HSG advisors

Key Primary Care Considerations to Drive Access and Patient Capture

SHSMD Society for Health Care Strategy & Market Development℠

Key Primary Care Considerations
Presentation Overview

- **Abstract:**
  - Primary Care Strategy has always been important.
  - Re-evaluating your organization's approach to primary care has never been more important – or more urgent.
  - Competition from regionally located health system and retail competitors and non-traditional remotely located virtual and travel medicine competitors is increasing and creating even greater challenges with retaining primary care patients within the health system's network of services.
  - PCP shortages, the evolving role of APPs in care delivery, and the transition from fee-for-service to fee-for-value compound these issues and raise questions about the most appropriate primary care model.
  - This webinar will provide HSG's observations on best practices to address these challenges and other primary care considerations.

- **Learning objectives:**
  - Determine how to best prioritize alignment among various organizational initiatives, including market expansion and lives capture, clinical model and APP utilization, compensation best practices, and other relevant issues.
  - Explore examples of how to optimize clinical practice models that you can apply to their organization.
  - Identify data points necessary to measure effective utilization and patient capture and retention.

HSG **Speakers**

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Strategic Healthcare Executive experienced in system- and organizational-level management and planning for Physician Alignment Strategy, Employed Physician Network Strategy, and Accountable Care Strategy.

EXPERTISE

- Employed Physician Network Growth
- Physician Network Strategy
- Market Development Strategy
- Operational and Financial Performance
- Management Infrastructure

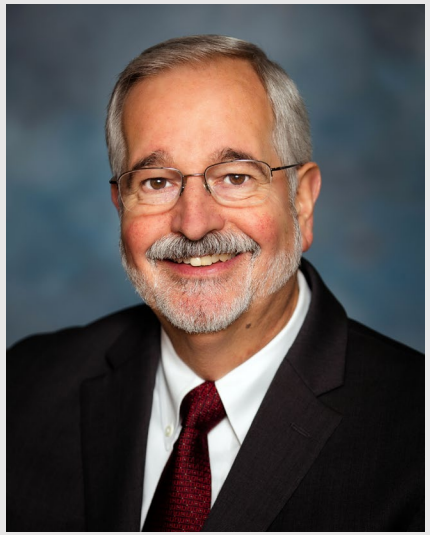
PROFESSIONAL EXPERIENCE

- Chief Executive Officer at HSG Advisors
- Multi-year enterprise-wide physician strategy planning for large, multi-hospital systems
- Physician Network management team development of long-term alignment and growth plans

EDUCATION

- MBA, Vanderbilt University
- Dual BS in Finance and Business Management, UT Knoxville
- Member, American College of Healthcare Executives *(ACHE)*

HSG **Speakers**



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Chief Clinical Officer
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Clinical & Physician Consultant experienced in developing performance improvement efforts for new and existing clinical service lines, quality of care/patient safety/risk management, clinical information systems, and medical staff services and recruitment.

EXPERTISE

- Physician Leadership and Governance
- Vision Development
- Compensation Planning
- Family Physician and Former Health System CMO

PROFESSIONAL EXPERIENCE

- Director and Chief Clinical Officer at HSG Advisors
- VP of Medical Affairs, CMO, and Medical Staff Services Office Supervisor at Newport Hospital
- Family Physician and Clinical Admin at US Navy

EDUCATION

- MD, University Pittsburgh School of Medicine
- MSJ in Hospital and Health Law, Seton Hall University School of Law
- Member, Fellow of the American Academy of Family Physicians *(FAAFP)*

Presentation Overview

- **Primary Care Observations in 2023**
- **Challenges and Considerations for Health System Primary Care Strategy**
- **Questions and Discussion**

Primary Care Observations in 2023

Observations on Primary Care in 2023

- Increasing competition for patient lives and increasing focus on the "value" of the "patient life"
  - Community hospitals face regional/tertiary pressure as health systems react to mandate for top-line growth – and progressively encroach on local markets
  - Non-health system-aligned entities (virtual/telehealth, retail, travel medicine, etc.) are impinging on local markets looking to disrupt historic competitive dynamics

- Provider supply constraints and expanded APP-centric care becoming increasingly common
  - Many markets have 25-30% of primary care physicians aging 65+ through the end of the decade
  - Incorporation of Advanced Practice Providers (APPs) into primary care delivery differs vastly from market-to-market and system-to-system

- Health Systems continue contemplate how to best respond to historic Fee-for-Service incentives versus variable growth in value-based reimbursement
  - Hard to push clinical practice model transformation while incentives are split and margins are low
  - Markets move at different speeds due to differing payer pressures

Primary Care – An "Evergreen" Strategy

Primary Care is an "evergreen" strategy – prospers in Fee-for-Service or Fee-for-Value markets and ensures continued operational and financial sustainability through attraction and retention of patient lives.

An investment in a strong primary care base for any size of health system can provide the following benefits:

- **Drive incremental market capture** through acquisition of patient lives
- **Provide a mechanism for patient access** and begin their experience with the health system brand
- **Provide a mechanism for patient retention** and direction within the health system's network of services
- **Catalyze the system's efforts to expand regionally**, especially into markets where a dearth of primary care can be a critical part of health system strategy
- **Insulate the organization from the risk of acquisition or alignment of independent primary care resources** by competitors or other groups who are rolling up provider resources and may look to more tightly manage patient utilization across the care continuum
- **Address critical components of value-based care dynamics**, and inevitable payer pressure, to manage patient lives and manage cost
- **Support systemness, providing the vehicle for patient retention and referral** throughout a system's network of resources and focused on system-wide patient retention

Key Challenges and Considerations for Health System Primary Care Strategy

Challenges and Considerations for Primary Care Manpower Needs

Primary Care Need Determination
Considerations

- Determining Primary Care Office Visit Market Share and Setting Targets for Growth
- Developing Targeted “Community Need”
- Integrating Existing Practice Capacity

Setting Targets for Primary Care Market Share
Understanding Competitive Landscape in Overall Market

- Office Visit-based Market Share for Primary Care
  - Claims-based calculation
  - Office Visit E&Ms for all providers in market
- Office Visit Market Share provides an overview of the competitive landscape for primary care patients in the service area
- Understanding the highest volume providers in the market can help prioritize alignment targets (if independent)

Outpatient Services Based on Rendering Specialist - Procedures	Service Area	County Name	Rendering Specialty	Provider Service Type
This data only includes services rendered by physicians and advanced practice providers.	Primary Service Area	All	Multiple values	Office Visits

HSG Advisors Outpatient Market Share by Billing Entity - All Services Rendered by Selected Specialist

