Update on the Baylor Scott & White Quality Alliance

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The US health care system has been widely characterized as having unsustainably rising cost, continuing quality issues, and uncoordinated or disintegrated delivery of care. Accountable care organizations (ACOs) focus on clinical integration in care delivery while improving quality and reducing costs. Clinical integration is considered essential to true systemic change and meaningful reform that expands coverage, improves quality and care coordination, rewards effective and efficient care, promotes innovation, and helps control cost (1). After 2 full years in operation, the Baylor Scott & White Quality Alliance (BSWQA) has made significant progress in achieving these elements of meaningful reform. BSWQA is a physician-led, patient-centered comprehensive network, with more than 3900 primary and specialty care physicians, 46 hospitals, a number of post-acute care facilities, and other members of the care continuum assuming joint responsibility for accessible and efficient care delivery. In the past year, BSWQA has collaboratively managed the health of patient populations, including more than 40,000 lives attributed to BSWQA through the Baylor Scott & White North Division employee health plan, Humana Medicare Advantage product, Aetna Medicare Advantage product, Scott & White's Vital Traditions Medicare Product, and most recently the Aetna Whole Health-BSWQA ACO health plan. Preliminary data captured from these agreements point to BSWQA's notable improvements in important quality, efficiency, cost, and outcome measures that have led to achieving the Triple Aim™—"Better Care, Better Health, and Better Value."

POSITIVE OUTCOMES IN POPULATION HEALTH MANAGEMENT

Data over a 2-year period show that BSWQA population health strategies are working. Within the Baylor Scott & White North Division employee health plan population, readmission rates dropped 15% (*Figure 1a*), admissions per thousand were reduced by 9% (*Figure 1b*), and an internal projected analysis showed a \$10 million savings in medical plan costs (actual vs. target) (*Figure 1c*). In addition, there was an increase in "in-network" usage of BSWQA physicians, along with a growing number of high-acuity patients being assigned to nurse care managers. Throughout its 2 years in operation, BSWQA has met or exceeded all quality metrics set forth in all of its managed care contracts. Many of these accomplishments were driven by the

deployment of three key population health strategies centered on improving quality and coordinating care:

- **Patient-centered medical homes (PCMHs).** BSWQA's patient-centered medical home model is the primary driver for many BSWQA quality initiatives developed to improve care. As the first step in maintaining wellness and managing chronic disease for its patients, the patient-centered medical home serves as the stimulus for BSWQA quality improvements and efficiencies, such as developing physician-directed care teams, increasing the rate at which generic medications known to reduce costs are prescribed, and creating protocols to achieve standardized, quality care. Characterized by team-based physician-led primary care physicians, these PCMHs have been shown widely to improve outcomes and lower costs for patients served by them.
- **Care coordination.** Appropriate care resources are assigned to patients in accordance with their health risk status. Registered nurse care managers are assigned to the 5% of patients who are sickest, who drive half the cost of health care and need special care coordination resources. These care managers augment physician services by facilitating posthospital transitions, coordinating specialty visits, helping to navigate the health system, and coaching patients in self-management and wellness. The next 15% of rising-risk patients are assigned to medical assistant health coordinators, who perform transitional care management and close gaps in care. The 80% of generally well patients are contacted through automated modes of communication, such as patient portals and Televox, reminding them of screenings and wellness visits that may be due.
- **Data analytics.** Through risk stratification and predictive modeling, BSWQA is segmenting patients into specific health risk pools and tailoring their care appropriately. To prepare for future cost savings and align financial incentives with the work being done to improve efficiencies and quality, BSWQA has developed a shared savings distribution model. Supporting BSWQA's belief in the equitable distri-

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Figure 1. Outcomes of the Quality Alliance population health strategies for the Baylor Scott & White North Texas Division employee health plan population, including (a) all-cause readmission rates, (b) admissions per thousand, and (c) medical plan costs (actual vs. target).

bution of shared savings, this model allows all physicians to earn a percentage of savings based on attribution as well as on a pro rata basis within the respective primary care and specialty care pools of the distribution method. The only caveat to participating in shared savings is the requirement for physicians to achieve clinical integration measures such as local pod meeting attendance and website usage and to remain a member in good standing for 1 full year.

SIGNIFICANT GROWTH IN COVERED LIVES

The word is out: BSWQA is doing great work as demonstrated by the improved outcomes mentioned above, which were realized in just 2 short years in operation. These improvements and savings have prompted the development of BSWQA's compelling story for accountable care driving positive outcomes and true health care transformation through population health management. As its story continues to unfold, payers and employers are taking notice of BSWQA achievements and seeking collaborative agreements to use the organization and its providers as a preferred network for their patients. These agreements are becoming a vital element for creating the value-driven care delivery model of the future.

New collaborations between payers have been emerging, and the Aetna Whole Health–BSWQA ACO health plan continues to be actively marketed throughout the Dallas–Fort Worth area. These types of value-based network contracts are viewed by payers and employers as a way to control costs and ensure quality

over time. In addition, the BSWQA ACO is now an important differentiator among competing health plan options.

