The Essentials of Population Health:
Ten Things You Need to Know

Today more than ever, healthcare practitioners are tasked with doing more with less. As healthcare transitions from a volume- to a value-based model, practices must address the Triple Aim of improving quality and outcomes, improving the patient experience, and lowering the cost of care.

Effectively managing patient populations is arguably the critical element necessary to succeed in this new environment. But how is this done? Healthcare has always focused on the individual patient. What does it mean to "care" for a population? What tools do you need? How do you integrate population health into daily workflow? We address ten simple but common questions on implementing a population health management platform (PHM platform). This will help you determine how your organization can make the transition to managing individual patients and patient populations.

EHR Integration Services

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1. Population health seems complex and difficult. Why implement a PHM platform now?

The current urgency for population health systems is due primarily to the transition from fee-for-service to a value-based reimbursement. Although there are various iterations of value-based programs, virtually all of them impose a new level of accountability that goes far beyond the expectations of the traditional fee-for-service programs. Providers are being asked to offer better care while reducing the overall costs of this care. Doing so requires measuring and reporting quality outcomes, identifying populations of patients who share chronic conditions, identifying high-risk patients, and engaging patients in meaningful ways in their own care. This is virtually impossible without specialized big data population health software platforms capable of analyzing data from multiple sources such as EHRs, HIE feeds, adjudicated (paid) health insurance claims, and patient satisfaction surveys, to name just a few.

The transition to value-based reimbursement is occurring rapidly. Health and Human Services (HHS), the federal agency responsible for administering Medicare, is targeting to have 50% of all fee-for-service payments linked to quality or value through alternative payment models by 2018. Commercial payers are actively monitoring and adopting related policies. The Health Care Transformation Task Force, a leading industry consortium of payers, providers, and purchasers, committed to having 75 percent of its respective businesses operating under value-based payment arrangements by 2020. Effectively managing a practice in this new environment will require a population health management platform.

2. What exactly does a PHM platform do?

Employing descriptive, predictive, and prescriptive analytics, **population health** management platforms are able to identify high-risk patients who require care management interventions in order to improve outcomes at reduced costs. Advanced systems further identify specific risk characteristics, which helps practices assign specific interventions to mitigate these risks. PHM platforms support measurement of quality against national standard metrics, identifying gaps in care for evidence-based preventive services and best practice recommendations for the treatment of chronic conditions. For example, poorly controlled diabetics can be easily identified for care management outreach or the system can identify diabetics who have been lost to follow up.

High-performance population health platforms are designed to adapt quickly to shifting quality requirements imposed by commercial payers or Center for Medicare and Medicaid Services (CMS), allowing health systems to optimize their financial performance in gain sharing and risk bearing contracts.

Sophisticated PHM platforms allow measurement and reporting of Practice Pattern Variation. Powerful algorithms analyze paid claims and generate variation curves that identify how physicians vary from one another in the way they utilize costly resources. Revealing these variations allows organizations and providers to identify unwarranted variation and associated low-value services, resulting in significant savings compared to budgets and enhanced quality.

3. Doesn't my EHR provide this sort of information? Why do I need another system?

While an essential tool in helping practices manage the daily process of seeing patients and documenting visits, EHR systems were designed to support the care of individual patients rather than populations of patients who share common denominators. Additionally, EHRs have not evolved the necessary capabilities to integrate disparate sources of information such as adjudicated payer claims, social determinants of health, or patient-reported satisfaction and outcomes data. Many smaller health systems are coalescing into larger systems, resulting in the use of multiple EHRs within the same organization. EHRs are unable, for the most part, to integrate data from other EHRs, creating compiled sources of data within organizations tasked with integration. PHM platforms are specifically designed to integrate multi-sourced data, creating rich population level insights not possible in the EHR.

Also, while many EHRs have some reporting capabilities, they are often pre-set and lack the robust and highly flexible reporting capabilities of PHM platforms. Creating ad-hoc reports in EHRs typically involves specialized calls to the EHR database which requires database analysts and time—often several weeks. In contrast, a high-performance population health system provides intuitive user interfaces which enable high level population views and drill down to the individual patient level, as well as viewing, and customizing reports on-the-fly. PHM platforms are designed specifically for use by nurses, physicians, and case managers and other extended care team members, rather than by trained IT analysts.

