

# Your ACO Guide to Targeting Costs With Data-Driven Strategies

## Part 3: Creating a Strategy that Works

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VBCExhibitHall  
.com



*Educational Webinar Series*

Image by Mathew Schwartz on Unsplash





# About Roji Health Intelligence

- We provide Value-Based Care technology and services to providers.
- Our powerful tools identify patients at risk and target health interventions.
- Roji Health Intelligence is a CMS-qualified ONC-certified registry for QPP reporting, and we report eCQMs and CQMs.
- Roji Episodes reveal cost variations and drivers to generate strategies to address Total Cost of Care.





POLLING QUESTION: Are you data-abundant?



A. Yes, our diet is  
claims data!

B. Yes, we fish both  
claims and clinical  
(EHR) data!

C. Yes, we pool claims,  
EHR and other data into a  
Value-Based Care  
database!





# Today's Focus

- A short review of effectively reduce TCoC and TPCC
- How to synthesize a strategy for cost control that
  - Achieves reduction in TPCC
  - Is Data-Driven
  - Is effective and efficient
  - Has reasonable cost
  - Is acceptable to physicians



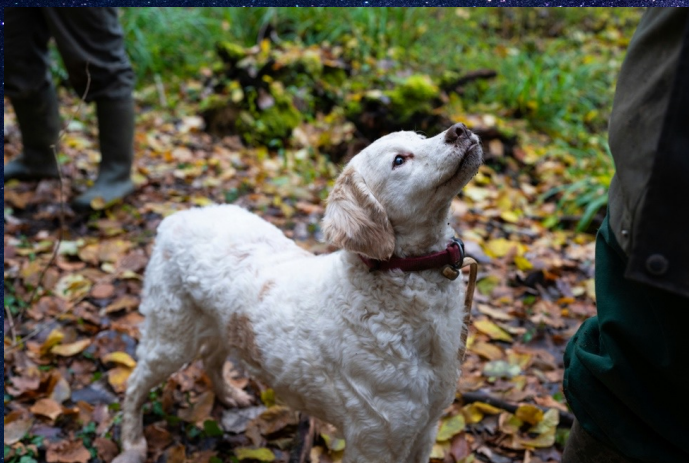
Feel the breeze!



# Lessons from Webinar Part 1



Reducing Total Cost of Care (TCOC) or Total Per Capita Cost (TPCC) are goals, not actionable strategies. To achieve the goals, you must target specific clinical cost areas.



What data do you have to aim at those targets? If your data is limited, you have limited opportunities to affect major clinical cost areas. But it is a beginning.



## Lessons from Webinar Part 1 (cont.)



Even herding dogs use data! A herding collie applies pressure on the sheep by adjusting his physical distance from them, gauging the proper distance from the reaction of the sheep.

With APP Reporting Data, ACOs can pursue 3 cost-related clinical projects.

- Target interventions for patients with diabetes
- Target interventions for patients with hypertension
- Target followup for patients failing depression screen with no plan of care



## Lessons from Webinar Part 2

With Aggregated EHR Data  
+ Claims, ACOs can pursue

- Predictive risk assessment
- Preventive or early diagnosis of conditions like CKD
- Procedure / treatment cost variation
- Population-based Interventions for patients progressing in severity
- Specialty care collaboration



Ducks are harder to herd than sheep,  
requiring a herding dog to use precise  
feedback to reach the goal.



# Two Ways to Reduce Costs with Clinical Initiatives

## Clinical / Quality Path

- Conditions
- Clinical Improvement
- Reduce utilization



## Cost Variation Path

- Procedures
- Reduce variation
- Address underlying issues



So it's easy...

Our ACO just picks a few projects and TPCC decreases?

