Health Data
Management

Provider Organizations Zero in on Utilization Management as They Take on Risk

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Value-based care models are on their way to becoming the rule, rather than the exception, in healthcare. And, that means that provider organizations are taking on more risk.

Consider the following: 72% of hospitals and health systems plan to take on increased risk in the next one to three years, according to a survey of 170 hospital and health system senior finance executives conducted by Navigant and the Healthcare Financial Management Association in June of 2019. More specifically, 64% of respondents indicated they would assume risk under commercial payer contracts in the near future while 57% said they plan to take on risk under Medicare contracting models and 51% said they would assume risk under Medicare Advantage plans. In addition, 44% of respondents noted that their hospital or health system is already part of a provider-sponsored health plan or plans to launch one in the future.[1]

Cost and quality concerns have also taken on increased importance for Medicaid plans. Growth in Medicaid spending, spurred on in part by the launch of high cost drugs, such as the hepatitis C drugs Sovaldi and Harvoni, has emerged as a concern. As a result, states are looking for ways to address ongoing increased spending on Medicaid prescription drugs. Understanding patterns and trends in drug spending could help support utilization management efforts that address high drug costs.[2,3]

Not surprisingly, then, healthcare providers are more concerned with the cost and quality equation than ever before. And, that translates to much more than a passing interest in utilization management (UM).

“Providers are becoming more cognizant and discriminate of the services they are evaluating and requesting for patients,” said Deborah Kuchera-Hill, MSN, RN, Sr. Director UM Product Applications at Medecision. “As providers take on more risk, they are becoming increasingly aware of utilization management — on a variety of levels. In fact, providers are finding that they need to embrace utilization management to create a more financially and clinically responsible care system. In essence, they are discovering that they need to develop utilization management skills that can help them deploy resources where they will have the greatest impact. Zeroing in on where to devote cost-

effective resources on the front end to reduce the need for more costly resources later creates a win-win scenario."

As a result, health plans need to work closely with providers to ensure that they become more involved with UM efforts. "Health plans can push out additional information to providers regarding certain evidence-based guidelines and decision support guidelines that would enable providers to preemptively see medical necessity upfront and evaluate what services would be appropriate for a member or patient," Kuchera-Hill said.

In addition to sharing clinical information, health plans should also offer access to financial information. "When providers can have access to cost information as well as to the members' benefits, copays and deductibles, they can understand the financial impact of the decisions they are making," Kuchera-Hill noted.

Perhaps most importantly, when health plans share this information, providers can more successfully support population health programs that deliver proactive, preventive care to patients. "Population health management is really a call for a higher, more strategic degree of utilization. It's all about the best use of resources to treat groups of patients whose shared conditions consume the highest levels of care," said Nannette Sloan, Vice President, Compliance at Medecision.

To make this information valuable for providers, plans need to work toward getting it them quickly. Using a technology solution such as Medecision's Aerial could help to bring all of the needed information together and present it to providers in an easily accessible format. By automating and streamlining UM communications to improve efficiency, engagement and satisfaction, healthcare providers can quickly and easily submit inpatient and outpatient authorizations, referrals and treatment updates using a secure, bidirectional web portal.

"Having the ability to share that information in real time and in one convenient place makes it possible for providers to be much more proactive. If I'm a physician, I sign in and I've submitted 90 requests this week to five different health plans, I'd like to know my status of them and where they are in a single view. Physicians don't want to log into another application to get the information. They're already exhausted," Sloan said.

In the final analysis, providing access to utilization management information can empower physicians to work together with payers to more proactively address risk and deliver the high quality and reduced costs required to succeed under value-based programs. In addition, by sharing this data, health plans are aligning with the federal government's strategy for sharing data across the continuum of care.

References

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