

PHM Solutions Not Meeting Needs

In April 2020, healthcare consultancy Sage Growth Partners conducted a survey of 244 healthcare leaders to determine their adoption and use of population health management (PHM) solutions. To qualify, respondents had to participate in a value-based program and use a PHM solution. Based on this criteria, 100 respondents met the criteria while 144 were screened out.

Key Findings

The findings in this report suggest that the PHM solution market is emerging from the early adoption stage, with a significant percentage of organizations that either have no PHM solution or that rely solely on their EHR for this function and three-quarters that have had PHM capabilities for less than three years. They want more functionality than their current solutions have provided, and many are especially hungry to get more analytics, more actionable data, and the ability to more clearly link data to coordinated, managed care. Key findings are described below.

1. A significant portion of the market are not yet using a PHM solution even though the majority are participating in value-based programs.

The survey had to screen out 59% (144/244) of total respondents because they don't participate in VBC and/or don't have a PHM solution. Of these, most (74%) screened out because they lacked a PHM solution; only 26% were screened out because they did not participate in VBC.

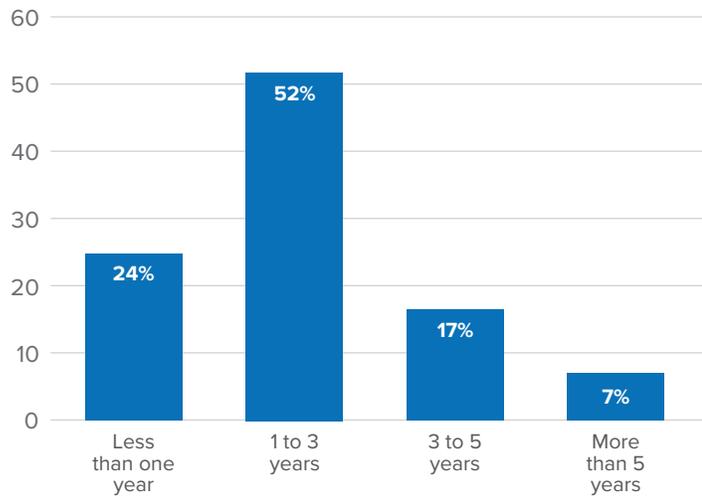
2. VBC participation is largely hospital led; two-thirds are in Medicare Advantage, with half participating in MIPS.

- 51% participate in MIPS
- 34% participate in a Medicare ACO with upside risk; 28% in one with downside risk
- About one quarter participate in commercial VBC arrangements - 28% in bundled payments and 25% in ACOs
- 56% are in hospital-led VBC programs; 26% payer-based and 18% provider-led

3. Most organizations have not been using their third-party PHM solution for long.

- Three quarters have used it for less than 3 years (24% < 1 year and 52% < 3 years)
- 17% have used it for 3 to 5 years
- Only 7% have used one for over 5 years

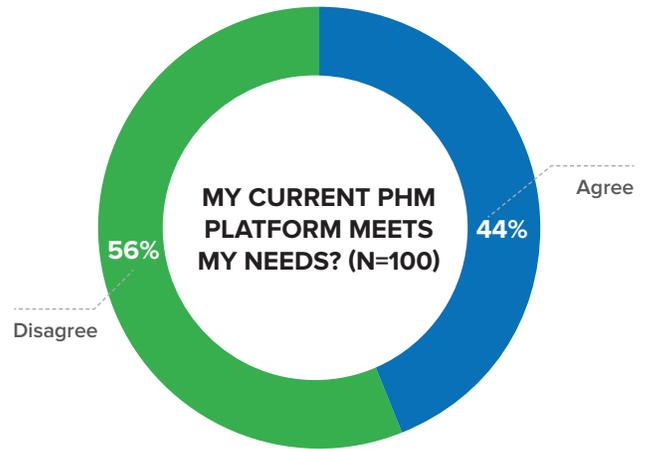
HOW LONG HAVE YOU BEEN USING THAT SOLUTION? (N=29)



4. While many are using their EHR to manage population health, more than half say their PHM solution doesn't meet their needs and most were not likely to recommend their solution to a colleague.

