment Models

Model Who controls

FFS – Quantity – Transition Chronic Readmits ED Utilization

Capitation – risk - Coverage Population Reduce services

Bundled – DX/TX – Individual APM Co-morbidities

Who controls

Payer

Internal Management

Organization

Organization

# Analytics & Health Care

- Increased patient demand
- EMR
- Tele/Mobile health
- P4P incentive
- Shared decision making
- More collaboration, transparency

10

## **YOUR Cost**

- How much does it cost to see a patient?
  - New patient
  - Established patient
  - Injection
  - Orals
  - Imaging

11

# The Big Issues

- How do you truly measure outcomes real outcomes not just enter the means to achieve some interim goal?
- How do you deal with the new drugs and their very high cost? For that matter any cost!
- How do you deal the the patient who knows it all? Can't access? Won't follow the treatment plan?
- Population health
- Erosion of our specialty turf- integrate or ???

# Now let's get real • Do you have issues in your practice? • Problems • Opportunities • What are you doing about them? • Too busy • Too many external issues • Need more resources Opportunities Pre ... Outside the office • Strategy/culture/relationships

15

• Screening – why are they coming to the office?

• Patient and the Internet – what is their "plan"

Evidence based guidelines Insurance coverage/relationships

In office  • What do you do that brings value to the patient?  • Patient satisfaction/expectations/engagement  • Drug and supply purchasing/prices/options  • EMR – flow, interface, reporting, referrals  • Financial – revenue/cost/reporting  • Psycho/social – navigator –  • Quality	
16	
Post Visit/Treatment  Transition Chronic care Supportive/palliative care Registry	
17	
More Challenges	

# Scenarios to Consider HI As Is Grow – acquisition, geography, or diversify Stable Sell - Fold Grow fully integrated LO Grow HI

# Change vs. Transition

## Change

#### Transition

- Unfreeze
- End
- Freeze
- Neutral zone
- Re-freeze
- Beginning

20

# Change vs. Transition

- Change situational
  - Move to new location
  - Reorganization of the roles
  - Revision of benefit
- Transition psychological
  - Phases one goes through in coming to terms with the details of a new situation that the change brings about

## Culture of Transition

- Use symbols which can help remind you of a change in the way things are done or in an attitude. Toyota uses a rope (called Andon Cord) to "stop" the assembly line when something is wrong.

  • Do a daily or weekly *huddle*, again open communication, but use this
- time to review what happened yesterday and what may be the bottle necks for the day ahead.
- Instead of donuts, try fruit for your morning snack!
- Share positive stories, successful events with patients
   Recognize each other with a friendly greeting in the morning, thank each other for a job well done, find ways to reinforce the behavior that you want and expect.
- Talk and think positive, it is easier to draw on strengths rather than remove barriers

### Innovate Your Model

- Stop planning and start preparing
- Have to move forward at some point, bite the bullet
- Think about how you create, deliver and capture value
  - What does the customer need
- Produce a viable product, small wins
  - Can we support infrastructure
- Scale smart -
  - Easy to create an employee handbook, not so easy to involve all in the process
- Try don't be afraid to fail learn
  - Don't need to be all things to all people but do need to

SURVIVE
thes.com/sites/gregsatell/2014/03/01/how-to-innovate-your-business-model-in-5-not-so-easy-steps/#1cc20390137b

## Summary Steps From Here

- Volume of Medicare
- Age of providers and patients
- Infrastructure Practice and ACO
- QRUR other reporting
- Payment models
- Try something new, innovate fail

Lean Six Sigma for The Medical Practice		
Contact Information	Think Business!	
Owen J. Dahl	Medical Practice Quality, Efficiency, Profits	
odahl@owendahlconsulting.com	Owen I. Dahl, FACHE, CHBC	
832-260-4455	Farmer Right and Mad. M.B. MAR. ACP	
INTEGRATING BEHAVIORAL HEALTH	TI M b IB o	
INTO THE MEDICAL HOME: A Rapid Implementation Guide	The Medical Practice Disaster Planning Workhook	
1000		
	Maria L.	
To order a book One South Market Mod Age One South Market Mod Market Mod Age One South Market Mod Age One South Market Mark	O- AL PACIFICHEC	
www.mpmnetwork.com Use promo code "dahl-client"		
ose promo code dam chene		
	25	