Maturity Framework for New Care Models/Risk-sharing Arrangements

Hospitals are in the midst of navigating significant changes in how they operate and deliver care. Each organization can use the maturity framework to assess its current capabilities to determine the best type of value-based care for the organization. All providers need to rethink where they are on the risk continuum, where they will be in the future and whether they have the infrastructure systems needed to manage risk.

	MATURITY LEVEL		
CAPABILITY	BASIC	FOUNDATIONAL	ADVANCED
Care Continuum and Provider Network Management	• **NETWORK** | Significant gaps in assets across care continuum (outpatient — inpatient — post-acute) • **AFFILIATION REQUIREMENTS** | Limited criteria for affiliation • **QUALITY IMPROVEMENTS** | No link to quality/value	• **NETWORK** | Robust network (either owned or affiliated). Health systems can address most patient care needs across continuum through owned or affiliated providers. • **AFFILIATION REQUIREMENTS** | Contracts require commitment to shared quality/utilization metrics • **QUALITY IMPROVEMENTS** | Portion of payment to physicians tied to performance/value	• **NETWORK** | Comprehensive, clinically integrated network • **AFFILIATION REQUIREMENTS** | Affiliation relationship contingent on meeting quality and cost-management objectives • **QUALITY IMPROVEMENTS** | Strong alignment of physician compensation with clinical objectives through use of incentives
Clinical and Care Management	• **CLINICAL PROTOCOLS** | No standardization of clinical protocols • **CARE MANAGEMENT** | Limited, if any • **QUALITY IMPROVEMENTS** | Quality-improvement and disease-management programs exist but are not coordinated across different parts of the health system	• **CLINICAL PROTOCOLS** | Shared clinical protocols and standards of care • **CARE MANAGEMENT** | Integrated care teams, including nonphysician providers; dedicated care managers for high-risk patients • **QUALITY IMPROVEMENTS** | Shared quality measures	• **CLINICAL PROTOCOLS** | Process for updating protocols with latest evidence and monitoring adoption • **CARE MANAGEMENT** | Population-health and disease-management programs, including use of telehealth and new technologies, where appropriate; assessment of social determinants of health and referrals to community-based organizations • **QUALITY IMPROVEMENTS** | Culture of continuous process improvement with progressively evolving performance standards
IT Infrastructure and Analytics	• **ELECTRONIC HEALTH RECORD** | Functional EHR but little interoperability with affiliates • **POPULATION HEALTH MANAGEMENT TOOLS** | Use of disease registries/reporting • **PERFORMANCE ANALYTICS** | Some ability to track performance against quality/utilization benchmarks	• **ELECTRONIC HEALTH RECORD** | Strategy in place to integrate EHR and analytics platforms across network, though not necessarily common platform • **POPULATION HEALTH MANAGEMENT TOOLS** | Population health-management system to identify high-risk patients • **PERFORMANCE ANALYTICS** | Integration of clinical, administrative and care management data at patient-level; practice-level dashboards to track performance against quality/utilization targets	• **ELECTRONIC HEALTH RECORD** | Common EHR, analytics and care management platform used across network • **POPULATION HEALTH MANAGEMENT TOOLS** | Ability to identify defined subpopulations for targeted interventions; use of predictive modeling to identify at-risk members; ability to facilitate and track closed-loop referrals to community-based organizations • **PERFORMANCE ANALYTICS** | Near real-time visibility into quality and cost performance *(Continued on page 13)*

Maturity Framework for New Care Models/Risk-sharing Arrangements *(continued)*

	MATURITY LEVEL		
CAPABILITY	BASIC	FOUNDATIONAL	ADVANCED
Financial Management	• PRACTICE MANAGEMENT AND REVENUE-CYCLE MANAGEMENT | Systems in place • ACTUARIAL/RISK-MANAGEMENT CAPABILITIES | Limited to non existent	• PRACTICE MANAGEMENT AND REVENUE-CYCLE MANAGEMENT | Evolving to address evolving reimbursement models • ACTUARIAL/RISK-MANAGEMENT CAPABILITIES | Ability to negotiate and manage performance for contracts with downside risk; some risk mitigation in place	• PRACTICE MANAGEMENT AND REVENUE-CYCLE MANAGEMENT | Systems fully aligned with reimbursement models • ACTUARIAL/RISK-MANAGEMENT CAPABILITIES | For provider-sponsored health plans, ability to perform claims payment, underwriting and meet reserve requirements
Governance and Provider Engagement	• GOVERNANCE STRUCTURE | Informal • OPERATING UNITS | No change • PROVIDER ENGAGEMENT | Limited provider engagement in development of quality improvement programs	• GOVERNANCE STRUCTURE | Structure in place to oversee APMs • OPERATING UNITS | New functions created to support contract management with payers and provider partners • PROVIDER ENGAGEMENT | Clinical and administrative leadership buy-in to support alternative payment/care delivery; workforce-development strategy in place to support transition; change-management strategy to guide organizational transformation	• GOVERNANCE STRUCTURE | Corporate governance with clear roles for board, executive team, medical staff leaders with regard to clinical direction, state regulatory reporting, compliance, management and operations • OPERATING UNITS | Organizational model aligned with new care delivery and reimbursement models • PROVIDER ENGAGEMENT | Providers well integrated into strategic planning efforts

"Reformed **payment mechanisms** will only be as successful as the delivery system capabilities and innovations they support."