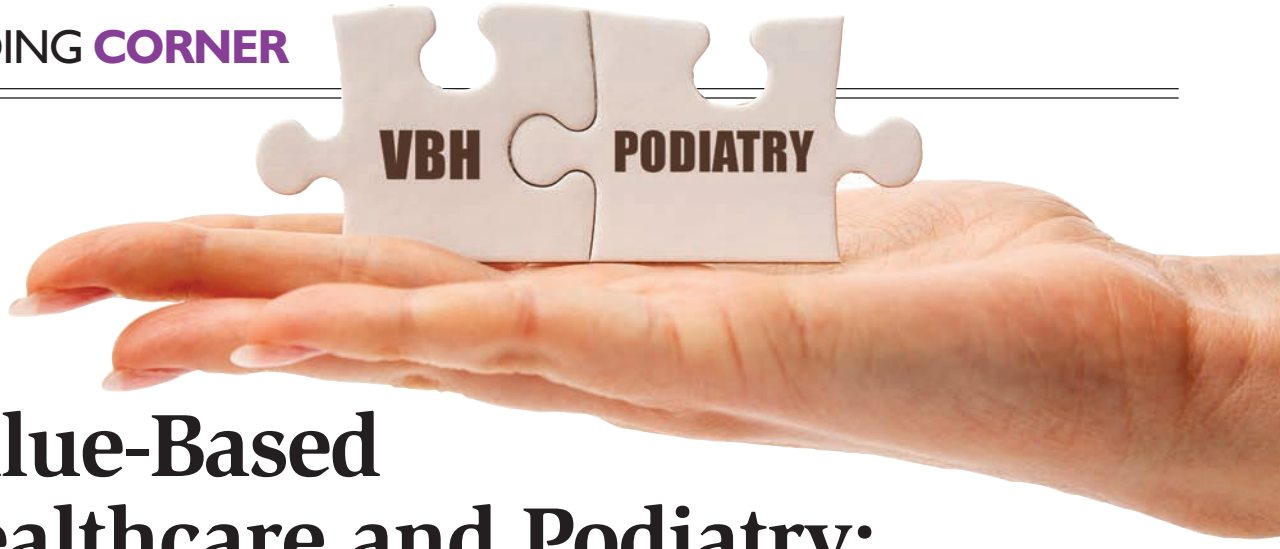

Value-Based Healthcare and Podiatry: The Perfect Fit

Here's an opportunity to share in the rewards.

BY MICHAEL J KING, DPM

Value-based healthcare (VBH) is an increasingly visible model for the delivery and payment for healthcare services. It is noted that VBH models have increased across the United States from 17% to 24% of the market over the last two years. Shouldn't podiatric medicine be an integral part of these models? Podiatry is the perfect fit. We have the ability to prevent disease, prevent amputations, and limit the expensive hospital stays many sick patients endure. Studies from both Thompson Reuters and Duke University have borne that out. Shouldn't we, as a profession and as providers, share in the rewards of such a system?

Moving from the skeptic to the provider phase is an ambitious path. Substantial resources, buy-in from both the payer and provider community are critical to the success of VBH. Accountability for the total cost of care must be shared among healthcare providers and payers, both the risk and the reward.

CMS (Center for Medicare and Medicaid Services) has made it clear that the bundled payment accountability system is coming by using the program "Episode Payment Models" as opposed to the typical disease management and condition-focused payment system.

Podiatric physicians are much more likely to embrace the compensation model when they truly understand the health system employed and see a plan to support it. Growth opportunities and strategies must educate on the individual compensation.

The transition from volume of care to value of care will require substantial work, cooperation, and great infrastructure. The dynamics of the individual markets must be identified.

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Most payers know that well already and found podiatry to be perfectly placed to provide this care. This will involve measurement at the speed at which the local market is changing using metrics. How is the population changing? What are the existing payment models in place? What are the care needs of the market?

The financial impact of the transformation of the delivery model must be determined. This can be done with provider and payer cooperation and the utilization of strong actionable data. Some of the questions to answer here: How will converting to a risk program affect revenues? How are contracts adjusted to the new system? When do we institute this program from a timing perspective?

The network of providers must be carefully vetted, trained, and managed to make sure the model is being followed. No, that does not mean dictating every clinical move the doctor makes but rather a good clinically proven protocol program the doctor can be comfortable following. This means using an EHR system with the appropriate macros and templates in place to make the record-keeping easier and at the same time most accurate. New structures are put in place which include integrated independent practice associations. An optimal provider mix is needed which will include DPMs, NPs, and PAs working for the DPM. Post-care needs assessment will be needed, such as nursing homes, rehab, or even some home care. Performance criteria must be established for both the over-and under-achieving providers.

The needs of the attributed population must be well-defined. Here's an example. A large payer, we'll call

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them Podiacare, has a population of 10,000 diabetics and those patients are in a certain type of risk category. How do we get the care for those patients managed in such a way as to diminish the risks, both clinical and financial? How about if we select the group of podiatrists in a particular network and offer them the reward of seeing those patients, helping them to preventing amputations, hospitalizations, and more morbidity. The savings to the system can be huge and the rewards to the providers substantial. Yes, there is risk with any plan and of course some of the complications cannot be averted. In the VBH model, the risks are shared too between the providers and the payers.

Substantial care coordination programs must be in place for VBH to work as well. Strategies must be developed based on the market need and the changes that market sees. Analytics are utilized to assess said population for the risks to be managed. Staffing and technology needs must be robust enough to handle the potentially large population of the market. Real-time clinical approaches are then employed to manage patient illness, injury, or disease.

For the DPM wanting to enter the participation arena in VBH, innovative group strategies will be critical.

It has been noted by many governmental agencies and healthcare think tanks that by 2025, costs, regulations, changing payer mix, and the pressures of healthcare provision will be driving the need for innovative partnerships. The health system is rapidly changing and driven largely by affordability issues. Just look at your own recent premium changes.

For the DPM wanting to enter the participation arena in VBH, innovative group strategies will be critical. For those skeptics, the right VBH economic model can enhance our current fee-for-service revenue streams with less patient volume while taking on the new risk-based payment models.

Podiatric medicine is the perfect fit. We prevent problems. We can save the patients and the system from collapse. **PM**

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