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## Population health: Moving to a system focused on wellness

Today's U.S. healthcare model is centered on treating illnesses, making the system fragmented, impersonal, expensive and unsustainable. Rather than promoting health and being paid to keep patients well, healthcare providers are paid to treat a patient's symptoms or disease.

Rarely are a patient's total healthcare needs considered during treatment. As a result, patients tend to be disengaged from their own health and wellness, and their providers are focused on treating a specific health problem rather than identifying ways to prevent a future health crisis.

This approach explains why the U.S. spends more than any other nation on healthcare — 17 percent of gross domestic product — yet U.S. life expectancy ranks 49 among 224 nations. By the year 2020, it is estimated that healthcare will cost Americans \$4.2 trillion.

Clearly, the U.S. healthcare system needs to improve.

Novant Health understands these issues and has taken steps to transform healthcare with personalized care, one-on-one education, 24/7 access to providers and assigned care coordinators. All of these are features of Novant Health's new approach to care known as population health management.

This approach encourages wellness and preventive care, and manages existing conditions to slow or reverse the progression of disease, all while lowering the overall cost of care.

Key to this model's success is coordinated care, with physicians, nurses, pharmacists, dietitians, social workers, referral coordinators and others working together as a team to give patients the personalized care they want and need. Ultimately, this type of care provides value — safe, more affordable care with better outcomes — and is centered on the individual patient's unique needs.

## Population health: Moving to a system focused on wellness continued

Consider how population health treats patients with chronic obstructive pulmonary disease (COPD) — a common disease that is the third leading cause of death in the United States. Novant Health patients work with a care coordinator to create a personalized action plan with 24/7 support.

The plan is color coded — green, yellow, red — with a list of symptoms and appropriate steps to take. Green corresponds with good days when all is well. Yellow indicates symptoms are worsening, and red means urgent care is needed.

Here's one example of how it works. A patient was having difficulty breathing and used his inhaler as his "yellow" care plan instructed, but it didn't help. The next step was to call his doctor and he did. The physician promptly called in a prescription, which brought the gentleman relief.

When the patient checked in with his care coordinator later that day, he shared his story. At one point in the conversation, he paused and said, "I think you just saved me from another hospitalization." It was an "aha" moment for the patient and proof for the care team that the population health model works. This patient was educated on how to take care of himself so he could better manage his chronic condition at home and avoid an unnecessary hospitalization.

When healthcare is centered on treating the symptoms, COPD patients were given medication and told to call their doctor as problems arose. Their well-being became a medical emergency when they struggled to get air, and the crisis often resulted in an emergency room visit, which typically led to a hospital readmission.

Now that Novant Health's focus is on keeping people healthy, some traditional fee-for-service payments will be replaced by newly negotiated agreements focusing on value, where the patient's quality and outcomes factor into how much providers and facilities are paid.

Novant Health is collaborating with payors and partners to identify payment models that match its value-based care delivery. Novant Health has also been actively supporting its own team members and their families, and will continue to learn from the population health models and how they can serve its broader patient populations.

Getting the right care in the right setting at the right price — that's the future of healthcare. It's what makes care affordable and it's what makes healthcare more sustainable. And population health management is Novant Health's new way of delivering remarkable healthcare so people can get better and stay healthy.

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## Better data, better outcomes

In today's numbers-driven world, it should come as little surprise that healthcare organizations are using data to aid in the shift from volume-based to value-based care. Capturing data from a variety of sources, then using analytics to identify at-risk populations and gaps in care will be critical steps in population health management.

Already there are some early indicators of how data helps achieve better outcomes at a lower cost.

At the center of this is the electronic health record (EHR). With an investment of about \$650 million over 10 years — the largest ever at Novant Health — the EHR is a key element in harnessing data to manage the health of patients.

## Better data, better outcomes continued

Through interoperability, the capability to share data within the organization as well as with authorized third parties, information about patients can be shared in an instant regardless of their location. This provides a broader view of an individual patient's healthcare journey and helps to identify areas of improvement to managing chronic conditions.

Novant Health made significant strides in 2014 toward interoperability. The health system connected to other providers also set up on the EHR and to the eHealth Exchange, a secure federal platform that allows healthcare providers to share confidential data.

