

Demonstrating Your Value: A Guide to Potential Value-based Care Partnerships for Rural Health Care Organizations

CMS AIMS AND THE RURAL HEALTH CARE ORGANIZATION

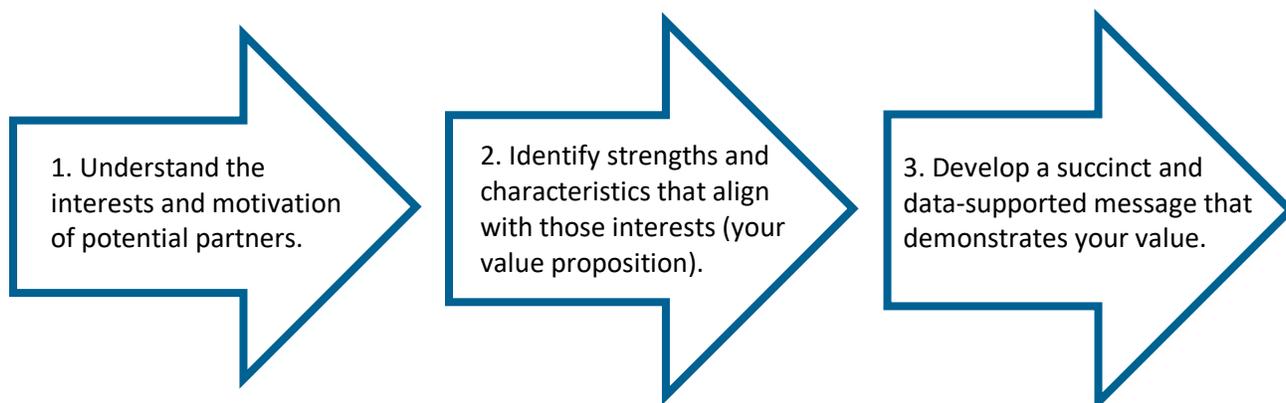
The Centers for Medicare & Medicaid Services (CMS) have set rigorous goals designed to support three health care system aims—better care for individuals, better health for populations, and lower cost. Achieving these goals will require an engaged continuum of payers, providers, and other partners including community-based organizations. Rural health care organizations (HCOs) need a variety of partnerships to deliver high-quality value-based care but can be challenged to demonstrate the contribution they can bring to potential partners.

PURPOSE OF THIS GUIDE

The purpose of this guide is to help rural health care organizations demonstrate their value to potential partners. Potential value-based care and payment partners might include insurers (payers), managed care organizations, provider-based health plans, accountable care organizations, health care systems, rural health care networks, or community-based organizations. The term “potential partner” is used to underscore that health care organization relationships may take many forms, from non-binding agreements to ownership models.¹

THREE KEY STEPS

The challenge of demonstrating value to a potential partner is threefold: (1) matching organizational strengths to potential partner interests and motivations, (2) quantitatively demonstrating strengths, and (3) presenting the value message. This guide outlines a flexible three-step process to help prepare rural health care organizations for discussions with potential partners.



¹ This guide does not comment on the relative merits of various health care organization relationship types. Furthermore, the guide is not designed to help an organization demonstrate value to its governing board, local community, or policy makers.

STEP ONE: UNDERSTAND THE POTENTIAL PARTNER

A rural health care organization should consider a potential partner as a potential client. Good marketing practice highlights the importance of understanding the interests and motivations of the client, and then developing products and/or services to meet those interests and motivations. Thus, rural leaders should carefully consider “What’s in it for a potential partner?” Understanding the interests and motivations of a potential partner is the foundation upon which rural health care organizations can develop quantifiable value messaging. Potential partners may have multiple, widely varying interests. Thorough research combined with local knowledge will often uncover potential partner interests and motivations. Failure to complete this step will significantly weaken the organization’s ability to align its own value proposition with the interests of a potential partner. It is incumbent on the organization to demonstrate, as quantitatively as possible, how its strengths and characteristics can most effectively contribute to a potential partner’s interests and motivations.