56% say their current PHM solution doesn't meet their needs, while 44% say it does.

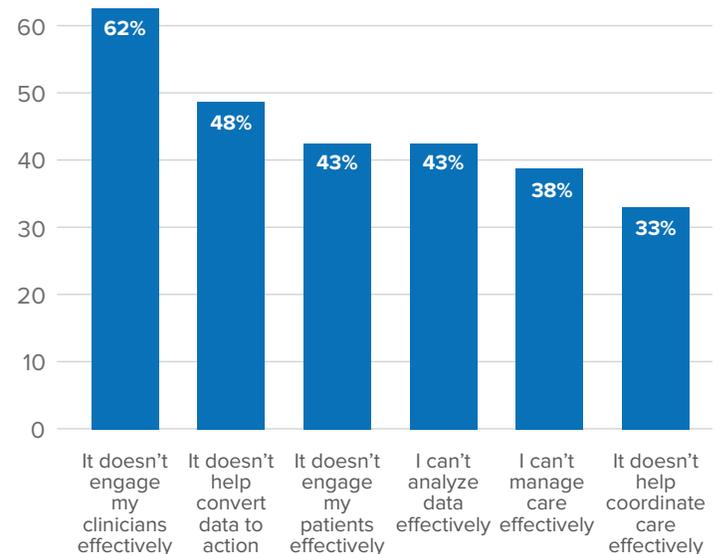
- Only 38% rated their solution as '8, 9 or 10' on a scale of 1 to 10
- 24% rated their solution '7'
- 37% rated it a '6' or less



5. Lack of clinician engagement is the top reason to replace their PHM solution.

- Lack of clinician engagement (62%) is the top reason organizations are looking to replace their current PHM vendor, followed by the inability to convert data to action (48%). Inability to engage patients or perform sufficient analytics (43% each) were the third most-cited reasons to switch.

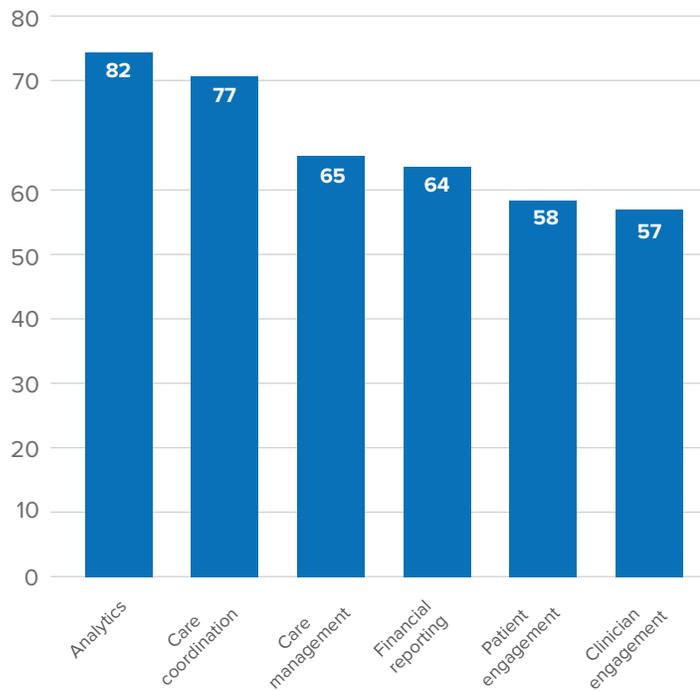
WHY ARE YOU SEEKING TO REPLACE YOUR CURRENT SOLUTION? (N=21)