	2019		2020		2021		2022 Q1		2022 Q2		2022 Q3	
	% of Total	Display Metric	% of Total	Display Metric	% of Total	Display Metric	% of Total	Display Metric	% of Total	Display Metric	% of Total	Display Metric
COMMUNITY MEDICAL ASSOCIATES INC	28.5%	139,059	30.5%	129,542	31.0%	144,765	30.1%	136,048	28.7%	125,496	27.5%	115,659
BAPTIST HEALTH MEDICAL GROUP INC	12.7%	62,109	14.7%	62,647	16.8%	78,682	17.3%	78,120	17.5%	76,461	17.6%	73,843
ULP FAMILY MEDICINE	1.7%	8,108	6.2%	26,522	5.9%	27,517	6.2%	27,958	6.4%	28,113	6.7%	28,218
THE BETHANY CIRCLE OF KINGS DAUGHTERS HEALT..	2.5%	12,433	2.6%	10,963	2.6%	12,247	2.6%	11,652	2.5%	11,105	2.5%	10,606
ULRF FAMILY MEDICINE CARDINAL STATION	0.2%	763	1.2%	5,153	2.8%	13,263	3.1%	14,048	3.3%	14,499	3.5%	14,862
BULLITT COUNTY FAMILY PRACTITIONERS PSC	3.1%	14,920	2.7%	11,638	2.1%	9,764	2.0%	8,843	2.0%	8,713	2.0%	8,349
BCHS	1.2%	5,734	1.2%	5,204	2.5%	11,542	2.7%	12,229	2.8%	12,122	2.7%	11,329
CENTRAL MEDICAL ASSOCIATES PLLC	2.0%	9,521	2.1%	9,090	2.2%	10,146	2.1%	9,536	2.2%	9,643	2.3%	9,481
RHN CLARK MEMORIAL PHYSICIAN PRACTICES LLC	1.4%	6,682	1.5%	6,437	1.6%	7,309	1.6%	7,355	1.7%	7,322	1.7%	7,154
AMERICAN HEALTH NETWORK OF INDIANA LLC	1.7%	8,046	1.3%	5,595	1.4%	6,752	1.5%	6,726	1.4%	6,301	1.6%	6,548
ALL OTHER	45.2%	220,258	35.8%	152,302	31.1%	145,131	31.0%	140,174	31.4%	137,108	31.9%	133,845

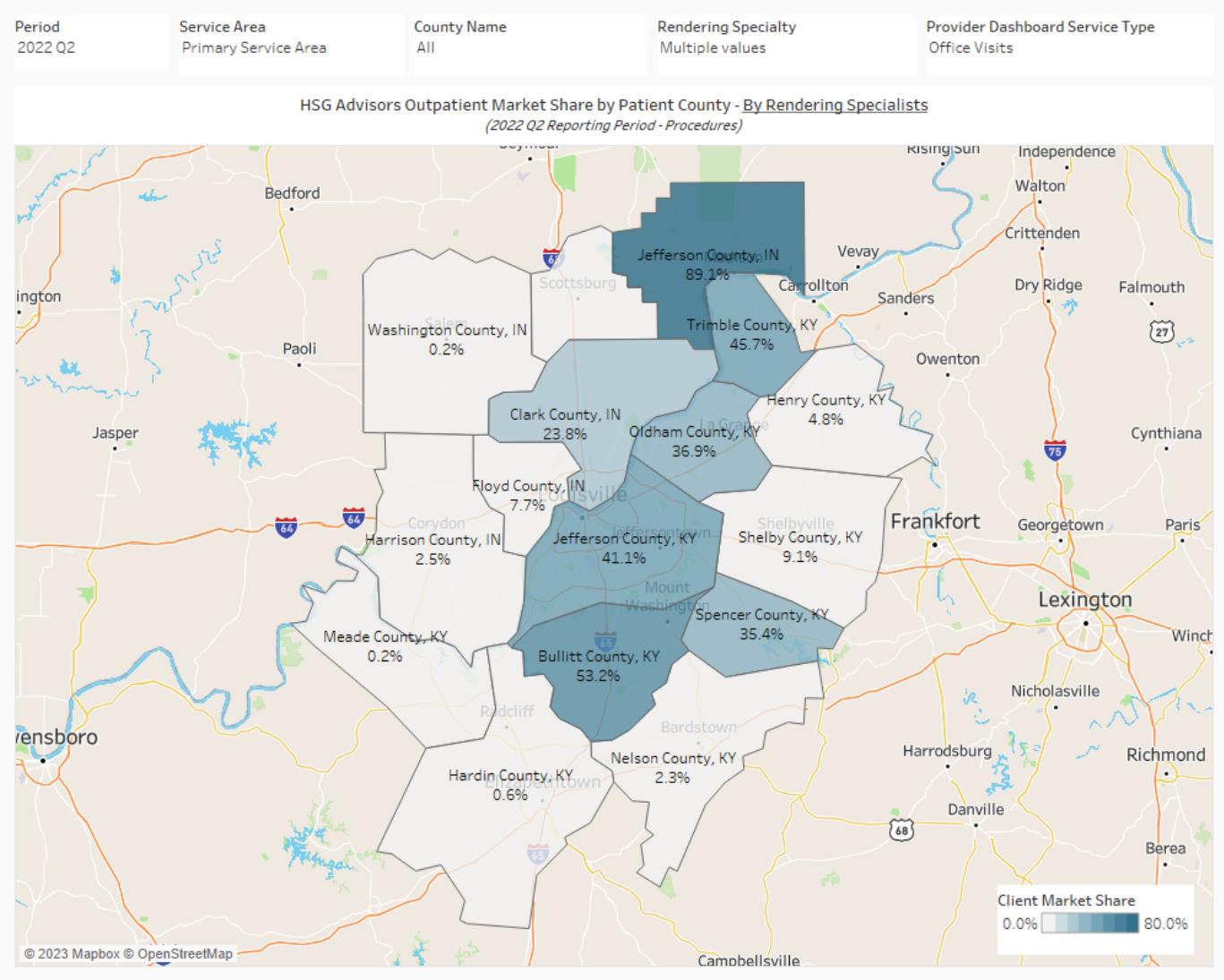
HSG Advisors Outpatient Market Share by Provider - All Services Rendered by Selected Specialist

