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### Value-Based Care: Taking the Pulse of Key Stakeholders in Healthcare

Announcer:

Welcome to a special episode about value-based health care on Reach MD, sponsored by the American Medical Association.

DR. BIRNHOLZ: With government agencies, employers, practitioners, and health insurance providers all continuing to test out new models in the pursuit of value-based care, it is only natural to wonder how some of the most influential stakeholders and thought leaders in healthcare currently define value and why this approach is so important. This is ReachMD, and I am Dr. Matt Birnholz. Joining me to discuss current and future approaches to value in healthcare are the AMA's Vice President for Healthcare Quality, Dr. Kathleen Blake, Sheila Savageau from General Motors, Dr. Mandy Cohen who is the North Carolina Secretary for Health and Human Services, and Michael Seres, CEO of 11Health. Distinguished panel, welcome to you all.

DR. BLAKE: Thank you Matt.

MS. SAVAGEAU: Matt, thank you so much for being here today.

Dr. COHEN: Thank you Matt.

MR. SERES: Hi, Matt. It is great to be here.

DR. BIRNHOLZ: Great to have you all. Dr. Blake, let me start with you regarding some background on this concept of value in healthcare. In November 2017, the University of Utah and Leavitt Partners published a study that examined how patients, physicians, and employers define value. So what can you tell us about the findings, and what are the implications for physicians and other stakeholders pursuing new models of care that aim to improve value?

DR. BLAKE: Thanks, Matt. The University of Utah and Leavitt Partners asked more than 5000 patients, almost 700 physicians, and more than 500 employers to select from lists of value statements the five that were most important to them and what they found was that there were significant differences in what they valued most. For 62% of patients, quality meaning efficiency, effectiveness, safety, and results or outcomes ranked number one. Cost came in second. For physicians, quality also came in first for 88% of the respondents with costs or total amount paid and the patient experience registering at less than 10%. For employers, the affordability of care for the employer and the employee was followed closely by access to high quality providers, all of these garnering more than 50% of the votes. So what this said to us was that if we are to successfully transition to value-based care, we have to really understand and strive to achieve value for everyone.

DR. BIRNHOLZ: Thank you for setting that stage for us, Dr. Blake. Secretary Cohen, let me turn to you. Can you tell us why the state of North Carolina got involved in value-based care and whether getting all stakeholders aligned around this common approach was needed?

DR. COHEN: Making sure we can get every bit of value out of the dollars that are hard earned by the taxpayers of North Carolina, it is really important to us as a state. We have been really focused on how do you think about using all of those dollars that can truly buy health for the whole state of North Carolina? There is no one silver bullet, but it first involves us understanding what we want to buy and how do we measure health and those health outcomes, and then use our dollars to get there. I do think that aligning stakeholders around that approach is really important so that we do not have different folks asking for different things, that we can all be driving in the same direction towards building a healthier state here in North Carolina. So we are working very closely with the other payors in our state to try to align towards that goal of ultimate health.

DR. BIRNHOLZ: What would you say was the biggest change that your state has had to make in embarking on value-based care?

DR. COHEN: So we are the largest state that has not turned our Medicaid program over to being administered by private insurance or by managed care. And so we have some pretty ambitious goals to get to value-based contracting within the Medicaid program as we switch over to managed care over the next year as well as put in a ton of other policy pieces to support folks in really driving towards better outcomes around health. So our biggest change is in that move to managed care infusing it with a lot of policies that help us reach some ambitious goals around value-based contracting and partnering to really think about those broad health outcomes.

DR. BIRNHOLZ: Thank you, Secretary Cohen. Now, Ms. Savageau, how does General Motors define success in its value-based care and payment arrangements?

MS. SAVAGEAU: At GM, we define value as improvement in the member experience. That is first and foremost what is on our priority list, increased engagement, better quality outcomes for the patient, and improved efficiencies in the health system. We believe that once the quality improves that we will see efficiencies come off the system.

