

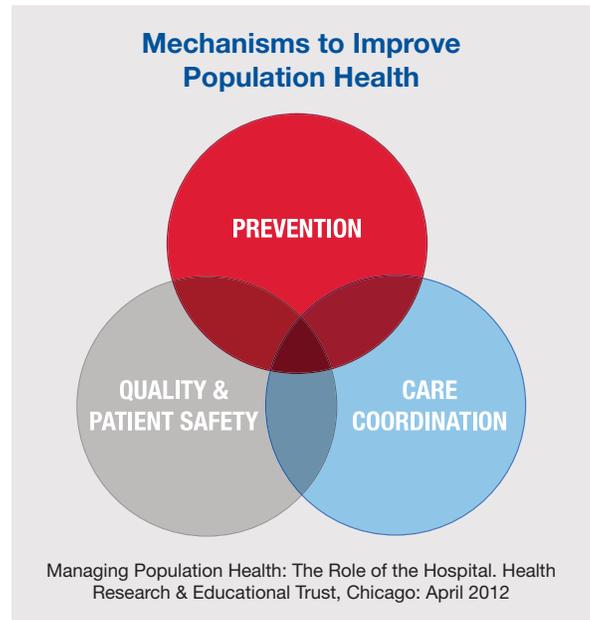
**An aging population, increasing rates of chronic disease and the onset of value-based payment structures are among the many drivers that have moved hospitals and health systems in recent years to take a more prominent role in disease prevention, health promotion, and other public health initiatives.** In addressing population health, hospitals are taking a more proactive approach to patient care—that is, reaching out to the population beyond the traditional four walls of the hospital to help them manage disease and stay healthy.

Population health can be understood as the measurable health outcomes of a defined group of people, including the distribution of such outcomes within the group. These defined groups may include those who are attributable to or served by a hospital or health care system, those living in a specified geographic area or community or those experiencing a certain condition or disease.

The ultimate goal of population health management is to promote the overall health of a given population while also reducing health disparities by integrating public health principles into health care delivery. Innovative approaches to population health management can not only improve health outcomes and address increased demand for health services, but also improve the patient experience of care. Ultimately, improved population health also can decrease medical costs and allow hospitals to invest in prevention. As established community stakeholders with extensive knowledge and resources, hospitals and health systems are in a unique position to lead on population health management.

Population health resides at the intersection of three distinct health care mechanisms (see figure above). Improving population health requires effective initiatives to: (1) increase the prevalence of evidence-based preventive health services and preventive health behaviors; (2) improve care quality and patient safety; and (3) advance care coordination across the health care continuum.

The mechanisms to improve population health—improving quality and patient safety, increasing care coordination, and expanding preventive initiatives—demand greater



accountability from all parties within the health care system, including trustees. And as hospitals and health systems are steadily adopting population health management into their strategic planning, it has become clear that these mechanisms support the patient initiatives they are already pursuing.

## *Establishing The Framework For Population Health Strategy*

To be successful and sustainable, population health management initiatives must be integrated into the organization's operations. While hospitals are often viewed primarily as acute care delivery systems, population health goals require that they also provide health education, healthy lifestyle promotion and disease and injury prevention programs. These new demands on care systems will require hospitals to prioritize multi-sectoral expertise, diverse collaborations, and co-leadership within and outside the hospital setting.

A strong institutional culture and supportive infrastructure are essential to the success of population health management. Hospitals need three foundational components to integrate population health management into their organizational infrastructure:

1. A capable and qualified workforce trained in community and population health principles and practices;
2. Health information technology (IT) and translatable data to track health trends for targeting at-risk populations; and
3. Organizational capacity, including strong backing from trustees and senior hospital leadership, clinician engagement, and aligned resources.

Mapping out an effective approach to population health requires addressing an array of health determinants, including the physical and social environment, individual behavior and access to high-quality, holistic health care to prevent chronic and acute diseases. For hospitals and health systems, population health management can be seen as an evolving strategic platform that incorporates three integrated stages:

1. The distribution of specific health statuses and outcomes within a population;
2. Factors that cause the present outcomes distribution; and
3. Interventions that may modify the factors to improve health outcomes.

While there is no standardized approach for how population health should be integrated into a health care organization's operations or who should manage it, hospitals and health systems can look to pursue five universal goals in guiding their strategies:

1. Coordinate hospital-based interventions with community stakeholders and other key partners through mature collaborations;



2. Increase preventive health services through coordinated care across the health care continuum;
3. Provide culturally and linguistically appropriate care.
4. Promote healthy behaviors; and
5. Track population health metrics against dashboard targets.

## *Collaborations And Partnerships As A Key To Population Health*

For many hospitals and health systems, the key to effective population health management begins with achieving the first goal listed above. This can be accomplished through expansion of existing collaborations and developing new ventures within their communities.

