

Credentialing for "Quality"



# Credentialing for "Quality"

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## Overview

- Being Value-Based in a Perfect Storm
- Weathering the Storm
- Components of Success
  - Your Structure
  - Your Leadership
  - Your Processes
  - Your Measures
  - How You Educate



"It is not the strongest of the species that survives, not the most intelligent. It is the one that is most adaptable to change."

- Charles Darwin

# Health Care Today

Systems **GOVERNANCE** Quality **Market Share Private Equity** Telemedicine <sup>Medicare</sup> Supply Chain Medical Evidence Based Medicine PATIENT Education Primary SATISFACTION People Comparative Effectiveness Research Medicaid **Medical Home** Rating Healthcare Managed Joint Ventures **MSO Bundled Payment** Group **Physician Extenders** Health Reform Practice Leadership Health Navigators Capitation Transparency Physician Employment Accountable Care Organization Population Health Management PHO Service Line Management **Ambulatory Centers Industry Consolidation Networks** READMISSIONS Volume Regional Health Information Organizations Gainsharing Revenue Cycle Centers of Excellence **Clinical Integration** Care Redesign

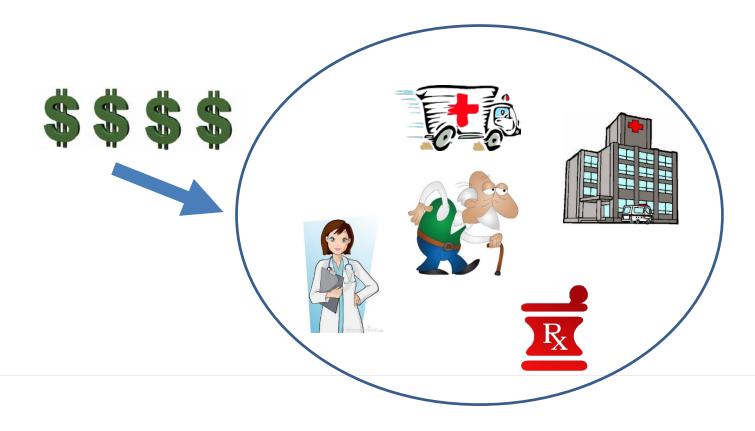
Image from The Camden Group consulting firm

## Our Perfect Storm

- The Pursuit for Quality
- Aging Population
- Skyrocketing Costs
- Medicare Trust Fund Insolvency
- CMS's Quality Initiatives and Quality Strategy
- Health Information Technology and Data Analytics
- Increased Fraud and Abuse Compliance Enforcement
- Market Trends Related to Consumerism, High Deductible Health Plans,
   Marketing, etc.
- Innovation and Disruption at Every Turn



## A Value-Based World



## Accountability on the Rise

- Hospital accountability (for provider quality) has expanded beyond malpractice to include compliance and financial
- All Payers are pursing "value":
  - Medicare, Aetna, Anthem, Humana and UnitedHealthcare
  - 50% to 90% quality adjusted or shared savings focused

# Payer Value/Quality Landscape

- Accountability for total care
- Financial incentives to coordinate care and reduce costs
- Emphasis on disease management and population health
- Patient-centered care with patient engagement
- Reporting capabilities for evaluating quality and cost measures

# The Ask Is a Paradigm Shift

Providers will need to improve/maintain quality for business purposes, not just for patient care

## Weathering the Storm

### **Tangible**

- Alignment through financial incentives
- The great employment hope
- Cut costs (at all cost)
- Grow and consolidate seeking economies of scale and market growth
- Delivery model redesign outpatient shift
- Seek favorable network participation, e.g., ACO/CIN, etc.

## Weathering the Storm

### **Intangible**

- Patient and consumer engagement emphasis
- Employee engagement
- Still lacking is Medical Staff engagement and meaningful progress with new generation credentialing and privileging

## How Do We Get There?

There are few basic ways to attain the goals that VBP is striving to achieve:

- 1) Pay \$\$\$ for it
- 2) Providers voluntarily and/or contractually agree, i.e., CIN participation
- 3) Hope and coincidence that providers agree or land on the best way to deliver and manage care, implement evidenced-based processes, etc.
- 4) Medical Staffs facilitate it

# Components of Success

- Structure
- Leadership
- Process
- Measure
- Educate

## A Bit Dramatic, but ...

"The traditional medical staff organization has lost its relevancy; it is a dinosaur from a reimbursement and legal system that is being replaced by a system demanding value and collaboration."