	2019		2020		2021		2022 Q1		2022 Q2		2022 Q3	
	% of Total	Display Metric	% of Total	Display Metric	% of Total	Display Metric	% of Total	Display Metric	% of Total	Display Metric	% of Total	Display Metric
MOHANA ARLA	2.1%	10,049	2.0%	8,582	1.7%	7,873	1.5%	6,614	1.5%	6,335	1.5%	6,164
JAWED MOVANIA	0.7%	3,623	0.8%	3,393	0.8%	3,848	0.8%	3,622	0.8%	3,533	0.8%	3,366
YASSIN KHATTAB	0.5%	2,346	0.6%	2,348	0.6%	2,837	0.6%	2,827	0.7%	3,151	0.7%	2,924
TERRENCE DONOHUE	0.6%	2,845	0.6%	2,657	0.7%	3,141	0.6%	2,805	0.6%	2,551	0.5%	2,279
MUJAHID NASIR	0.6%	3,014	0.6%	2,468	0.6%	2,671	0.6%	2,633	0.6%	2,661	0.6%	2,558
JOSEPH BEAVEN	0.5%	2,397	0.6%	2,646	0.7%	3,357	0.5%	2,454	0.4%	1,815	0.3%	1,377
STEVEN GOLDSTEIN	0.6%	2,728	0.6%	2,450	0.6%	2,587	0.5%	2,256	0.4%	1,928	0.4%	1,677
JOHN SNELL	0.6%	2,813	0.6%	2,374	0.5%	2,557	0.5%	2,266	0.4%	1,900	0.4%	1,663
DAVID OVERLEY	0.5%	2,439	0.6%	2,418	0.5%	2,569	0.5%	2,261	0.4%	1,959	0.4%	1,762
PLAVAKEERTHI KEMPARAJURS	0.6%	2,925	0.6%	2,460	0.4%	2,053	0.4%	2,025	0.5%	2,045	0.4%	1,839
ALL OTHER	92.8%	452,454	92.5%	393,297	92.8%	433,625	93.4%	422,926	93.6%	409,005	93.9%	394,285

Setting Targets for Primary Care Market Share
Understanding Current Share by Market Area

- Office Visit Market Share provides direction on how well our provider resources are penetrating the primary care market

- Setting targets for growth can inform needs for PCP presence
  - Utilize existing capacity
  - Grow footprint



Developing Targeted "Community Need"

- Historic approaches to evaluating primary care need with population-based models cannot fully guide strategic behavior
- Useful for determining misalignment of provider resources and population
- Can help inform organizational understanding your proportion of the existing supply and measure current performance
- Can be helpful in looking at rapidly growing markets with populations who are traveling to seek care
  - Primary care usually best option for expanding a network's geographic footprint

	Downtown Louisville	North East Louisville	West Louisville	South East Louisville
Physician Demand	**46.6**	**12.4**	**53.2**	**26.7**

PHYSICIAN SUPPLY DETAILS

	Downtown Louisville	North East Louisville	West Louisville	South East Louisville
Traditional PCP Physician	51.5	5.6	42.4	40.8
Urgent Care Physicians	5.0		3.8	3.5
Gross Need	**-9.9**	**6.8**	**7.1**	**-17.7**

APP SUPPLY DETAILS

	Downtown Louisville	North East Louisville	West Louisville	South East Louisville
Primary Care APPs	20.0	6.1	24.0	12.0
Urgent Care APPs	5.0		5.0	10.0
Total APPs	**20.0**	**6.1**	**29.0**	**22.0**

NET NEED AT VARYING APP EQUIVALENCIES

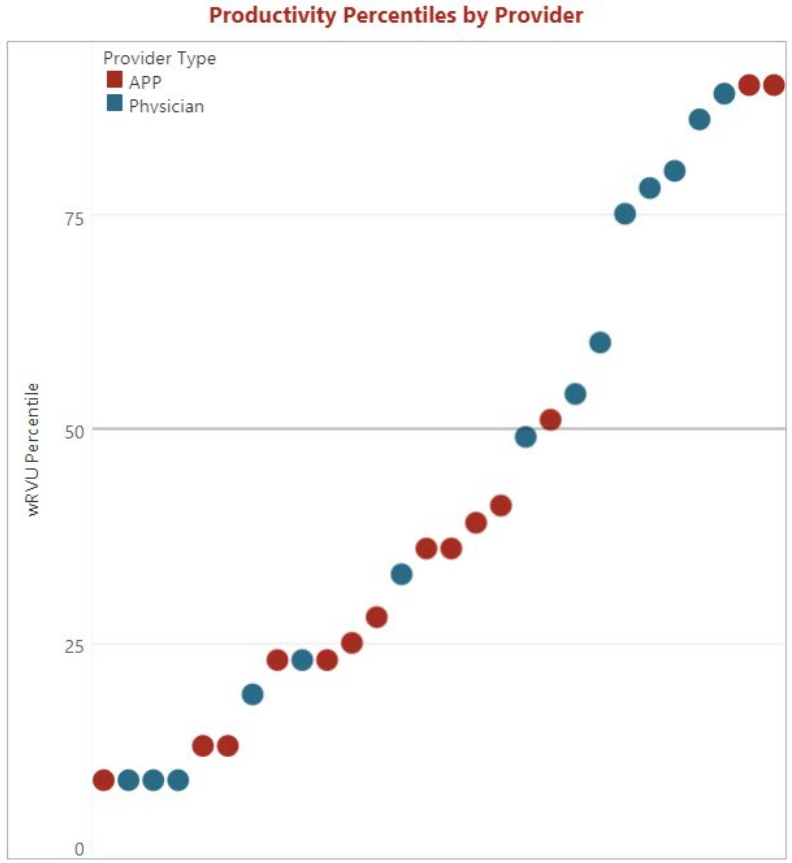
	Downtown Louisville	North East Louisville	West Louisville	South East Louisville
0.4 FTEs	-17.9	4.3	-4.5	-26.5
0.6 FTEs	-21.9	3.1	-10.3	-30.9
0.8 FTEs	-25.9	1.9	-16.1	-35.3

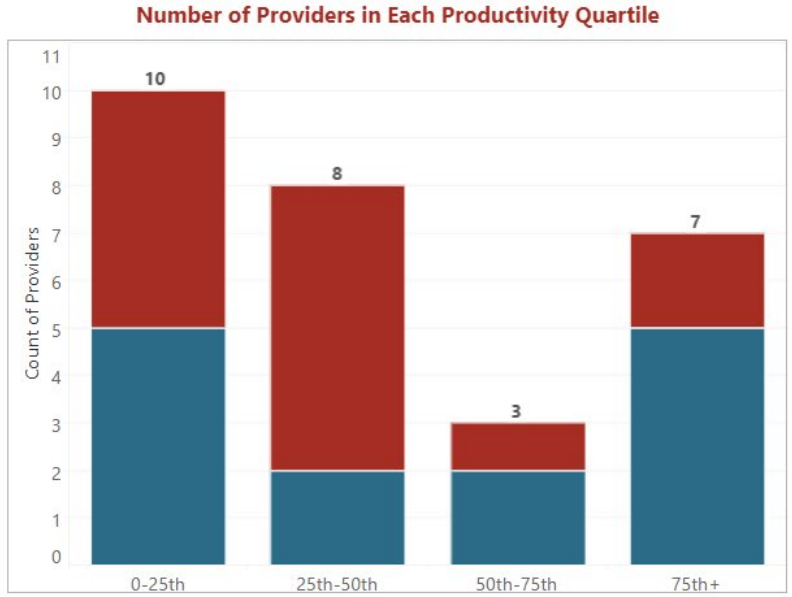
Advanced Practitioner Recruitment and Utilization