6. Analytics and care coordination/management are the most desired functionalities of PHM solutions.

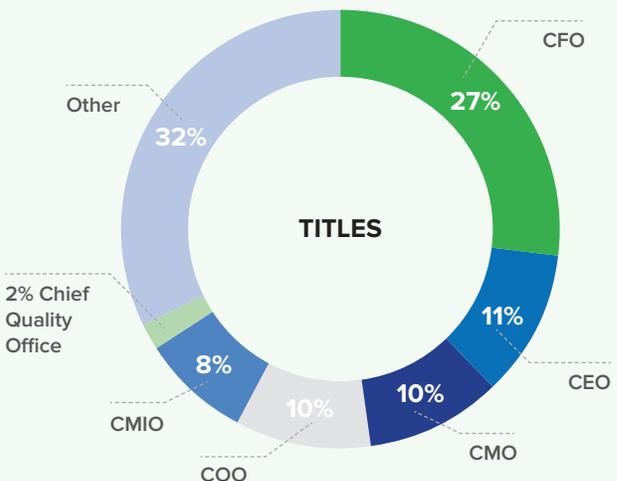
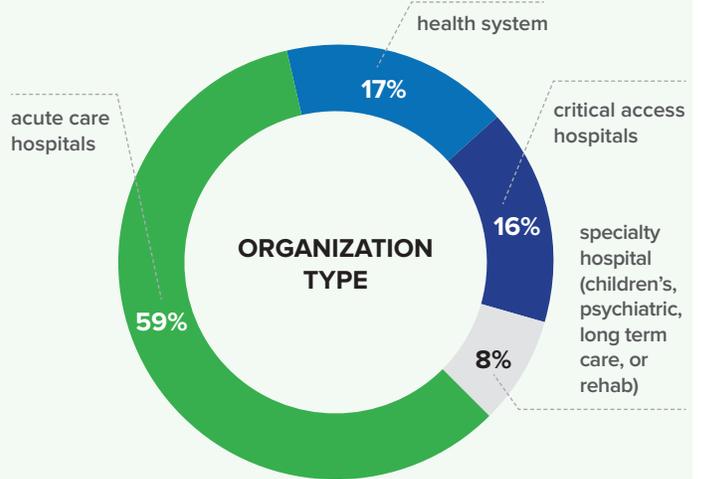
- Analytics (82%), care coordination (77%), and care management (65%) are considered the most important functions of a PHM solution.
- Downside risk management was the least desired function (34%), perhaps because most respondents are not participating in these types of arrangements.

WHICH OF THE FOLLOWING, IN YOUR OPINION, WOULD BE ESSENTIAL COMPONENTS OF A PHM SOLUTION?



Participant characteristics

The survey represented a broad cross section of various sizes and types of acute care facilities. Two-thirds of respondents were members of the C-suite and CFOs made up slightly over one quarter of participants.

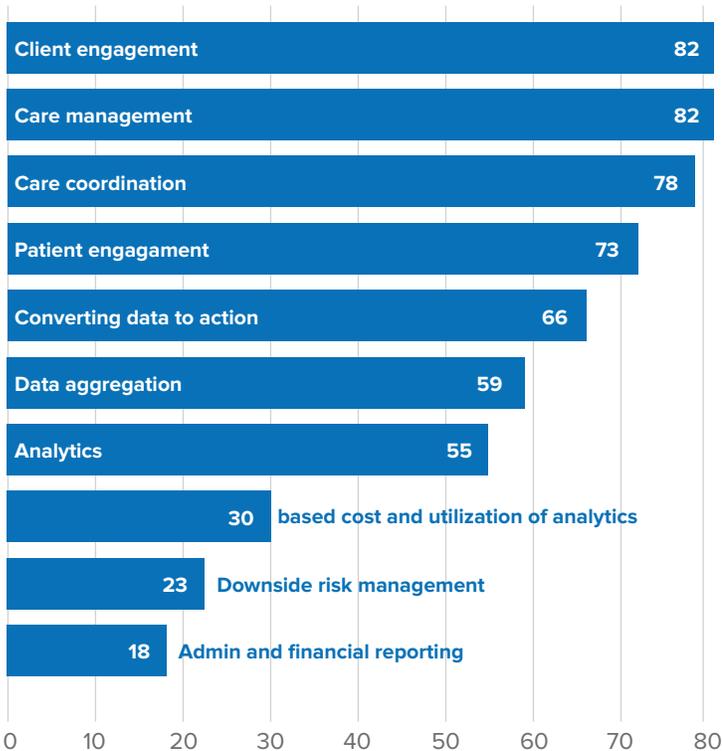


7. Engaging clinicians and care management are seen as the most important factors for improving care and improving quality – two pillars of the quadruple aim.