Locally, Novant Health providers — primary care providers, specialists and ER physicians — all have access to the same record. And the EHR is now all-inclusive, with the results of CT scans, lab tests and care notes all in one place. That means a safer, more coordinated experience for the patient with fewer misunderstandings and, for the providers, less time spent searching for information. It also means more complete data on patient care across settings.

Until recently, healthcare has relied on claims data to view consumption over time. This data, however, does not paint a full picture of the overall health of a patient as the information is limited to an episode of care. Data supplied by the new EHR will aid in the achievement of the Triple Aim: better care for individuals, better health for populations and lower healthcare costs. Predictive modeling can also be used over time with increased access to data from a variety of public and private sources.

Using socio-demographic datasets, medical records across care settings as well as claims data, healthcare organizations can have a higher degree of confidence in predicting behaviors and treating populations.

Fundamentally, population health management is about managing chronic conditions better in the United States. Representing 86 percent of the nation's healthcare costs, according to the Centers for Disease Control and Prevention, chronic conditions and the risk behaviors that contribute to ongoing health issues must be addressed. With a broader view of care across settings and organizations — from home care to primary care to post-hospital discharge — healthcare organizations can identify and coordinate care needs for a population.

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# Turning the population health model on ourselves

Sometimes the best way to determine how something works, whether it's a new product or process, is to try it out first before sharing it with others. This is true in many settings, whether it's Apple asking employees to test its new watch or the Toyota team implementing lean processes across its organization.

As the U.S. healthcare system moves from volume- to value-based care, population health management models are becoming increasingly popular. They also are untested, and just as new products are tried on a small scale first, industry leaders are internally testing new approaches to health before implementing them on a wider scale for the general public.

## Turning the population health model on ourselves continued

Novant Health has long been committed to improving the health of communities, including its most trusted resource — its 25,000 team members. Starting with this group, Novant Health is moving away from focusing on employees' immediate healthcare needs and instead partnering with them to be healthy for a lifetime. By starting small, Novant Health and other large health systems are able to identify scalable best practices and work with employee populations to gather valuable information as they work to improve the population health management model.

Research shows that health outcomes improve when you consider the whole person, including physical, behavioral and lifestyle factors, in determining the best options for care. So the obvious question for health systems like Novant Health became, "If we know population health management models work, what protocols does our system need to put in place to make this model work for the patient?" In determining how to implement the changes, system leadership made the decision to start with Novant Health employees — those who will ultimately offer care through the population health management.

The population health model also makes sound financial sense, particularly at a time when health systems are struggling to make healthcare more affordable. Novant Health spends nearly \$200 million per year on health benefits for team members and their dependents. By using the evidence-based care to standardize processes, partnering with team members to take a proactive approach to their health and directing them to the right venue of care where and when they need it, Novant Health can save millions of dollars each year. This is money that can be put to better use by bringing more programs and services to the communities. Novant Health employees now experience seamless hand-offs between providers, personalized care, one-on-one education and 24/7 access to providers, and have access to an assigned care coordinator.

Getting the right care in the right setting at the right price is the future of healthcare — and a tenet of population health. While the population health model is the right path for Novant Health, it does not come without challenges. Just like any organization experiencing change, communication is key to success and can often be difficult. This is particularly true in a healthcare setting where individuals are not typically at a desk or in meetings, but instead working with patients. Communication is challenging to cascade. In addition, healthcare professionals oftentimes put more into taking care of their patients and others than they do themselves. It is critical that Novant Health employees recognize their dual roles as healthcare providers and healthcare consumers in order for success to be met.

The journey to a full population health management model takes time. Novant Health is committed to the long haul and will continue to learn from the model that is in development, which eventually will allow it to better serve all of its patient populations.

# The need for value in healthcare: Q&A with Novant Health's senior vice president of population health



*Amy Vance, RN, serves as Novant Health's senior vice president of population health. We've asked her to fill us in on some of the rewards and challenges of moving from volume to value while integrating a population health model across the Novant Health system.*

## **How have your previous roles at Novant Health prepared you for your work on population health?**

I started my career as a bedside nurse at a hospital in New York City, and over the years worked at other acute care and ambulatory settings where I focused on patient care.