- Many organizations still view Advanced Practice Professional recruitment as an “operational” activity, rather than a strategic one.
  - i.e. Dr. Smith is getting close to capacity – we’re going to add an APP to their practice to supplement their productivity
- Given projected shortages in most key physician specialties, maximizing APP recruitment and utilization is and will continue to be a major strategic driver of care delivery and patient access.
- Critical that planning for APPs becomes a recurrent part of recruitment planning as competition for APPs will increasingly result in competitive recruitment dynamics
- There is no data to say “how many APPs should we have” in a market or specialty.
- Huge variation in utilization, contracting model, cultural acceptance, market acceptance from market to market, specialty to specialty.

Integrating Practice Capacity and Access

- Provider productivity is a reasonable proxy for evaluating existing capacity within your primary care network
- Providers achieving 75th percentile productivity will likely have difficulty increasing access/capacity versus those below the 50th percentile
- This sample analysis indicates potential additional capacity for more than half of the listed providers – especially the APPs.



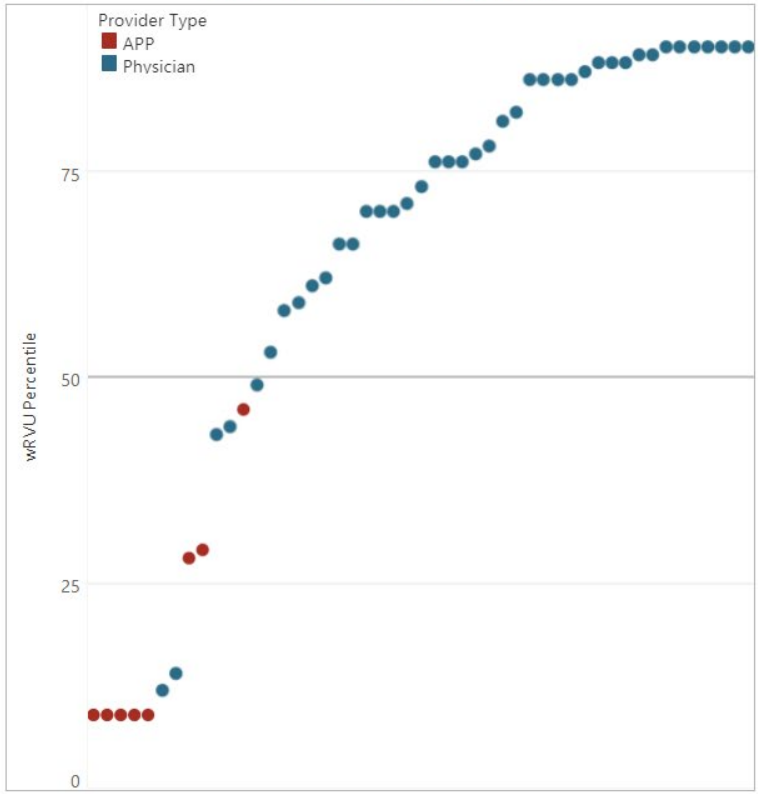


Provider Type	0-25th	25th-50th	50th-75th	75th+	Total
Physician	5	2	2	5	**14**
APP	5	6	1	2	**14**
Grand Total	**10**	**8**	**3**	**7**	**28**

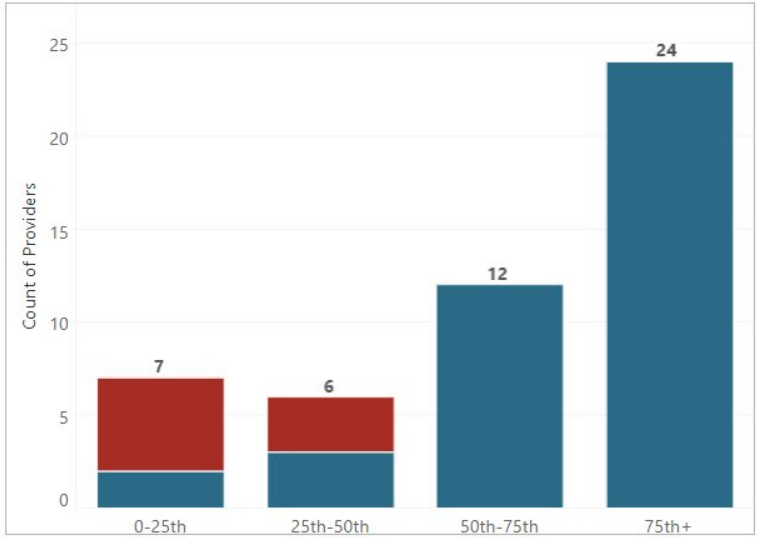
Integrating Practice Capacity and Access

- … whereas this sample analysis indicates little additional capacity for existing providers and likely predicts access challenges – except for the APPs.
- … although reviewing APP utilization may be an opportunity for this group.

Productivity Percentiles by Provider



Number of Providers in Each Productivity Quartile

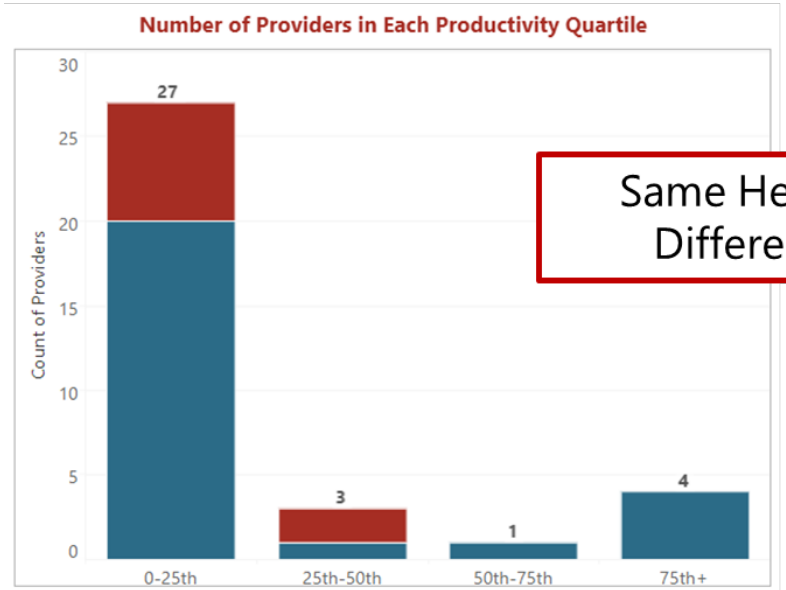


Provider Type	0-25th	25th-50th	50th-75th	75th+	Total
Physician	2	3	12	24	**41**
APP	5	3			**8**
Grand Total	**7**	**6**	**12**	**24**	**49**

Integrating Practice Capacity and Access

- Frequently, opportunities to balance regional investment exist within an employed primary care network
- This network may be able to reallocate resources to more effectively meet demand.

