Population Health Matters

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POPULATION HEALTH FORUMS

Population Health in Your Own Backyard: The Delaware Valley Accountable Care Organization at Age 3

Katherine A. Schneider, MD
President and CEO
Delaware Valley ACO
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The 2017 Forum season was kicked off by Katherine Schneider, MD, President and CEO of Delaware Valley ACO (DVACO). Dr. Schneider is nationally known for her work in the field of accountable care and patient engagement. She oversees the strategic direction and ongoing administration and management for all aspects of DVACO, the region's largest ACO with over 650 primary care physicians and over 107, 000 Medicare fee-for-service beneficiaries.

Dr. Schneider humorously began her presentation by sharing her pet peeve – which is the misuse of the term Accountable Care Act vs. Affordable Care Act.

Dr. Schneider shared a definition of an ACO as a group of providers (with emphasis on primary care physicians) who agree to collaborate. An ACO works through identifying the population, which may be though attribution or selection of primary care physicians, and purchases an insurance product which drives selection of the ACO network as preferential for care. Also identified are the annual costs of care and quality targets. These costs and targets may be based on trend vs. self, or trend vs. market; insurance premium received; and annual costs. Providers in an ACO will receive some fee-for-service payment as well as added revenue for financial and quality targets met.

DVACO is a joint venture of Jefferson University and Hospitals, Main Line Health, and Magee Rehab, and operates under the Medicare Shared Savings Program (MSSP) through an agreement with the Centers for Medicare and Medicaid Services (CMS). Its purpose is to enhance the quality of health care and reduce the growth rate of health care costs by acting as a convener, accelerator, and provider of the foundation needed to assist its participating members to transition from a fee-for-service model. The work of DVACO is generated by stratification (predictive modeling), transitions of care, and direct referrals.

Dr. Schneider emphasized that "value-based care is here to stay." Despite challenges and uncertainty that we might be facing, and regardless of the environment, access to care and value-based care will always be the mission. DVACO has truly positioned itself with brand recognition and it seems to have a head start, which is a big advantage.

Dr. Schneider discussed the issue of "risk" and stated as providers, they will be asked to take on more risk related to insurance and performance. She explained that they do not currently have downside risk. "Risk is not just about insurance risk," states Schneider. Risk also includes operating risk, infrastructure risk, and issues such data and cyber security.

It is important to reframe overutilization and waste reduction as safety and patient-centeredness and a way to get to the heart of the clinicians in the room, explains Schneider. Schneider states that we want to not just save money, but avoid harm and improve health outcomes.

DVACO lives in a complex, rapidly evolving IT environment. Dr. Schneider emphasized that there is no "technology magic button" or quick fix for interoperability challenges. Underlying systems and work flows must be configured to support fee for value (from fee for service). Though big data is very attractive, small data may glean important findings. Patient engagement cannot be limited to an app.

As Dr. Schneider concluded, she summarized data on ER visits, discharges, and readmissions, comparing DVACO's impressive results to collective averages of ACO's nationwide, she stressed the ACO is about the "care."