DR. BIRNHOLZ: How difficult is it from your vantage point to measure this member experience?

MS. SAVAGEAU: We use a variety of national benchmarks. CG CAHPS, LES CAHPS, National Quality Forum standards, and we compare it to quality metrics that are very specific to the GM population. The most difficult to measure is the member experience to determine a tangible outcome. It has to be very, very different to get people to enter the system and the experience that they have once they are within the system. For the quality metrics, it is not difficult to track quantifiable results to national standards or benchmarks. However, what we find is the physicians in the health systems are in a very difficult position as they are asked to track measures from a variety of sources. And the complexity can be quite significant.

DR. BIRNHOLZ: Thank you, Ms. Savageau. Mr. Seres, from your perspective as CEO of 11Health and as a patient, what benefits do you expect to see or maybe that you are already seeing by engaging in value-based care?

MR. SERES: For me, value-based care is really about outcomes. Some of the challenges around the move to value-based care is that outcomes are quite personal, and often outcomes from the provider perspective are different to the patient's perspective. An outcome for me today in my treatment might be wanting to go to a school concert with my daughter, but for my physician, it is the IV medication at mid-day. The biggest challenge and shift I see is how do we measure outcomes in value-based care? And fundamental to that is the doctor-patient relationship. If you can understand what outcomes are important and align those outcomes between provider and patient, you will get better quality outcomes but also you will probably get better cost efficiencies because you are more aligned.

DR. BIRNHOLZ: Are there ways the patients can measure these benefits of value-based care programs towards the kind of outcomes that both they and their healthcare providers are looking for?

MR. SERES: It is important for the patients to understand or be supported in understanding what outcomes are valuable to them. If you go into the relationship, whether it be with your provider or your large employer, with the outcomes that you want to achieve, and they are aligned, then you will get better value. Patients need to think more closely about the outcome that they are trying to achieve from the healthcare relationship.

DR. BIRNHOLZ: For those just tuning in, this is ReachMD, and I am Dr. Matt Birnholz. With me today is a panel of experts, including Dr. Kathleen Blake from the American Medical Association, Sheila Savageau from General Motors, North Carolina Secretary for Health and Human Services Dr. Mandy Cohen, and Michael Seres from 11Health. The AMA has convened outside stakeholders to inform the AMA's activities on value-based care, and today we are talking with some of them about their current and future approaches to value-based care. We spoke earlier about how value is defined and who it is for, but now I want to focus on the milestones and challenge areas for delivering on value-based care. So, Ms. Savageau, let me come back to you. Where does General Motors see holes in the move to value-based care, and what can be done to address those gaps?

MS. SAVAGEAU: We definitely need more momentum to shift to value-based care. For employers, we have to be the voice to drive the change in transformation in the industry. The transformation is not just a cost play and providers and health systems must be able to take on risk immediately to improve and get to the quality outcomes that are needed.

DR. BIRNHOLZ: And what about some of these other obstacles that we hear so much about, whether that be data sharing and collection or incentives? And of course, the more affective type of driver, which is just simple trust in the system. How does your organization respond to those kinds of challenges?

MS. SAVAGEAU: You really have to take a look at the capability within the provider and the health system, what type of data do they have, and what are they willing to share, or what can they share, and really where the gaps that misalign with what you have. We have

to make sure that as employers we understand the data that resides in the provider or the health system, determine the gaps and how to address them in order to get the better health outcomes for our members. You know, data is critical to how we track the quality outcomes, what the physicians are seeing, what the health systems are seeing, and really has to improve upon that. Unfortunately years ago we created an environment to drive revenue based on quantity but not quality. And to improve the member experience, health outcomes, and lower costs, providers and health systems must be accountable to both quality and financial targets. And then when it comes to trust, and I think that we have experienced this definitely in the last couple of years, trust is created when mutual parties have common goals and objectives. I think what everyone needs to know is that not all providers or health systems are the same when it comes to value-based care. You need to do your research to ensure that the provider or health system has a mission to deliver value-based care and take on a certain level of risk.