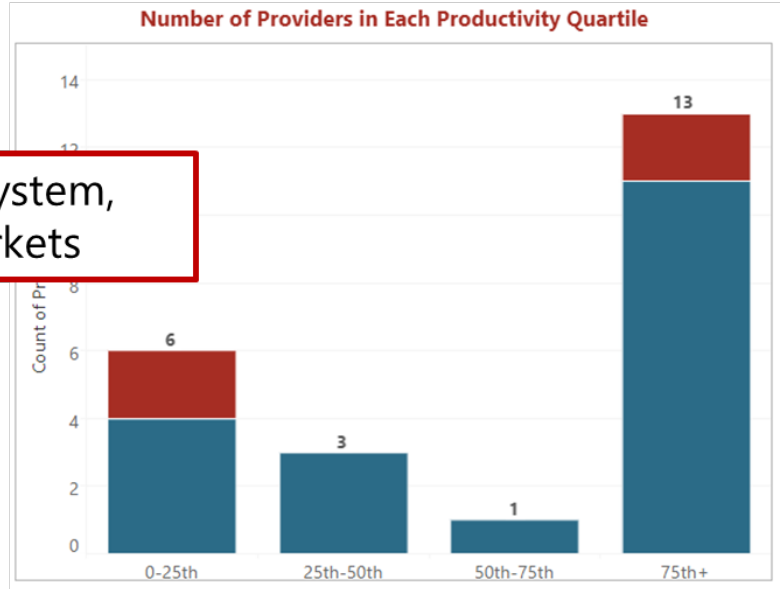
Market A Primary Care



Provider Type	0-25th	25th-50th	50th-75th	75th+	Total
Physician	20	1	1	4	**26**
APP	7	2			**9**
Grand Total	**27**	**3**	**1**	**4**	**35**

Same Health System, Different Markets

Market B Primary Care

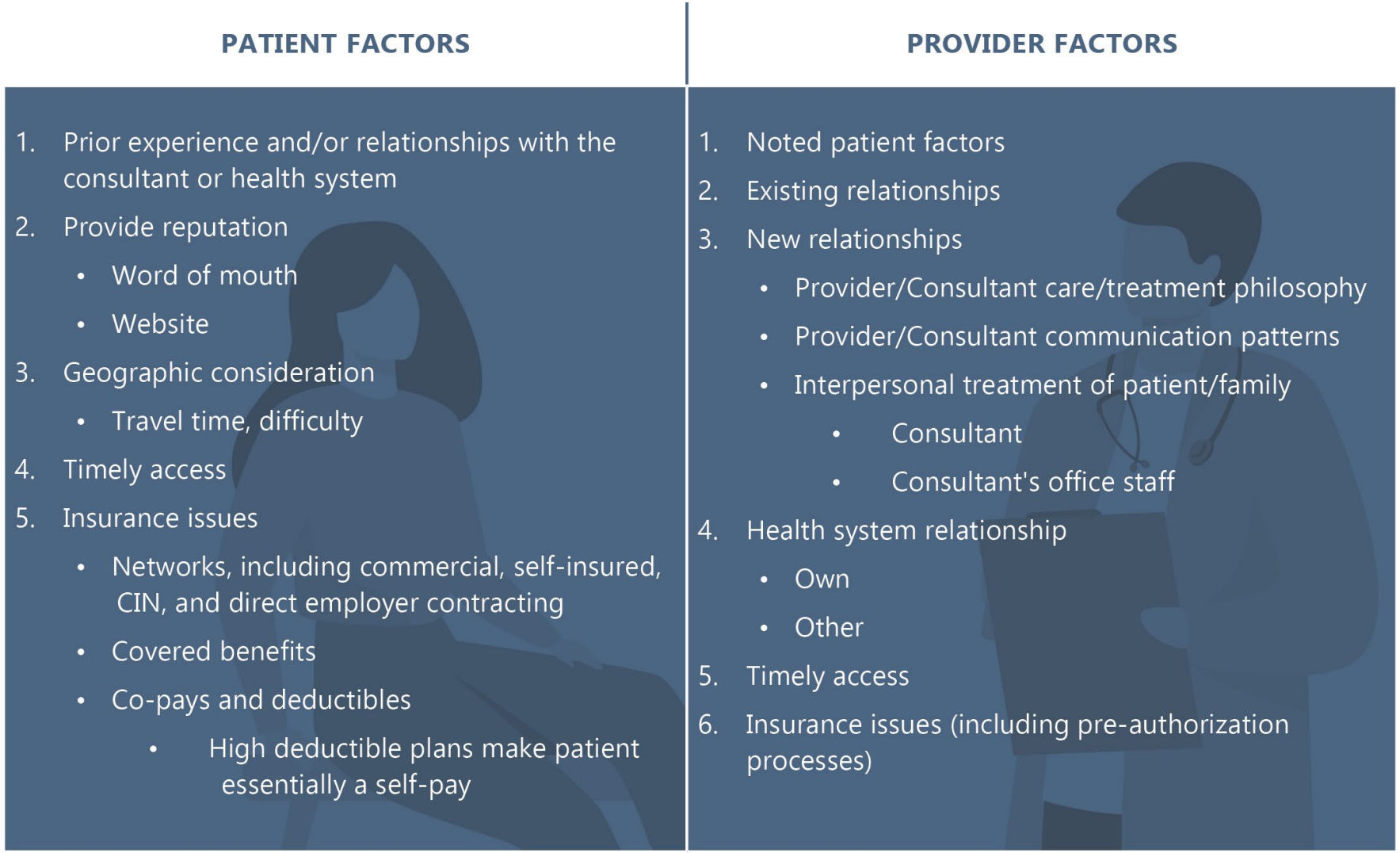


Provider Type	0-25th	25th-50th	50th-75th	75th+	Total
Physician	4	3	1	11	**19**
APP	2			2	**4**
Grand Total	**6**	**3**	**1**	**13**	**23**