To manage a population's health, new competencies are required of hospitals and health systems, including clinical integration; consumer, clinical, and business intelligence; operational efficiency; customer engagement; and efficient network development. According to a recent national survey by the Health Research & Educational Trust, more than 90 percent of responding hospitals agree or strongly agree that population health is aligned with their mission. However, only 19 percent of responding hospitals believe that they have the financial resources available for population health. Strategic partnerships and collaborations can dramatically expand the reach of a hospital's population health efforts and reduce cost.

Beyond collaboration with physicians and other clinical providers, hospitals today are developing innovative new relationships with community organizations, payers, and other clinical care sites to address health care issues that they cannot tackle on their own. Types of arrangements range from less integrated contractual affiliations to highly integrated asset purchases. Such arrangements may involve:

- Traditional providers: for profit, not-for-profit, public hospitals, academic health centers, Catholic or children's hospitals, rural or community hospitals, large physician groups and large health systems
- Other stakeholders: payers, employers, retailers, technology firms and other entities

Partnerships also have increased across the broader health care sector, including insurers, retail pharmacies and clinics, biotech companies, device manufacturers and others.

Hospitals and health systems also are collaborating with community partners to expand their scope of services to address nonmedical factors that influence health status, including obesity, preventive and screening services, access to care, behavioral health, substance abuse and tobacco addiction. A recent survey by the AHA's Association for Community Health Improvement revealed that more than three-fourths of surveyed hospitals had partnerships with school districts and local public health departments.



Hospitals and health systems have also recognized that one of the most efficient ways to reach a large portion of their patient population is by working directly with local employers. These collaborations can begin by offering community wellness classes on prevention and common illnesses or preventive screenings at employers' offices during work hours. Other organizations have established onsite health clinics and more direct contract payment relationships. For the employer, working with hospitals has the potential to decrease health care costs and employee absences while increasing productivity and employee morale. For hospitals, working with employers can help them reach a wider demographic for preventive services at patients' convenience, thereby increasing the patient populations seeking care at the right place and time.

The latest HealthLeaders survey data related to hospital-hospital partnerships indicate that 38 percent of responding hospitals were recently involved with partnership activity, while 34 percent were involved with an acquisition of one organization by another, and 10 percent with a combining of two organizations into one. For many organizations, the rationale for partnership is now moving toward a longer-term strategy for meeting consumer/patient needs under a value-based care delivery model. The driving factors behind this type of

### **Additional Resources:**

- **“Guide to Health Care Partnerships for Population Health Management and Value-based Care”**

To help navigate the path forward in developing successful collaborations, the AHA and KaufmanHall have produced this report, which serves as a more comprehensive brief on the partnerships to promote population health management.

- **“Approaches to Population Health in 2015: A National Survey of Hospitals”**

Results of a nationwide survey of hospitals and health care systems conducted by the Health Research & Educational Trust (HRET) and the Association for Community Health Improvement, in partnership with the Public Health Institute, to assess the state of population health efforts.

- **“Creating Effective Hospital-Community Partnerships to Build a Culture of Health”**

This guide, released by HRET, with support from the Robert Wood Johnson Foundation, focuses on how hospitals and communities can develop and sustain partnership.

- **“Next Generation of Community Health”**

This report explores what the next generation of community health may look like as hospitals redefine themselves to keep pace with the changing health care landscape.

- **“The Leadership Role of Nonprofit Health Systems in Improving Community Health”**

This report discusses the complex challenges involved in community health improvement and makes the case for why health systems should take a substantial role in the multi-sector collaboration needed to achieve significant impact.



arrangement often center on gaining the core competencies required to manage population health.

As organizations partner with other organizations, benefits to patients and efficiencies can be achieved through:

- Centralization of functions such as IT, purchasing and human resources
- Right-siting or right-sizing service and resource distribution across the service area
- Process re-engineering, clinical variation reduction, and increased care management and coordination

Despite logistical challenges, the current health care landscape indicates that providers are showing increased flexibility around partnering arrangements. Many hospitals and health systems are taking a proactive approach to partnership conversations – progress that has the potential to redefine how the business of health care is conducted, bringing significant improvements to population health nationwide.

## *Board Discussion Questions*

Hospital and health system boards and leadership can advance their understanding of population health and how population health management fits into organizational priorities by considering the following questions:

1. How does our organization define population health?
2. What key steps has our organization already taken in the areas of prevention, quality and safety, and care coordination to advance our efforts to improve population health?
3. In our organization's journey toward population health management, what have been our key accomplishments?
4. What critical obstacles to further improving population health is our organization facing and what are we doing to overcome them? (Obstacles might include: lack of a capable, qualified workforce; insufficient health information technology, data and analytics; insufficient board and leadership capacity and clinician engagement, etc.)
5. What risks might our organization face in working to further expand our focus on population health management, and what can we do to reduce or eliminate these risks?
6. What partnerships does our organization need to establish to navigate the population health management agenda and reposition for a fee-for-value environment?
7. Is our organization moving fast enough to develop these partnerships?
8. What should our board do to build our understanding and capacity to effectively govern in a population health-focused environment?