DR. BIRNHOLZ: Thanks, Ms. Savageau. And Mr. Seres, it all comes back down to the patients. From your vantage point, what are some of the biggest challenges faced in the value-based care arena, and are they different from what Sheila just outlined?

MR. SERES: I think we have some commonality there. Are the providers but also our patients brave enough to engage in a different way? I think it is harder for providers to change what is a deeply inherent system around fee-for-service and the quantity aspect. I think one of the other challenges is around engagement. How can patients better engage with providers? How do they get better access? How do they share their data in a meaningful way? I think we inevitably talk around the challenges of big data but often it is about how do we share relevant data so we can get better outcomes. And then how do we empower patients to better engage?

DR. BIRNHOLZ: And Secretary Cohen, from the perspective of a large state that is delivering and paying for healthcare, what would you say are the biggest challenges that you're facing, and is there a clear path forward to overcome those challenges?

DR. COHEN: I share the thought that one of the biggest challenges we're facing is that change is very hard. We often have been a system that is pretty reactive as opposed to proactive. As we move to value, we are trying to think about how do we proactively keep our communities and our state healthy. That's a big change. That means that the way we use our time, the way we interact with patients, the way patients interact with us is going to have to change. I think we have a vision of where we want to go in the future. The hard part becomes how do you take one step forward each and every day, each and every month, each and every year to get towards that. And so, that's the kind of challenge that we are trying to help address at the state level. How do we get them into the future value world quicker, but what are those infrastructure things? How do we use data and technology to get folks connected to their healthcare professional in different ways that we haven't before and allow that data to help us get the best care at the right time in the right setting with the right provider. I'm excited about it. I think there is a lot of opportunity, but like I said, that change is hard. I think our challenge as some of the leaders of this work is to think about that change management and how do we take those steps. I think we are trying to do those steps in a thoughtful incremental way so that folks can learn along the way. I do think it is going to take a collective investment across the board, not just from the payor side, but also health systems and physicians and others, all collectively moving in the same direction.

DR. BIRNHOLZ: And Dr. Blake, let me come back to you. From your perspective with the AMA, what is the most important contribution that the AMA is making to positively impact this transition to value-based care?

DR. BLAKE: AMA's key objective is to prepare physicians to lead and succeed in a high-performing healthcare delivery and payment system, one that advances quality and cost objectives. AMA is doing this by providing education and resources. AMA is forging partners with other stakeholders, especially patients, and we are conducting research into some of today's most challenging issues, such as behavioral health integration with the idea of then piloting solutions and scaling up those that work.

DR. BIRNHOLZ: Let me take the physician perspective and ask you what you would say physicians need to know for a value-based care partnership to succeed?

DR. BLAKE: There are two things that physicians need to know. Know the data about your patient population, know how to use it to drive improvements. And then as we have heard here, know how the other stakeholders, patients, payors, others, define value and success.

DR. BIRNHOLZ: And if we flip that around, what do you and your colleagues need to know about the physician practice for this kind of partnership to succeed?

DR. BLAKE: AMA wants to know your story, your successes, your challenges, and we want to know what works and to have you suggest to us where we should focus our efforts as we all work together to create a more effective, satisfying practice of the future.

DR. BIRNHOLZ: Clearly, we have covered a lot of ground here today. I very much want to thank my guests for joining me to discuss current and future approaches to increasing value in healthcare. Dr. Blake, Ms. Savageau, Secretary Cohen, and Mr. Seres, it was great

having you all on the program today. Thanks so much.

MS. SAVAGEAU: Thank you, Matt.

DR. BLAKE: Thank you.

MR. SERES: Thank you for having me.

DR. COHEN: Thanks, Matt, for having this great conversation. Thanks to the American Medical Association for continuing this conversation around value.

Announcer:

You've been listening to a special episode about value-based health care on Reach MD, brought to you by the American Medical Association. Reach MD, be part of the knowledge.