Measuring and Improving Patient Retention

Patient Retention Factors

- "Provider referral" is only one of many reasons a patient stays in a network – or doesn't.
- Lack of patient retention is not just a "referral" issue, but an overall issue of how we work together to ensure care continuity
- For any measurement to be useful, it must be **measured over time.**



PATIENT FACTORS

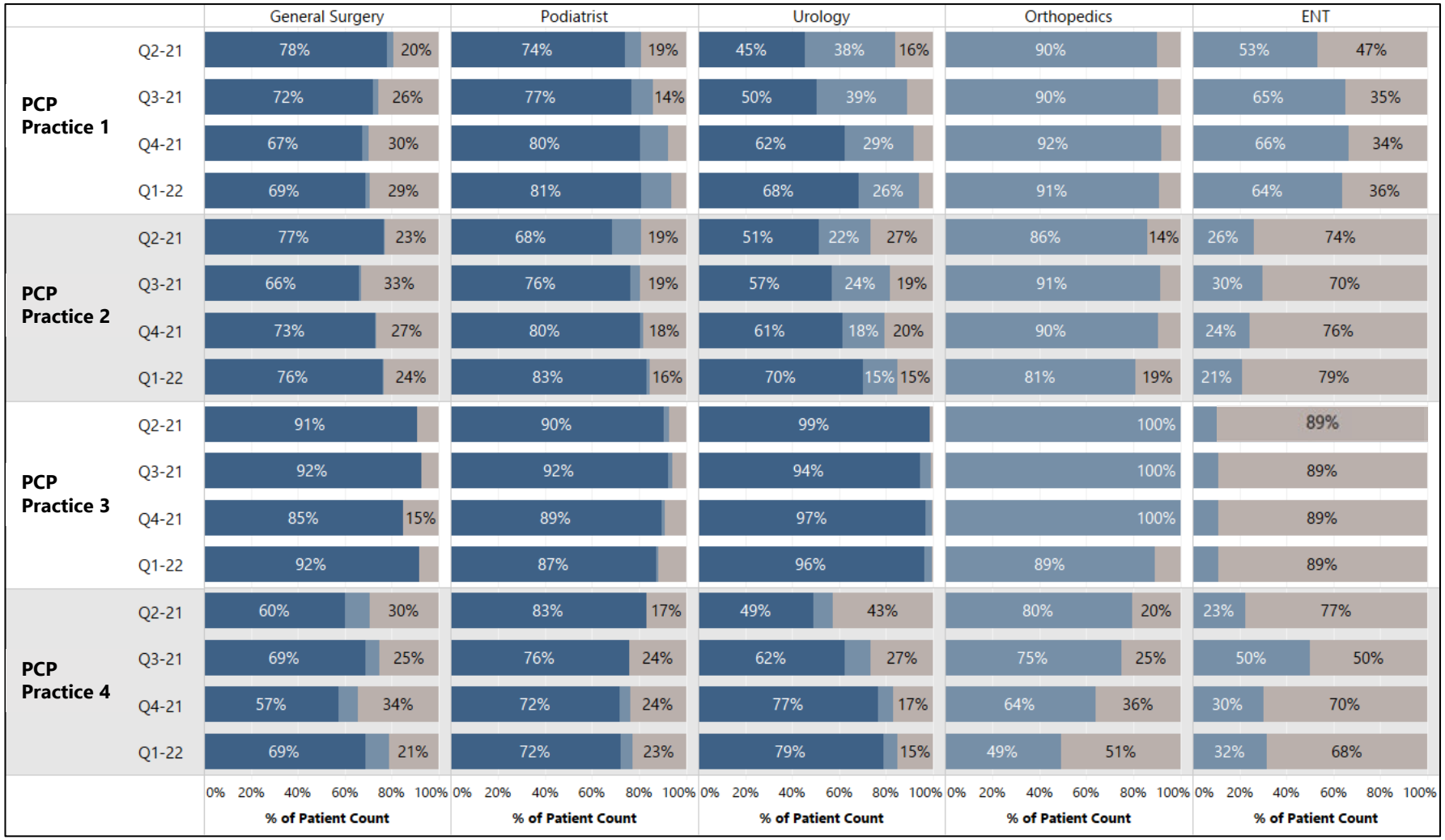
1. Prior experience and/or relationships with the consultant or health system
2. Provide reputation
   - Word of mouth
   - Website
3. Geographic consideration
   - Travel time, difficulty
4. Timely access
5. Insurance issues
   - Networks, including commercial, self-insured, CIN, and direct employer contracting
   - Covered benefits
   - Co-pays and deductibles
     - High deductible plans make patient essentially a self-pay

PROVIDER FACTORS

1. Noted patient factors
2. Existing relationships
3. New relationships
   - Provider/Consultant care/treatment philosophy
   - Provider/Consultant communication patterns
   - Interpersonal treatment of patient/family
     - Consultant
     - Consultant's office staff
4. Health system relationship
   - Own
   - Other
5. Timely access
6. Insurance issues (including pre-authorization processes)