Potential partner interests and motivations will often be dependent on the partner organization type. For example, the interests and motivations of large health systems may be different from those of insurers. Examples of possible interests and motivation of potential partners are matched to organization types in the following table:

Table 1: Examples of Potential Partner Interest and Motivation

Partner Interest and Motivation	ACO	Health Care System	Community-Based Org.	Insurer	Rural HCO Network
Expand market share or geographic footprint	●	●		●	●
Increase revenue	●	●	●	●	
Support clinical quality and/or patient satisfaction	●	●		●	●
Meet network adequacy standards				●	
Promote regional brand recognition		●		●	
Increase use of products or services			●		●
Affiliate with primary care practices	●	●		●	●
Access additional inpatient capacity		●			
Expand population base to spread financial risk	●			●	●
Share costs of resources and services such as population health analytic platforms	●				●
Increase use of high fixed-cost services, facilities, specialists		●			
Allocate costs from large hospitals to CAHs		●			
Aggregate volume for value-based contracting	●	●			●
Address social drivers of health and support health-related social needs	●	●	●	●	●

STEP TWO: IDENTIFY THE VALUE PROPOSITION

Value propositions must address the interests and motivations of the potential partner. Appropriately, the rural health care organization value proposition can vary as widely as potential partner interests and motivations. Examples of valuable strengths and characteristic that your organization can bring to a relationship are detailed in the following table.

Table 2: Example Strengths and Characteristics of Rural Health Care Organizations

Market	Services	Experience	Structure/Finance
Broad population and/or geographic base (primary service area)	Strong primary care practice affiliation (ownership preferred)	Patient-centered medical home accreditation	Low cost to payers
Market share dominance in the primary service area	Human services integration, including behavioral health	Demonstrated clinical quality, patient safety, and/or patient satisfaction	HCO financial strength, including projected operating margins and reserves
Available local workforce to meet health care delivery needs	Service mix offerings complementary to potential partner's services	Patient engagement capacity	Financial risk management experience
Access to an insured patient population		Population health management experience, such as care coordination or disease management	Aligned measures that support value transformation
		Demonstrated organizational capacity to improve value-based performance	Management structure that supports value transformation

When possible, strengths should be demonstrably quantified. For example, an organization can map service areas, show quality measure and patient satisfaction scores, describe physician engagement action plans, complete revenue pro formas, and list programs that demonstrate the organization's commitment to CMS's three aims.

STEP THREE: PRESENTING THE VALUE MESSAGE

Start the process of presenting your value message by reaching out to influential contacts at potential partner organizations to arrange a meeting with key strategic leaders. Although there is no clearly superior message venue or style, the message should be succinct, professional, grammatically correct, and supported by data and graphics. The message might be a written document or a PowerPoint-type presentation. Data or information that does not address potential partner interests and motivations should not be included except briefly as background. Extraneous information may distract the potential partner and diminish the value message.

It is important to present the rural health organization's value as one part of an ongoing conversation that leads to an effective relationship with a potential partner. A sample of how that conversation might start is outlined in the following table:

Table 3: Outline/Structure for Initial Conversation with Potential Partner

<p>Purpose:</p> <p>We are here to discuss a potential partnership with your organization. A partnership will benefit both organizations in this way ...</p>
<p>Introduction:</p> <p>Let me briefly describe our organization and community... (Supported by carefully selected maps, growth charts, awards, service mix, etc.)</p>
<p>Environmental scan:</p> <p>Our research suggests that your organization <state positive attribute or identify opportunity such as: brings market dominance to... is successful in... might benefit from...></p> <p>We believe that through a partnership with our organization, you can... Here's how together we can both be stronger... (Supported by carefully chosen strengths and characteristics that address potential partner interests and motivations.)</p>
<p>The offer:</p> <p>You can see, there are compelling reasons for us to partner...</p> <p>We understand that partnerships can look and operate in many different forms...</p> <p>Would you like to continue the conversation?</p>

A worksheet to help organize value proposition thoughts and data is included on the following page.

SUMMARY

Achieving CMS's three health care system aims will require partnerships along the continuum of care. This guide outlines a three-step process for rural health care organizations to demonstrate their value to a potential partner. The process begins with understanding the interests and motivations of the potential partner, then identifying your organization's strengths and characteristics that align with those interests and motivations; and finally, developing a succinct and data-supported message that demonstrates value. Rural health care organizations have an important role to play in the health of their community. Trusting and mutually supportive health care partnerships will most effectively deliver the aims of better care for individuals, better health for populations, and lower cost.

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Sample Value Demonstration Worksheet

POTENTIAL PARTNER ORGANIZATION:

POTENTIAL PARTNER CONTACT:

LEAD FOR CONTACT:

POTENTIAL PARTNER INTERESTS AND MOTIVATIONS:

DATA AND INFORMATION THAT ADDRESSES POTENTIAL PARTNER INTERESTS AND MOTIVATIONS:

CONTACTS MADE (TIMING/DESCRIPTIONS)

Date	Contact	Notes