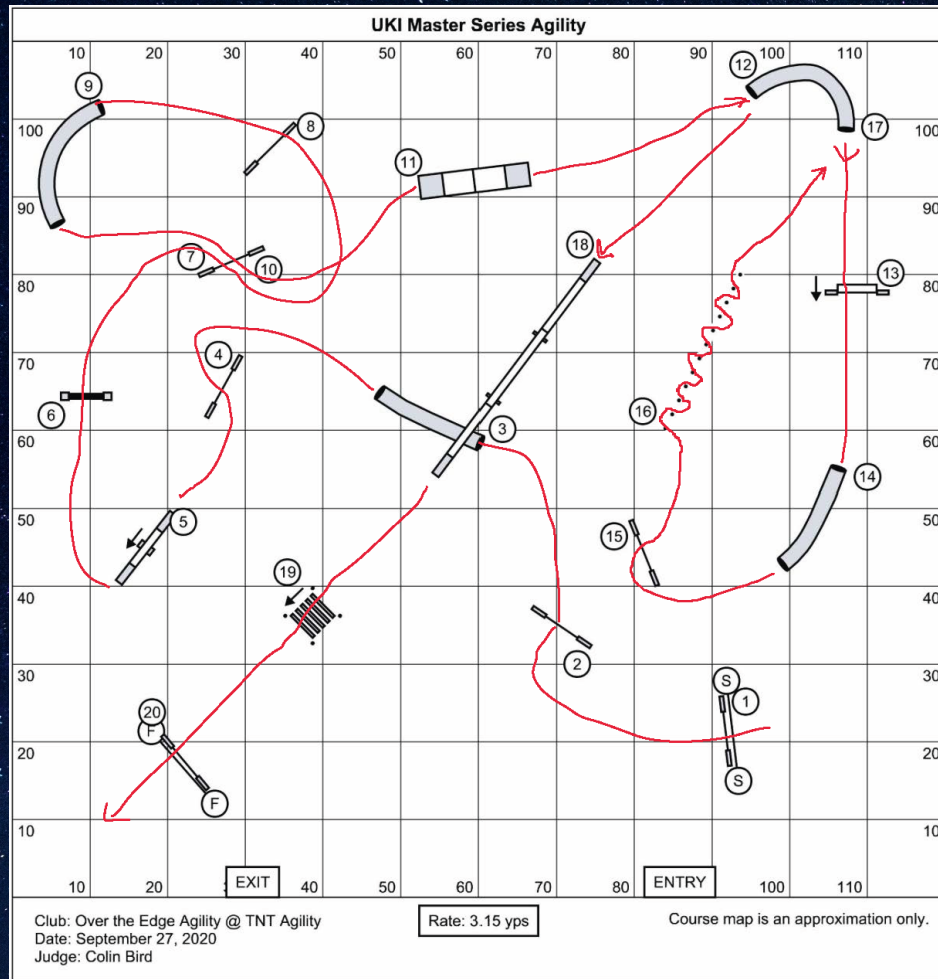


Image: International Dog Sports website

If only life were this fun and easy.



# ACOs Need a Strategic Map for Cost Control



- To affect TPCC, need multiple initiatives for enough savings. Most ACOs can/will do 1-2
- Frequent changes in direction of Value-Based Care and payment models
- Effective deployment of staff & resources
- ACOs are not physician leadership
- Revenues are at stake, so it requires buy-in



# Without a Strategy for Multiple Initiatives...

- Hard to see bigger picture.
- Everything looks similar.
- Information comes in little bits, like your frustrating car nav system!
- Your stakeholders & staff are confused and check out.





# The Strategic Map Is Your Overarching Design

- Goals and objectives for Cost Control
- Your plan for data aggregation
- Concepts for your overall direction of initiatives
- Where you will start: specialties, populations, approach
- Timeframe for implementation
- Who is involved



# 5 Tips for your Strategic Map

1. Start with important & highest volume patient populations.

Why?

- Commitment – Purpose & reputation are key
- More benefits
- Attracts resources
- Start with a big jump





# 5 Tips for your Strategic Map

## 2. Include both Primary and Specialty Care Initiatives

Why?

- Specialists generate 40-60% of costs
- You need both at table
- Risk will involve both
- It's brave





# 5 Tips for your Strategic Map

## 3. Put big push on expanding data

Why?

- Data determines both strategies and measurement of results
- Long lead time if you need more data





# 5 Tips for your Strategic Map

## 4. Engage physicians to lead transformation.

Why?

- Your initiatives to reduce cost of care need clinical input
- There will be clinical pathway developments
- Care teams led by physicians are essential for future focus on Value





# 5 Tips for your Strategic Map

5. Conduct initiatives using both clinical improvement, cost variation

Why?

- Greatest reach of conditions and specialty services
- Dual focus on patient outcome improvement and practice patterns
- Conducive to primary and specialty initiatives





# Cost Savings By Clinical Improvement

*Focus on clinical care to improve patient status*

- Selected conditions and highest risk patients
- Objective to achieve optimal patient status
- Cost Objective: reduce exacerbations, utilization, progression through better control
- Promotes use of treatment pathways for patients
- Applies defined interventions
- Involves clinicians, pop health, community





# Cost Savings By Reducing Cost Variation

*Focus on identifying and reducing variation in procedures and treatment*

- For procedure and treatment episodes
- By mapping costs for same procedure and time criteria, easier to identify what is driving higher cost cases
- Works to narrow variation in cost while ensuring physician latitude to define treatment pathway.
- Contains notable observations in procedures for exploration