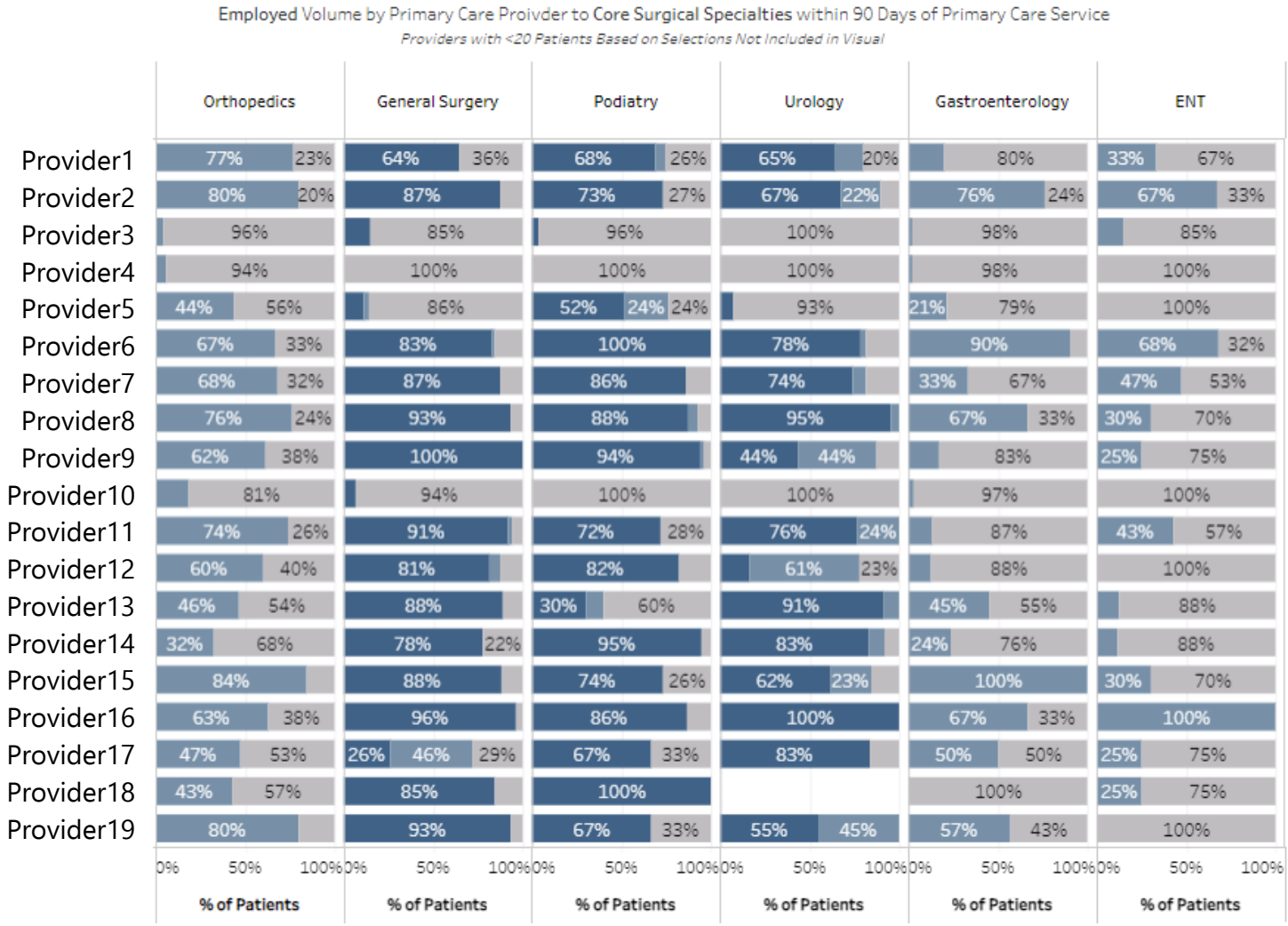
Measuring Patient Retention

- Measuring patient retention over time, by practice by specialty, allows for evaluation of current state and opportunities as well as variation by practice



Measuring Patient Retention

- Taking patient retention down to the provider level allows for individual provider measuremer to determine warranted and unwarranted variation.



Utilizing Resources to Improve Access

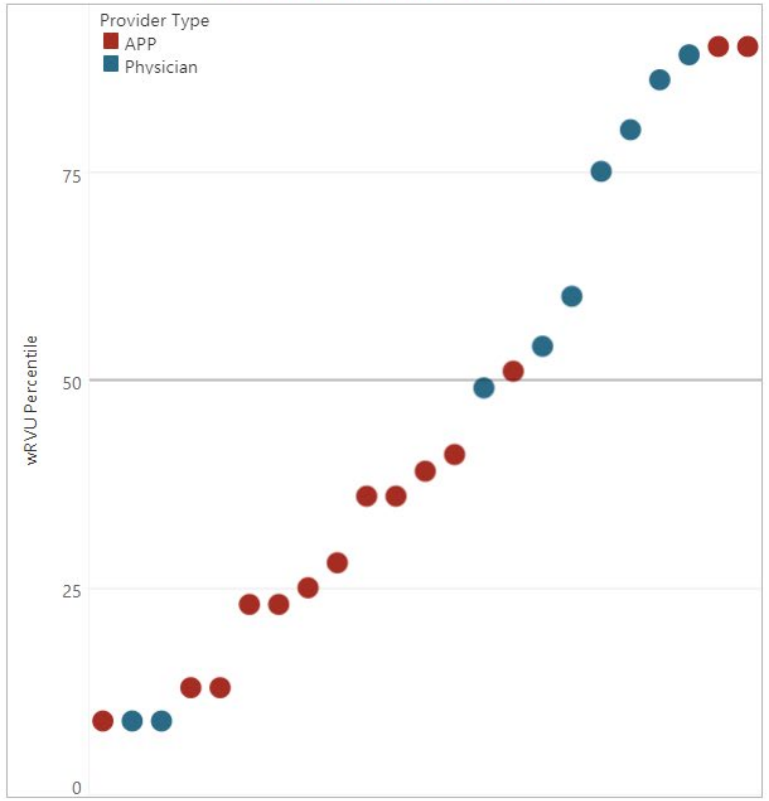
Utilizing Resources to Improve Access
Advanced Practitioner Utilization

- Shortage of primary care physicians is anticipated to continue to grow – in spite of slowly increasing residency opportunities
  - Estimated shortage of between 21,400 and 55,200 primary care physicians by 2033 – Association of American Medical Colleges (AAMC) (2020)
- Increasing incorporation of APPs (APRNs, PAs) into the primary care delivery team will continue
- Organizations that transition to fully integrating APPs into their care delivery models and utilize them at the top of their licenses and capabilities will enjoy the greatest success

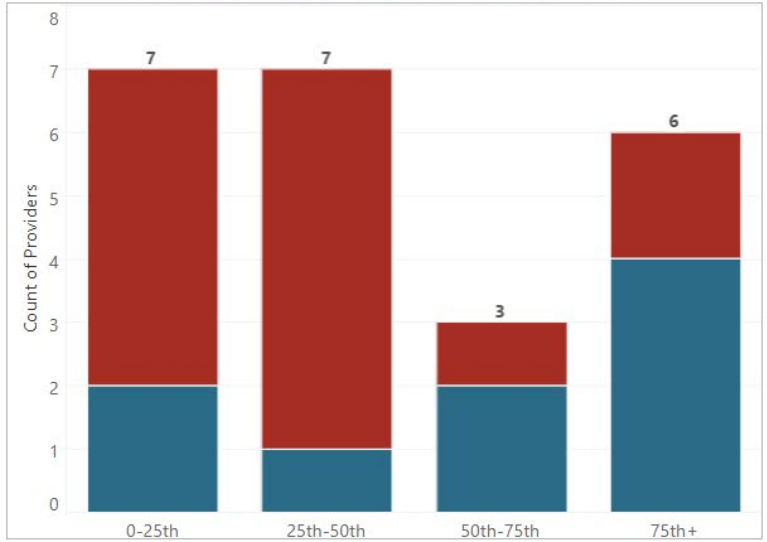
Utilizing Resources to Improve Access
Advanced Practitioner Utilization

