

The Four Most Common Alternative Care Delivery Models

Each model — while not exhaustive — represents the most common alternative care delivery frameworks in the field and observed in the literature. Each model includes a real-world example and emerging insights.

1 ACCOUNTABLE CARE ORGANIZATION

Networks of health care providers jointly responsible for improving patient outcomes and reducing spending for an attributed patient population. May involve a range of provider configurations, such as physician groups, behavioral health organizations, hospitals and health systems.

DESCRIPTION: Caravan Health works with rural and independent health systems to build ACOs under the MSSP.

KEY INSIGHTS: After reviewing several years of MSSP data, Caravan recognized a critical challenge: ACOs in a shared savings/shared risk model need sufficient scale to minimize random spending fluctuations in their attributed population. In 2019, the organization launched a national virtual Medicare ACO to aggregate attributed Medicare lives across rural health systems. While many individual rural ACOs had between 5,000 and 10,000 lives, the new ACO has 225,000. Caravan has set up care model requirements participants must adopt, an intensive training program to help health systems build necessary capacity, and a robust data analytics platform in which participants can compare their performance against regional partners and the national ACO. Caravan ultimately shares savings back with ACO participants based on a methodology that includes patient attribution and quality performance. Such an approach offers a way for smaller, rural providers to attain the scale needed to perform well under APMs. As Lynn Barr, Caravan's CEO, says, the goal is to "standardize an effective model that will get results and create a platform for change."

RESULTS: Caravan's national rural ACO is in its first year. However, other Caravan-affiliated ACOs to date have substantially improved their quality scores compared with baseline and generated savings more than 60 percent higher than the national average for MSSP ACOs.



2 MEDICAL HOME

Model of reorganizing primary care delivery. Under a medical home, an integrated care team — often encompassing a primary care provider, nurses, care managers and others — provides patients with whole-person, coordinated and accessible care. Some organizations pursue accreditation by an outside body (e.g., National Committee for Quality Assurance (NCQA) patient-centered, medical home certification), while others incorporate key features of the model without formal accreditation.

DESCRIPTION: Summa Health in northeast Ohio provides an integrated, team-based approach to primary care based on the principle "tasks for staff, decisions for physicians." Primary care physicians focus on difficult diagnostic dilemmas and building relationships with patients, while nurses, pharmacists and other team members take on clinical and administrative functions of the medical home model directed toward helping patients achieve better health outcomes.

KEY INSIGHTS: James Dom Dera, M.D., Summa Health's patient-centered medical home (PCMH) director, points to substantial evidence that robust primary care is the key to better population health and lower total cost of care, and believes primary care spending will represent a larger percentage of total health spending in the future. The best primary care delivery approaches, Dom Dera says, will build on the medical home model and incorporate increased virtual visits, patient education and links to social determinants of health. Dom Dera believes population-based payments can best finance such an approach; however, incentives must be aligned across primary and specialty care providers for the model to work effectively.

RESULTS: Due to improved care transitions, Summa Health's 2017 30-day readmission rate dropped to the lowest level in seven years. Additionally, 77 percent of Summa's primary care practices are PCMH-certified by NCQA, a large increase from the prior year.



3 INTEGRATED SERVICE LINES

Hospitals and health systems are organized around integrated service lines — based on specific disease states and/or care episodes (e.g., cancer, heart and vascular, neuroscience, etc.) — across medical specialties and the continuum of care. The approach differs from a traditional hospital organizational structure organized by medical discipline (e.g., surgery, radiology, etc.). Integrated service lines are well positioned to negotiate bundled payments with payers for specific episodes of care.

DESCRIPTION: Mount Sinai Health System (MSHS) in New York has offered a joint replacement, bundled payment program to patients with certain commercial insurance since 2016. Under the model, a care guide visits patients in the hospital, coordinates the transition home, manages outpatient and home-based, post-surgical care and arranges transportation to appointments.

KEY INSIGHTS: Niyum Gandhi, chief population officer at MSHS, says the approach requires a different mindset. "This isn't just a joint replacement program, it's a mobility program. Specifically, the program's ultimate goal isn't the surgery — the goal is pain-free walking, and there's more to that outcome than just the surgical procedure."

RESULTS: Since the start of the program, the percentage of program participants using the emergency department during the episode of care dropped from 26 percent to 3 percent.



4 PROVIDER-SPONSORED HEALTH PLANS

Health plans that are financially sponsored or acquired by hospitals, physician groups or health systems. Providers often take responsibility for total cost of care for the health plan's enrollees and accept some degree of financial risk from the plan. While the health plan receives a capitated payment for its enrolled population, it does not always pay providers on a capitated basis.

DESCRIPTION: Sharp HealthCare is an integrated delivery system in San Diego County that includes a provider-sponsored health plan. Sharp offers a robust, continuum-based care management program. The system receives approximately 30 percent of its revenue on a capitated basis (a significant portion comes from its health plan). Sharp is affiliated with a foundation-model medical group (Sharp Rees-Steely Medical Group) and an aligned independent practice association (Sharp Community Medical Group), and also works with a large number of independent physicians.

KEY INSIGHTS: Executive Vice President Dan Gross says adapting care management programs to meet the needs of individuals with specific chronic diseases is critical to effectively managing population health. One of the biggest challenges, Gross says, is aligning physician compensation with the health system's payer contracts, especially given varying degrees of physician affiliation with the system.

RESULTS: The system receives consistently high ratings and awards on quality, efficiency and patient-centered care, including awards from the Leapfrog group and Planetree. Sharp's health plan is also the highest member-rated health plan in California and has an NCQA accreditation of excellent.