4. How do we get the data? How do you insure data integrity? How is data updated?

The first task of a PHM platform vendor is to extract the relevant clinical and financial data that will populate the PHM platform's data warehouse. For clinical data, the main source will be the practice's own EHR, other EHRs within the same delivery system, data feeds from regional HIEs (as needed) and lab interfaces.

Adjudicated claims (i.e. claims that have been processed and paid for by the health plan/payer) come directly from a payer data feed, which of course requires payer support and participation.

In some cases, the PHM platform performs an ETL (extract, transform, and load) function from certain data sources. In other cases, the data is transferred via automated interfaces. Once in the warehouse, the data undergoes a variety of procedures that normalize, standardize, and synchronize the data to prepare it for analysis. The platform also applies master patient index algorithms that identify each unique individual/patient, with duplicates or errors eliminated. This process is critical to insure data usability and integrity.

Data is updated nightly in the case of clinical data. This is important as this data drives care management interventions and these are best supported by frequent and regular refreshing of the data. Claims data is typically updated monthly. This is usually sufficient as the insights derived from claims are less impacted by daily or hourly variations.

5. Can population health be integrated into daily workflow, or will it slow down a busy staff?

Effective PHM platforms actually enhance care team workflows by increasing team efficiency, shifting tasks away from the point of care to the pre-visit period by supporting streamlined pre-visit planning. For those tasks or gaps in care that the care team is unable to close prior to the patient's visit, the PHM platform's point of care tools integrated into the EHR patient chart provide easy ways to close the gaps while rooming the patient or during the visit itself.

Fed by the integrated PHM platform's analytics engine and data warehouse, the patient chart reflects—in real time—gaps in care for the patient, alerting the team of tasks that need attention. Simplified workflows allow entering the information that closes the appropriate gaps, and documentation in both the PHM platform and the EHR occur automatically in real time.

6. Is claims data part of a PHM platform?

Robust PHM platforms can be implemented without incorporating adjudicated health insurance claims. Nonetheless, when available, paid claims offer rich and important insights not possible with clinical data alone.

Paid Claims data helps administrators manage complex value-based contracts in which some level of accountability (and thus risk) for cost and quality is assumed by the practice. Both risk and gain sharing arrangements require knowledge of patient's clinical activities outside of the practice, knowledge that can only be derived from adjudicated claims. Claims data informs multiple other important insights, among them understanding health care resource utilization and the tracking of in and out of network referrals ("leakage and keepage"). Many of the commonly used predictive analytics and risk stratification tools are greatly enhanced by the combination of claims and clinical data. Additionally, claims data supports measurement of Practice Pattern Variation which allows generating savings by identifying and reducing over utilization of low value care.

7. What is involved in implementation and support of a population health management system?

For staff experienced in the labor, process, and technology intensive implementation of EHR systems, the implementation of population health system is refreshingly easy—with the majority of the tasks and set up completed by the PHM platform vendor. While implementations of different PHMs will vary, for EagleDream Health (EDH), an implementation team lead by an EDH physician will be assigned to the practice and weekly web-based implementation meetings are set up with the practice's internal project champions.

Cloud-based systems like EagleDream Health significantly reduce the support burden, since there are no on premise servers to maintain. Additionally, EagleDream Health clients typically allow an EDH team member remote access to the practice EHR, allowing preliminary validation tasks to be completed by EagleDream Health and providing a rapid support mechanism—significantly reducing the time and resources required by the practice's IT staff. A practice should assign a project lead, often the Chief Medical Information Officer (CMIO), who assists with high level implementation problem-solving and

decision-making. Two internal operational champions (nurses or non-clinical practice team members) should be assigned to assist with build-decisions, data/metric validation, and workflow guidance. Once initial implementation is achieved, less than three hours per week needs to be devoted to training and optimization. From project initiation to go-live requires about 8 to 12 weeks.