- Improving overall provider utilization of both physicians and APPs is frequently an opportunity
- Rarely is this issue purely an issue of motivation or capability … but often due to the care delivery model

Productivity Percentiles by Provider



Number of Providers in Each Productivity Quartile



Provider Type	0-25th	25th-50th	50th-75th	75th+	Total
Physician	2	1	2	4	**9**
APP	5	6	1	2	**14**
Grand Total	**7**	**7**	**3**	**6**	**23**

Utilizing Resources to Improve Access
Team-Based Care Delivery

- Utilization in primary care varies based on culture and care delivery models
- Creates a variety of options for primary care delivery models
  - A common option is creating 1:2 Physician to APP teams
    - Team jointly cares for a "panel" of assigned patients
      - Assignment can be complicated by insurer rules – e.g., may be unable to formally assign to a nonphysician
      - Often easier to assign to physician in EMR and insurer forms but portray to patient as assigned to the "xx" team
    - Patient attribution process facilitated by patient risk stratification
      - Best practice for determining "reasonable" number for patient panels
      - Assists with individual patient scheduling decisions
        - Appointment durations
        - Provider type seen
    - APPs often focus on preventive services, minor acute care, and patients with 1-2 stable chronic conditions
    - Physician focuses on more complex patients and care coordination efforts

Utilizing Resources to Improve Access
Clinical Practice Transformation

- Team-based care delivery model utilizing all members at the top of license and capabilities
- Proven to be able to increase provider productivity and patient access to care yet –
  - Decrease total number of dedicated provider hours
  - Mitigate the risk of provider burnout
  - Enhance patient and staff satisfaction
- Model will increase staffing ratios compared to traditional models of care and benchmark data
- Requires provider willingness to practically delegate tasks
- Requires staffing stability for maximum efficiency, effectiveness, and accountability

Aligning Provider Incentives and Health System Goals

Primary Care Compensation Considerations
High-Level Overview of Models

- Primary care provider (both physicians and APPs) compensation models are frequently not aligned with organizational goals.

Framework	Common Challenges
Base-Salary Only	• Tend to achieve minimum contractual requirements – which are often not well-defined. • Tend to not incentivize any behavior other than availability
Productivity Only	• Tends to promote a "me" and "my patient" provider mindset rather than an "ours" and sharing mindset. • Can create internal "competition" for patients within the practice

Base + Incentives	• Can behave like straight salary model if --
	  • No risk of downward adjustment of base if baseline productivity expectations are not met
	  • Incentive targets are unrealistic or impractical
	• Can behave like straight productivity model if the only incentive is individual productivity-based

Primary Care Compensation Considerations
Suggested Compensation Model Framework Parameters

- Including downward adjustments and non-productivity incentives for Primary Care is recommended

Parameter	Considerations
Base Salary	• Set per organizational philosophy but linked to external benchmarks (e.g. the 25th percentile of a national survey report)
Productivity Rate	• Create a lag between compensation and productivity (e.g. the 50th percentile compensation / 60th percentile productivity) • Accounts for direct costs of employment above total compensation (such as benefits) • Base productivity threshold calculated by base compensation / rate
Downward Adjustments	• Create mechanism for downward adjustment of base compensation if provider does not meet base productivity threshold expectation • Should consider extenuating circumstances and have adjustment caps and buffers

Non-Productivity Incentives	• Include nonproductivity incentive metrics that align with organizational goals and objectives and are adjusted annually
	  • Clinical quality associated with risk contracts
	  • Patient satisfaction
	  • Operational efficiencies
	  • Citizenship – e.g., chart completion

Primary Care Compensation Considerations
Team-Based Care Compensation

- Team-based compensation models can include both elements of productivity and non-productivity incentives

Framework	Considerations

Productivity	• Combination of individual and team possible – usually on a 50-50 basis
	  • Reward individual for exceeding individual threshold
	  • Reward team for exceeding team threshold (sum of individuals)

Non-Productivity	• Some metrics lean toward individual reward
	  • Patient satisfaction – When considering the *date* encounter, rate the provider on a scale from 0-10, with 0 being the worst provider ever and 10 being the best.
	• Some metrics permit team accomplishment
	  • Pay for performance metrics associated with risk sharing payer contracts

Conclusions

Conclusions

- Having an effective primary care strategy is foundational to organizational success – regardless of the degree of volume-based or value-based penetration in market
  - Importance increases with progressive shift toward value-based care and reimbursement
- Decisions regarding strategic directions can, and should, be data driven
- Maximum success requires alignment of incentives between providers, the employed network, and the health system – and optimal utilization of all personnel
- APPs are and will be a key component of primary care delivery and patient access – and need to be integrated in the care delivery model at the top of their capabilities

HSG advisors | Questions

HSG Overview

HSG Advisors (HSG) partners with health systems to transform their approach to their markets, services, and providers for improved growth and operational and financial sustainability.

Headquarters: Louisville, KY
Formed: 1999

HSG EMPLOYED PROVIDER NETWORKS

Improve your financial and quality performance and overall Operational Excellence by building a Shared Vision and developing strong organizational, leadership, and governance support structures.

HSG STRATEGY

Define strategic goals and direction for your health systems' long-term growth plans that allows for the simultaneous pursuit of immediate market opportunities, focused on growth strategies and Medical Staff Development Planning.

HSG COMPENSATION AND COMPLIANCE

Develop sustainable provider compensation solutions to achieve market competitiveness, financial sustainability, and regulatory compliance through compensation model development and implementation.

HSG CLAIMS DATA ANALYTICS

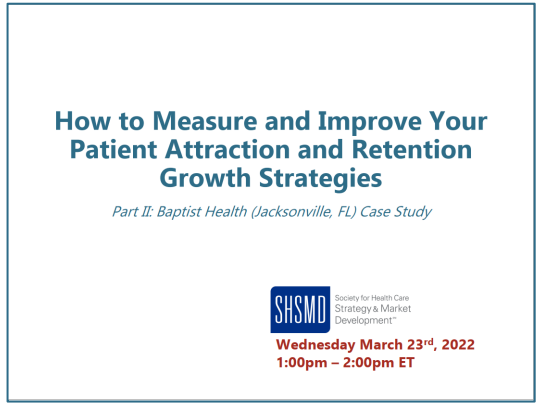
Evaluate competitive dynamics within markets, service lines, providers and patients based on all-player healthcare claims data analysis and HSG insights and expertise.

Primary Care Strategy
Additional Resources

SHSMD
[Health System Medical Staff Development Planning]

SHSMD
[Patient Share of Care: Measuring Patient Brand Loyalty]

[Clinical Practice Transformation: Fundamental Philosophies]



SHSMD
[How to Measure and Improve Your Patient Attraction and Retention Growth Strategies]