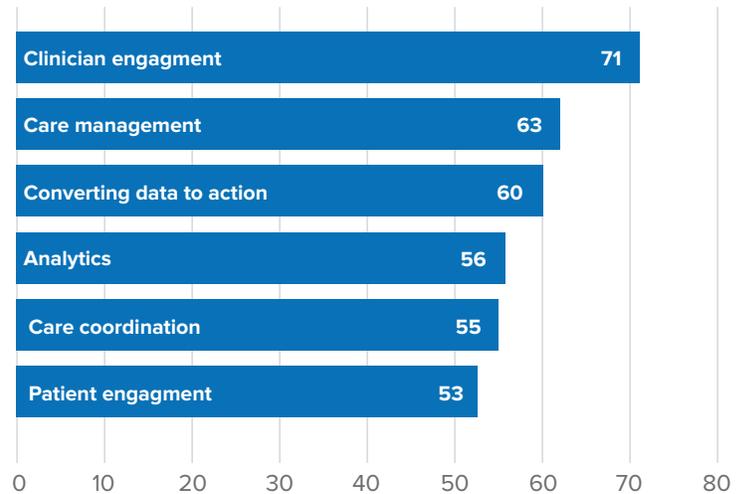
Yet the inability to engage clinicians was the top reason respondents were seeking to switch their PHM solution.

Converting data to action and care coordination were also seen as key to achieving these aims.

WHICH OF THE FOLLOWING WOULD IMPROVE YOUR ABILITY TO IMPROVE CARE?



WHICH OF THE FOLLOWING WOULD IMPROVE YOUR ABILITY TO IMPROVE QUALITY?



8. While most trust their PHM data, significant issues remain, including lack of insights across the care continuum, a cumbersome workflow, and the lack of risk adjustment.

→ 79% say their care team trusts their PHM data; fewer (65%) say their physicians trust it.

→ The top reasons physicians don't trust the data are having to leave the workflow (65%) and lack of risk adjustment (61%). Other factors cited include: data is not clean (48%), not usable (43%), and not accurate (39%).

→ About three quarters somewhat (66%) or strongly (12%) agree that they can follow a patient along their longitudinal journey with proper data and insights, across multiple sites of care. However, whereas acute care data is largely seen as accessible, trusted, and

actionable, there are significant issues with data completeness, accuracy and actionability in the home, post-acute, and (to a lesser degree) ambulatory settings.

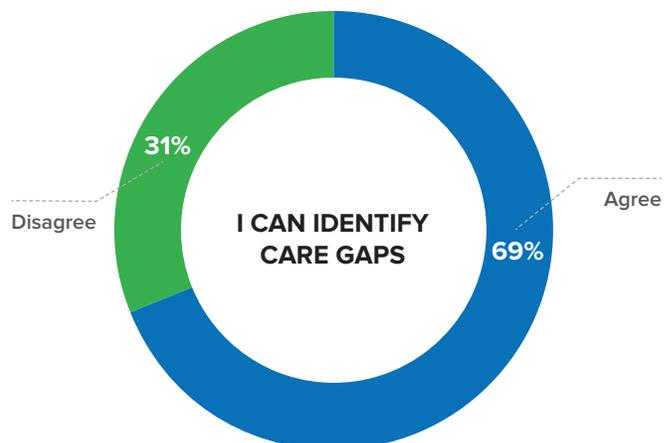
- Clinical data is seen as more important than claims, social determinants/ community data, or administrative data. 96% say near real-time or real-time data is somewhat to very important, which underscores the importance of clinical data, as claims is never real-time.
- Only half (50%) believe their PHM system can automate the extraction of key data for health risk assessments, hierarchical condition categories (HCCs), and similar needs.
- Similarly, only 53% believe their PHM system can configure rules and pathways for clinical actions based on clinical needs, while 85% say it's very to extremely important for their system to do this.