BSWQA activity centered on contract agreements with payers and employers is quickly ramping up our covered lives, which are expected to grow to just over 400,000 by January 2017. This is astronomical growth considering our humble beginnings of managing the health of the 34,000 lives through the Baylor Scott & White North Texas Division employee health plan.

BUILDING THE POPULATION INFRASTRUCTURE

BSWQA can credit achievements in improving care not only to the incredible collaborative and accountable efforts of its physicians, administrators, and staff, but also to invaluable resources provided by a solid population health infrastructure. BSWQA's population health infrastructure was built following the playbook for population health set forth by industry experts and reported by the Advisory Board Company (2) (Table 1).

In an industry inundated with overwhelming change and what seems like endless reform requirements, it is often difficult to see the light at the end of the tunnel. There have been ACO skeptics everywhere. However, the impressive early results emerging from BSWQA's population health efforts are inspiring. To see BSWQA's hard work associated with true care transformations among our patient populations is testament to the organization's competence in forming a network of willing physicians and hospitals. It also confirms

Table 1. The population health strategies of Baylor Scott & White Health Quality Alliance

Playbook for population health*	BSWQA's response
Prioritize a list of key initiatives with stakeholder buy-in	BSWQA focuses on delivering value by eliminating unnecessary services, better managing chronic disease, and improving coordination of care.
Invest in information exchange, analytics, and patient-facing technology	Substantial investments have been made in Humedica, Crimson Real-Time, Explorys, and Crimson Care Manager. All systems are up and running and offering a longitudinal patient view, as well as automated patient identification, risk stratification, predictive modeling, and workflow analysis functionality. A patient portal called FollowMyHealth (an AllScripts solution) has been made available by Baylor Health Care System. The BSWQA information technology committee is hopeful to announce that the patient's medical data can be viewed at the point of care utilizing the system's health information exchange browser. Stay tuned.
Develop a preferred partner network with shared culture and accountability	BSWQA is a broad network of primary and specialty care physicians, hospitals, post-acute care facilities, and other members of the care continuum willing to assume joint responsibility for patient access and care delivery. It participates in managed care contracts with the North Texas Division employee health plan and Medicare Advantage programs through Humana, Aetna, and Scott & White Vital Traditions. As a result of its success in managing more than 40,000 lives, prominent payers and employers in the market are seeking direct contracting opportunities with BSWQA.
Train and redeploy existing staff to match new demand for patient services	BSWQA's broad network of primary and specialty care physicians—with their proficiency in disease management and adult preventive health services, their solid reputation for high-quality care and patient satisfaction, along with their existing capacity for superior practice management—is central to BSWQA development.

*The playbook is from the Advisory Board Company (2).
BSWQA indicates Baylor Scott & White Health Quality Alliance.

BSWQA's capacity to generate positive outcomes as it begins the transition from volume-based to value-based care delivery. Even more inspiring is the health transformation being achieved throughout the nation that is already causing a shift in the health care cost curve. A new report from the Council of Economic Advisors stated that according to recent data, health care spending and prices are growing at their slowest rates in decades (3). Specifically, the Centers for Medicare and Medicaid Services had a 6% annual increase in spending from 2002 through 2011, but for the past 2 years only a 1% increase. While this marked slowdown likely has many causes that are not fully understood, the available evidence suggests that, as a nation, contributions to meaningful reform such as ACOs are already having an impact and improving the quality of care for patients.

Adding to BSWQA accomplishments is the honor of being named by *Becker's Hospital Review* as one of the "100 Accountable Care Organizations to Know," being recognized among the Top 30 ACOs in the country by SK&A Consulting, and earning ACO accreditation from the National Committee for Quality Assurance. As we round out 2015, BSWQA care

strategies will continue to focus on value and accountability. BSWQA will concentrate on becoming more proficient in managing patient populations and will continue to explore opportunities to participate in direct contracting with employers and payers. BSWQA's performance initiatives will be selected to target best cost-reduction opportunities for each contracted population. In addition, BSWQA is beginning to serve as the population health integrator for Baylor Scott & White Health, now the largest not-for profit health system in Texas.

1. American Hospital Association. Clinical integration: the key to real reform. *TrendWatch* 2010(February), 1-12. Available at <http://www.aha.org/research/reports/tw/10feb-clinicinteg.pdf>; accessed May 12, 2015.
2. The Advisory Board Company. *Playbook for Accountable Care: Lessons for the Transition to Total Cost Accountability*. Washington, DC: Advisory Board.
3. Council of Economic Advisors. *Trends in Health Care Cost Growth and the Role of the Affordable Care Act*. Washington, DC: Executive Office of the President of the United States, November 2013. Available at https://www.whitehouse.gov/sites/default/files/docs/healthcostreport_final_no_embargo_v2.pdf; accessed May 12, 2015.