

# The Grinch, Green Eggs and Moving My Cheese – Early Lessons From Health Care Reform

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# The Grinch Has A Plan – Today's Discussion

1. Reframing Market Discussions
2. Key Lessons
3. How to Find the Cheese & Love the Green Ham

# Key Lessons From Early Adopters

1. The Grinch attacks differently across the country
2. Moving cheese is hard
3. Not all providers like green eggs, the new organizational designs or the incentives
4. Timing is everything
5. The cheese keeps moving - Mergers and realignments are happening
6. Marketshare growth makes green eggs palatable
7. “End of Life” care matters...
8. Having fun is critical...

# Business Case for Change



## *Key Steps :*

- 1. Understand the market*
- 2. Define your place*
- 3. Create value*
- 4. Demonstrate value*
- 5. Establish role in the continuum*
- 6. Contract*

# Evolution Takes Time

## *Episode Payment Rates*

Ortho/CV  
Episode  
Payments 1990s

Acute Care  
Episodes 2000's

Bundled  
Payment Demo  
2013/2014

## *Shared Savings Payments*

Physician Group  
Practice Demo  
2000

Accountable Care  
Organizations  
2012

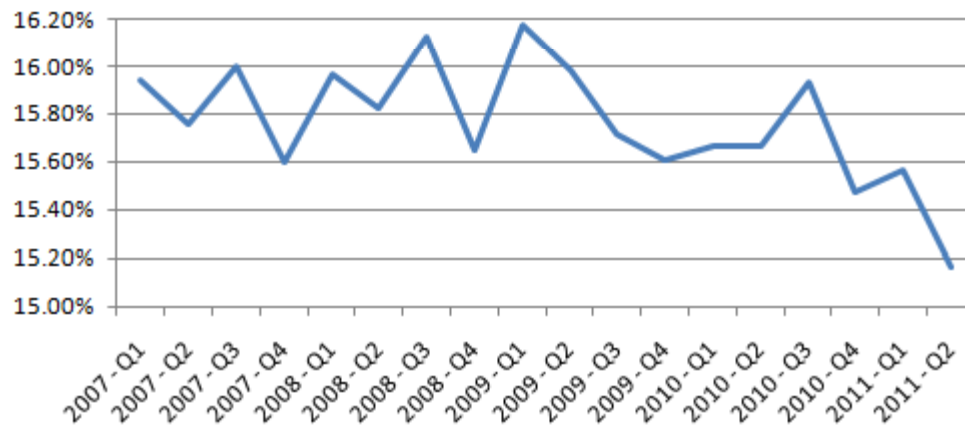
Total Cost of Care  
Contracting 2011

Each of these payment demonstrations required achievement of performance targets before final pay out could be made. The metrics continue to evolve.

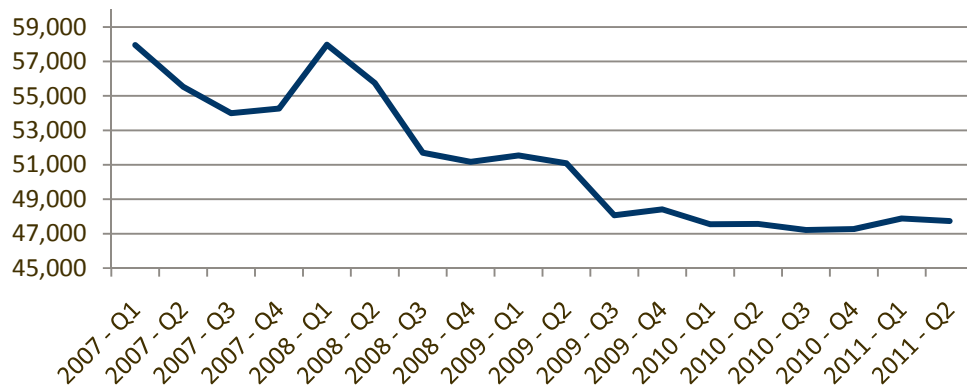
In addition to performance based payments, hospitals are receiving financial penalties based on patient safety and quality performance.

# The Grinch Attack - Focus Can Make Change Happen

## 30-day, all-cause Readmission Rates for Wisconsin Medicare Beneficiaries



## Wisconsin Medicare Hospital Admission Rates



Wisconsin is one state that has made significant progress on reducing both admissions and readmissions to acute care.

There are currently discussions about how low admission and readmissions can be without impacting quality of care.

## Our Advice...

1. **Think big, but act small...** this can lead to greater engagement, clearer focus and higher outcomes.
2. **Go slow to go fast...** plan the next few years out thinking about how you will create the “burning platform” for change in your organizations that will engage not only the minds but hearts of staff.
3. **Participation in the changes is not a choice...** health care is going to change dramatically and we need to design the best transition plan for our organization and our constituents.
4. **To create better, connect more...** connecting with referral and payer sources, wise souls and key community leaders may help identify the innovations that will lead to success.





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