What's most intriguing about population health is that we are seeking to provide the best outcomes in the delivery of care that are focused on health and wellness. My clinical days at the bedside, in addition to my operations work at surgery centers and within the hospital, laid the foundation for me to be successful in the world of population health. Population health ties together the acute, post-acute, ambulatory and payor/pricing strategy worlds.

Over the course of my career, I've written certificates of need, added hospital wings and implemented our electronic health record. All of these experiences have enabled me to understand more deeply the cultural impact of large scale change within an organization. As we shift to a new model of care, it's critical that we understand and manage the culture that makes Novant Health unique. My roles and experiences have given me the opportunity to look at change and innovative ideas from a system perspective and to establish relationships at a system level that can accelerate our transformation.

I think it's also important to note that population health isn't "new" — we've been doing it for years. However, because of the national spotlight on the Affordable Care Act and the healthcare industry, the insurance industry and business communities, there is a new wave of heightened attention in this area. But I, and other clinical caregivers, have always been involved in developing strategies and providing care that is focused on the unique needs of our patients. Clearly, we will relentlessly pursue value in the populations we have the privilege to serve. Our pursuit will be with a spirit of inquiry, inclusion and humility across Novant Health.

## **How have your own experiences guided the decisions you've made related to Novant Health's population health initiative?**

On a personal level, I lost my husband six years ago after his battle with cancer and I've proactively managed my health after finding out I was [BRCA](#) positive. As a nurse and hospital administrator with 27 years of experience, my husband and I still experienced major gaps in care and saw tremendous opportunities for improvement during our journey. I believe that my personal experiences with healthcare changed my perspective on the pressures individuals face during a health crisis, and they shifted my thinking around the impact that Medicare, Medicaid and other government entities place on health systems like Novant Health.

## The need for value in healthcare: Q&A with Amy Vance continued

### Why is Novant Health making population health a priority and why start with your own Novant Health team members?

Population health aligns with our mission, vision and promise of helping people get better and stay healthy for a lifetime. By actively living these three cornerstones within our population health work, we align with the Triple Aim — lowering healthcare costs while improving care for individuals and populations.

In 2015, we wanted to put our focus on team members and their dependents enrolled in our medical benefit plan. As a self-insured organization, Novant Health assumes 100 percent of the risk of poor health. We believe that if we can exhibit the success we've achieved with our own team, we can transfer that work to all of the patients we serve. This means we need to demonstrate how we've improved outcomes and reduced costs for our own team.

### How does Novant Health's core business thrive in an environment that works to keep people out of the hospital?

Intellectually we know that a hospital stay, emergency room visit and a visit to a primary care provider are dramatically different in terms of cost and the overall experience. We also know that most people don't want to be in a hospital or ER. If we can deliver safe, high-quality care in the home or other outpatient setting and avoid a hospital stay for our patients, most of us would want to. Hospitals will always be needed by those that require emergency care or who are gravely ill. We want to reserve inpatient hospital beds for those who truly need acute care and rely on provider-patient relationships, better care coordination and improved transitions between care venues to help shift patients to a care model that is better suited to their conditions when appropriate.

We also believe that we can use clinical and claims data to predict behaviors and tailor care that will ultimately keep people out of the hospital. This gets back to the overarching goal of population health — using insights and data analytics about health outcomes to help keep people healthy. Ultimately, our core business will thrive when the payor/pricing strategy and incentives align with the model of cost, quality and experience. In this regard, we'll be able to take on more risk, which will enable us to thrive and showcase our ability to deliver on our promise.

### How will population health be structured in five to 10 years?

Clearly, we endeavor to pursue value in every dimension, every time and that will be the case for the future. That future will no doubt include taking on more and more risk and delivering value and outcomes that matter to patients. We all want healthcare to be affordable and we all want to improve people's health, while providing them an unparalleled experience. We're not really sure what the payor structure will look like in the future. State, federal and local complexities will determine how we will respond in that regard. Secondly, there is no doubt that partnering with physicians at every step along the way is critical. That partnership will look differently in the future and no doubt include aligning incentives and gainsharing in a value-based model.

What we do know is that everyone is focused on quality, cost and experience and those are concepts that aren't easy to achieve. Novant Health's work toward bundled payments is a good example of how the system needs to move in unison and create partnerships in a different way than we have in the past. Our ability to create partners with those who were once our competitors is essential in any structure — whether it's post-acute entities, hospitals down the street or hospital groups.

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