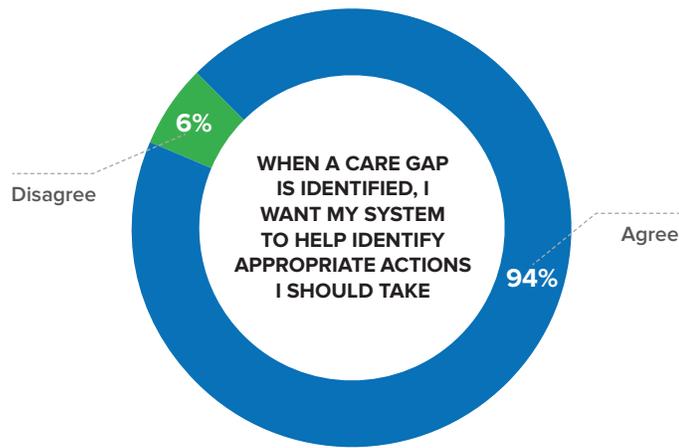
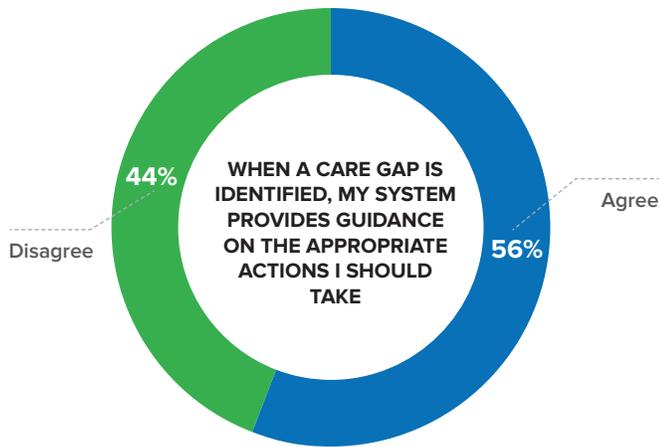
9. Operationalizing VBC is still challenging. Only about half can manage multiple VBC programs at the point of care.

- Only 7% strongly agree that their current solution can do this, 52% somewhat agree and only 5% strongly disagree.
- 49% say they can easily identify the value-based program at the point of care.
- 53% can identify reporting/data components.
- 57% know which services are billable or not.

10. While nearly all leaders expect their PHM solution to identify care gaps, fewer can use it for this purpose and even fewer can act on the gaps they find.

- 94% expect their system to identify care gaps
- 69% can do so
- Only 56% receive guidance on the appropriate course of actions once a care gap is identified





The market has yet to produce PHM solutions that address core needs

The PHM market is still nascent; many who wanted to take the survey had to be screened out because they don't have a PHM solution. Most PHM solutions have been in use for less than three years, and most rely on their EHR rather than on purpose-built PHM solutions.

While there may not be sufficient

dissatisfaction or other issues to warrant switching to a new solution, existing PHM solution leave significant room for improvement. Failure to engage clinicians and patients, create actionable data, or impact care coordination or management mean that today's PHM solutions are falling short of translating data to better care.

The data suggests that our visibility into care continues to exist largely inside the walls of the hospital—that's why the EHR is still the dominant PHM solution. But if the goal is to track and engage patients in longitudinal care, this won't suffice, especially in a world that has been changed by COVID-19.

Care in the future will almost certainly be less centered around a brick and mortar strategy—making it imperative to get better data and do a better job of coordinating care beyond the hospital. Hospitals and health systems can only buy so many physician practices or post-acute facilities. What they really need is integration and data liquidity to truly manage population health. And playing a bigger role in managing costs as well as care and quality is likely to be another future requirement of PHM solutions, as more VBC contracts require downside risk.

Find out how easy it is to work with Persivia and how much more we can do together. Contact us today at 978-856-4600 to schedule a demo.