

Navigating the Sea of Accountable Care: Organizing the Community-Based Post-Acute Network

reprinted from the April 2016 Strategy Solutions, Inc. Newsletter

By Debra Thompson, President, Strategy Solutions

Are you a leader of a community hospital, nursing home, rehab or therapy company, continuing care retirement community, behavioral health, home care, hospice or community based organization (even a housing agency or church!) that serves persons with health care needs and don't have a fully developed strategy to ensure your "place" in an accountable care organization/network?

Are you challenged by increased quality expectations and declining reimbursement or managed care cuts, without a plan to meet them?

Does it feel like the waves of change are so turbulent that you find yourself wanting to wait until things calm down a little in order to get your "sea legs" to plan for the future?

If the answer to any of these questions is yes, regardless of the length of your "to do" list, now is the time to put "identify network partnership strategy" at the top of your "to do" list. Here are some suggestions to help you get started:

1. *Educate yourself, your board and your staff about the trends and best practices shaping your sector.* Learn about the trends and changes happening in the health care industry overall that will impact your sector and organization (sooner or later) and the strategies that innovative organizations are working on. Start to think about how you will do the same in the next 2-3 years. National trade associations and "think tank" organizations are a great source of information. You can even find good sources of information on the Internet or through trade journals if you know how to search.
2. *Determine your organization's "role" within one or more networks and be proactive in developing relationships.* Every organization must look at the



other "players" in their community/region and determine where and how they fit into relationships with other providers both "up" and "down" stream. If you have no idea what this previous sentence means, reread #1.

3. *Complete a self-assessment to determine how well equipped your organization is to transition into its best "role."*

The shift to "accountable care" will impact community based organizations far beyond the walls of the hospitals because of the "social determinants of health." According to "Healthy People 2010,": "social determinants of health are conditions in the environments in which people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks." These conditions explain why some people are healthier than others and generally why many Americans are not as healthy as they can be. When a health care system takes a "risk based contract" to manage the total care of a population, these social determinants become really important really fast. The financial incentive immediately becomes keeping people OUT of the hospital. When people lack resources to meet their basic needs and don't take

(continued on page 2)

care of their health, it costs much more to address later. Accountable care means investing in and addressing these “social determinants” in new ways.

Hospitals have a “dual” role in that they must offer access to higher levels of care that they don’t provide. At the same time, they must develop relationships with community based providers (nursing homes, rehab companies, home care and behavioral health agencies and others) and be prepared to manage “at risk” contracts with these organizations to ensure that the best care is delivered in the lowest cost setting. Hospitals should put effort into developing their post-acute relationships but don’t always have adequate knowledge about how other sectors work or the structure in place to do this effectively.

Community based agencies must prepare to be “good partners” with hospitals and health care systems, and can’t afford to wait until the hospitals “come to them” This means you must prepare to meet their cost and quality standards, even before they know how to tell you. This is especially important if your organization hopes to remain “independent.” The challenge for many community-based organizations is that the hospitals are so busy trying to figure out their own uplink strategy and working to establish systems to manage their controllable costs that they are not yet prepared to facilitate their “downstream” relationships. It is important to be proactive and not wait for your partner(s) to come to you, because by the time they do, it may be too late. In January, 2016, Highmark ended contracts with 10 nursing homes and eight home care agencies based on their quality scores.

The best “self-assessment” is to determine how adaptable and “ready for change” your staff is, along with their willingness to explore new service and/or delivery models in partnership with other organizations. If folks are open, ready, willing and able to learn about and address new challenges, organize a team to start the exploration process. If you struggle to get started, give us a call to get started.



Debra Thompson is founder of Strategy Solutions, an organizational development firm with the mission to create healthy communities. For over 20 years, Debra and her team have provided research, planning, training and project management support for organizations and communities who want to grow and thrive. She is an adjunct faculty member in the Duquesne University Master of Organizational Leadership program and is a consultant, trainer and peer reviewer for the Standards for Excellence: An Ethics and Accountability Code for the Nonprofit Sector. She can be reached at 8425 Peach Street, Erie, PA 16509; 814-480-8000; or through her website at getstrategy.com.

Founded in 1998,
Strategy Solutions, Inc., is
dedicated to facilitating
creative solutions to ensure
the sustainability of public,
private and nonprofit
organizations and create
healthy communities.

Our unique
process of combining
analytical research
capabilities, group
process techniques, and
planning tools blended
with enthusiasm, energy,
and total dedication to
each client’s success has
resulted in hundreds of
clients who have achieved
remarkable outcomes.

Our projects
and clients have been
recognized as best
practices by the PA and
NY Departments of
Health, PA Department
of Education and Welfare,
the US Department of
Health & Human Services,
PA Partners, MD Workforce
Development Association, and
the International Economic
Development Council. We
are certified as a Women’s
Business Enterprise in PA,
WV, VA, GA and FL.

 **Strategy**
solutions, inc.
Advancing your mission is our life’s work