# Data Required to Pursue Each Path Varies

## Clinical / Quality Path

- Claims data
- EHR Data - Longitudinal:
  - All patient Dx whether or not a claim
  - Vitals and clinical values
  - Lab
  - Diagnostics
  - Specialized cardiac diagnostic/lab values
  - Disease staging
- Prescribed medications
- Referred services

## Cost Variation Path

- Claims data
- Patient diagnoses and clinical status
- Infections, complications
- Anesthesia type and cost
- Rehab, home or SNF costs
- PT
- Related procedures for patients



# Digging Deeper into Clinical Services / Costs

- Objective: ID risks and events that drive excess costs / utilization
- Must be collaborative, engaging to physicians, and no-blame
- Clinical issues are pithy - “system”, physician, and patient are at center



Photo by [Chris Sabor](#) on [Unsplash](#)



# Recognize Versions of Reality: e.g. Unplanned Admissions for Cancer Patients

Admissions can be for comorbid conditions



Admissions can result from treatment





# Start with a Specific Patient Population

## Advantages:

- Confined
- Collaborative
- Goal-oriented
- Clear Interventions

## Disadvantage:

- Stake in success?
- Data?





# Start with Available Data

## Advantages:

- Data-educational
- Data and goal can be aligned from start
- Iterative for the team

## Disadvantage:

- Stake in success?
- Relevant?





# Can ACO Data Support Cost Strategies?

- Most ACOs are new to data aggregation
- If only claims data is available, cost strategies are limited to “cuts”
- ACOs will aggregate practice data – need to validate and understand it
- Among providers, understanding of data and data sources is early-stage
- Clinical data is complex and typical data feeds don’t often reveal
- Understanding of prices, costs, covered costs, and patient costs varies



# Getting Data Right Will Mean Getting Help

- Good data aggregation in variety of formats
- Excellent patient matching across sites of care and data feeds
- Capture of clinical information of all types
- Expertise in many physician-based systems
- Experience in creating clinically valid Episodes of Care



# Getting Best Value from Your Data Aggregation



Avoid single-use data pulls from participating practices – aggregate everything you need for ACO initiatives



For APP, do not use limited data formats such as QRDA



Survey practices on their EHRs and identify issues in advance



Make data transparent – show validation fields for every patient for diagnoses, etc.



Consider offering central EHR for purchase by practices with archaic systems



# Data Limitations Degrade Opportunities

- Speed – how old the data is
- Content – dependent type of source data
- Distance – trended data over time
- Old or poor data content reduces data value:
  - patient risk information
  - Interrelationships of clinical data



Pippi in agility trial. Photo by Lisa Urbaniak.



# Essential Cost Analytics

- Episodes of care analytics for both conditions and procedures
  - Patients in poor control – cost of exacerbations, utilization events, comorbidities
  - Patients with no improvement (chronic conditions)
  - Variable procedure costs and by cost driver
  - Avoidable costs by episode
    - Expected vs actual treatments in care pathways (chronic conditions)
- Cost-effectiveness of changes in care pathways and interventions
- Modeling of value-based payments against cost of providing care



## Ways to Target Interventions

- Big 3 metabolic conditions (Diabetes, hypertension, CAD)
- Heart failure
- Patients with static outcomes
- Prescription drugs on lower or older tier
- Both high and low procedure costs





# 3 Theme Wrap-Up



Photo by [kenny goossen](#) on [Unsplash](#)



# Value-Based Payment Models are Expanding

- New Value-Based Payment Models: Not FFS, all Risk-based
- CMS is increasing cost measures for non-APM providers
- Specialty Care Models also expanding, e.g. EOM



# Data Availability :Growing Fast

- ACOs must rise to the challenge of aggregating data
- Administrative methods of lowering cost, coordinating care don't have the power for deep enough cuts in TCOC / TPCC
- Clinical cost initiatives are necessary to transform outcomes and reduce costs



# Time for Development: Now

- Data in 2024, Fledgling initiatives 2025
- Expansion in 2027 – 2030
- Results in 2028 and beyond
- Is this timeframe realistic for your bottom line?





# Credits



Mac



Pippi



Tainn



Neka, RIP ❤️

And other stars contributing time and talent!



A scenic Japanese garden featuring a wooden bridge over a stream, surrounded by large rocks and blooming pink cherry blossoms. The scene is captured in a wide-angle shot, with the bridge leading into the distance. The cherry blossoms are in full bloom, creating a vibrant pink canopy over the path. The rocks are dark and jagged, adding a rugged texture to the landscape. The overall atmosphere is peaceful and serene.

# Questions and Answers



HEALTH  
INTELLIGENCE



# Stop by our ACO Exhibit Hall Virtual Booth



[Visit the Roji Health Intelligence Booth](#)





# Thank You



Contact us to make your APP Reporting a successful venture!

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