8. What are some key factors for a successful population health project?

Before any technology project is initiated, it is worth a moment to consider what's required to make it successful. For a PHM platform deployment, here are some of the key factors for success:

- **Practice Leadership;** an active population health project directly impacts your providers across a spectrum that ranges from organizational focus on closing gaps in care, to potentially examining practice pattern variations between individuals. Regardless of the nature of the deployment, a successful project requires the sponsorship of the practice leaders.
- **Defined use cases;** this refers to the way the practice intends to use the tool. These may be contractually driven by the payers, or based on specific internal initiatives. As you begin the internal dialogue about how you want your system to work, you can have much more meaningful discussions with vendors during the selection process. You will then be well-positioned to quickly realize value after implementation.
- **Focus on Workflow;** particularly for clinical-oriented projects, practices need to consider how population health will be incorporated into daily workflow both from a point of care and case management perspective. In this respect, understanding the integration between a population health system and the EHR is critical.
- **Adopting a data driven approach to practice workflows,** quality improvement and clinical care management; This change takes time, often much longer than it takes to merely implement the PHM platform. Set realistic expectations throughout the organization.
- **Aligning organizational incentives to support practice transformation and the adoption of the new technology and workflows;** Incorporating innovative value-based components in staff and provider compensation plans supports adoption of the new desired practice models.

9. What should a physician practice look for when selecting a population health system?

While it is beyond the scope of this document to consider all the myriad features of a population health system, at the high level, here are some guiding principles that assist in the selection process:

- **Ability to meet use cases:** this requires that you prepare the use cases in advance (as suggested above)
- **Ease of use for non-technical staff**: the day to day users of population health systems from admins to care managers, APPs, and providers—to be practical, the PHM platform must be easily learned and intuitive for all.

- **Workflow features and EHR integration:** even systems with a friendly user interface and experience will not succeed if the workflow features are cumbersome and disconnected from the practice's EHR. Look for sophisticated population insights integrated seamlessly at the point of care in the EHR chart workflows.
- **Implementation and support requirements:** Reasonable implementation times and minimizing the need to devote excessive internal resources to the project.
- **Vendor support and agility:** healthcare is in a period of transition, in which practices will likely be confronted with new and challenging population health requirements; your vendor needs to be agile and innovative enough to successfully support you.

10. How much do population health management systems cost, and what is their return on investment?

Price methodologies vary, but many vendors base their price on the number of billable providers as measured by national provider identifiers (NPIs). Cloud-based systems typically price on a monthly subscription basis with additional one-time fees for implementation. A vendor quote should provide the meaningful details you need.

A system's return on investment is directly correlated to its use cases. For example, if the use case is to identify and correct gaps in care across specific or broadly defined cohorts, then the return is equal to the incremental revenue generated by the outreach divided by the cost of the system. If closure in these gaps (or avoidance of events like ED visit or hospital readmissions), qualifies the practice for certain bonus payments, that should be part of the ROI.

There may be contractually related use cases. As a prominent example, consider Medicare. Starting in January 2017, the requirement for collecting outcomes performance measures will increase as part of the requirements for the Quality Payment Programs under the Medicare Access and CHIP Reauthorization Act (MACRA) of 2015. Specifically, for MACRA, reimbursements will be adjusted 4% up or down in 2019 based on data collected in 2017, with additional bonuses for the highest performers increasing to 9% positive or negative adjustment by 2022. Population health systems will play a major role in helping providers achieve maximum incentive payments and avoidance of potential penalties. Commercial payers are likely to craft similar value-based reimbursement programs.

Data is becoming pivotal in healthcare. This is not only critical for external review (Medicare, commercial payers), but also internal quality improvements. To assure the success of a practice as the shift from volume to value-based reimbursement occurs, it is imperative that practices implement PHM platforms that support their long-term success.

Summary

The transition to value-based reimbursement and increased focus on quality, cost, and patient engagement will continue to drive the need for population health systems. A good PHM platform will offer the ability to consume and analyze disparate sources of data including clinical and paid claims data. Successful deployment requires planning of use cases, practice leadership sponsorship and commitment, selection of vendors that offer rapid deployment with minimal burden to the practice, compelling ease of use and workflow features, and sufficient agility to respond to changing requirements. Well-executed projects will have a direct positive impact on the practice bottom line and will yield significant return on investment.

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