Excerpted from presentation by Arthur Snow, AMA Past President Pershing Yoakley& Associates, P.C. Medical Staff 2.0: Revolutionizing the Hospital-Physician Relationship

## Structure: Medical Staff

- Traditional "community" institution v. business enterprise
  - Independence v. interdisciplinary care
  - Autonomy v. regulatory and administrative demands
  - Contractual solutions focused on service line development,
     employment, co-management agreements
- Some are experiencing a generational gap
- Medical Staff originally formed to maintain physician independence and oversee clinical quality – reactionary and discipline focused

## Structure: Medical Staff

- Current medical staff structural concepts, processes, etc., are a few decades old
- A few truisms:
  - Average performance is not good enough
  - Top performers will subsidize others and become "preferred providers"
  - Administrative burdens will not decrease
- Value-based reimbursement encourages a modernized medical staff that addresses everything from organizational structure to leadership roles to processes

## Structure: Medical Staff

- Departments: Focused on collaboration and care delivery
- Committees: Only those required and that fulfill a meaningful role
- Leadership roles: Tactical deployment of limited resources with appropriate training
- Membership: Inclusive and representative of care environment
- Governance processes: Efficient and effective, e.g., quorum, attendance, action flexibility, etc.

# Leadership: Development/Training

- Effective physician leadership is critical to organizational and program/new idea success
- Leadership training should be adaptable:
  - Clinical (including population health and similar concepts)
  - Relational (coaching and relationship management skills)
  - State of industry
  - Strategic and business considerations
  - Regulatory considerations
  - Institutional history

# Process: Credentialing and Quality

### **Traditional Approach**

- Generally speaking, we tend to focus on basic qualifications and react to problems
  - A broad concept of "standard of care" not exactly medical malpractice <u>but not</u> what the value-based world is seeking to accomplish

# Process: Credentialing

- Traditional credentialing processes and quality review systems are not sufficiently focused/targeted to facilitate quality improvement
- Does your Medical Staff facilitate performance improvement (as opposed to identifying poor performance)?
- Credentialing and quality processes should mirror organization or system strategy

## Process: Credentialing

- How do your qualifications and privileging criteria target and further quality, collaboration and coordination goals?
- Do you privilege around what you measure:
  - Care coordination, process compliance and patient-centric activities?
  - MIPS measures, etc.
  - Does your OPPE align with your organization's quality strategy?
- Implement "regulatory quality" into your credentialing and quality processes

# Measure: Regulatory Quality?

- Many organizations measure around what's readily available rather than what moves the needle
- So called "regulatory quality" plays an important role in provider and organizational success
  - MIPS measures
  - Core measures
  - Patient satisfaction/HCAPHS
  - NQF never events
  - SCIP measures
  - Specialty specific measures
  - HEDIS measures

# Educate: For Alignment

- Is it clear to the Medical Staff what standards and measures are being used?
  - Or is there metric apathy and confusion: employment metrics, quality department metrics, department metrics, OPPE metrics, payer metrics and so on
- Does your Medical Staff understand the difference between traditional views on quality and "regulatory" quality

# Educate: For Alignment

- Many Medical Staffs use a "fire and forget" approach to credentialing, privileging, onboarding, OPPE, etc.
- Collaboration assumes understanding
- "Teaching to the test"
- Consider onboarding, education and CME activities focused on:
  - Hospital-focused\* regulatory quality
  - Hospital-focused\* risk contracting principles
  - Hospital-focused\* clinical and business best practices
  - Compliance topics

\*For the benefit of Hospital patients, if not, certain Stark exceptions will need to apply

## **Practical Takeaways**

- Success in the future state of health care will lean heavily on being intentional around payer alignment and provider collaboration
- The Organized Medical Staff is the lone connection between the Hospital and all privileged providers
- The Organized Medical Staff need not be a passive participant
- Being intentional around your Medical Staff structure, leadership development, credentialing processes, provider education and what you measure can yield significant results





Please visit the Hall Render Blog at <a href="http://blogs.hallrender.com">http://blogs.hallrender.com</a> for more information on topics related to health care law.

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