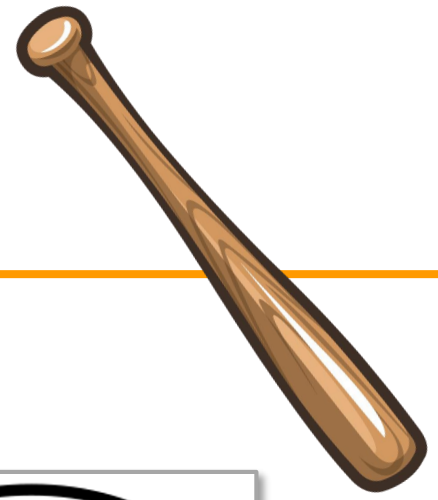




Institute for the Delivery of High-Value Care





Moneyball for Population Health

We're using a brand new approach. Traditional Triple-Aim measures are not enough to be successful in risk in the long-term. A provider may improve outcomes for a patient, but if a disproportionate amount of low-value care is generated, there will be no savings. It doesn't matter if you have a good outcomes on a surgery that isn't needed or great patient satisfaction on a visit that didn't add any value. Instead, we ask:

- 1 How much outcome does our dollar buy?**
- 2 How much does it take to win in population health?**
- 3 What kind of team players do we need to win?**

"Weaknesses of Fee for Service Payment"

#1: "Excess use of Low-value Care"

Dr. Patrick Conway, Acting Principal Deputy Administrator for Innovation and Quality, Chief Medical Officer, CMS

Efficiency is simply how well a provider is able to maximize the production inputs and outputs of their practice patterns. It's about maximizing your "win" percentage for the dollars spent.

A provider may improve outcomes for a patient, but if a disproportionate amount of low-value care is generated, there will be no savings. It doesn't matter if you have a good outcomes on a test that isn't needed or great patient satisfaction on a visit that didn't add any value.



The Moneyball story follows the 2002 Oakland Athletics, a major league baseball team with the third lowest team payroll in the league.



Given the team's tight budget, general manager Billy Bean looked for players that were undervalued by eschewing conventional baseball statistics and focusing on measures that were related to wins.



The Athletics ended up winning the same number of games as the New York Yankees despite the Yankee's payroll being almost three times as large.

Red dot physicians have practice patterns that are optimized around the FFS economic model. They may have to adjust practice patterns in order to be successful under value-based programs.

1.0

Green dot physicians have practice patterns that align with pay for value models. They are making money for whoever owns the risk.

5.0

This is how payers and government programs see physicians, but occasionally there are outliers with legitimate aberrational patterns. RowdMap will help drill into this to explain why.





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SET THE SCENE:

The Oakland A's were gutted and need to replace players. The experienced scouts identify players to replace the skills of the players they lost. Big hitter for big hitter. Good fastball for fastball. Billy Bean says THINK DIFFERENTLY!

SET THE SCENE:

Paul DePodesta, nerdy, awkward, and smart says he thinks they should try to replace the statistical outputs of players. They can't afford what they need to go skill against skill with the big money clubs.

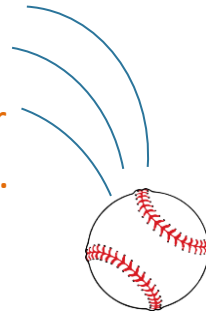
SET THE SCENE:

Experienced scouts think Billy Bean is crazy as they are picking players. Several walk out. Change is hard.

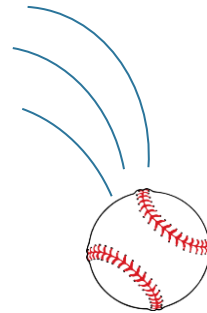
SET THE SCENE:

Billy Bean thinks he failed. The Oakland A's did not win the world series. Red Sox owner then tells him he changed baseball and had more wins per dollar than the New York Yankees.

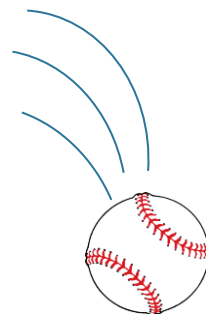
What's the problem we're facing?



How do I win more games?



Why hasn't this happened already?



Why is there so much resistance?





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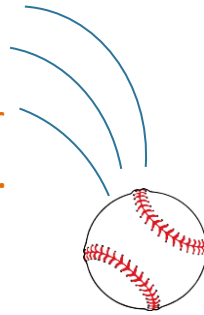
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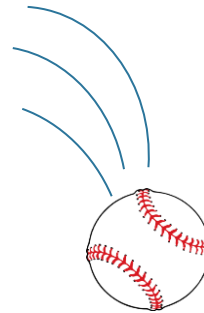
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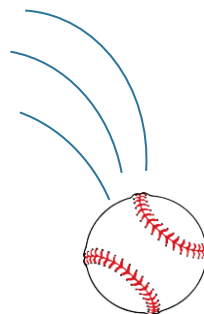
As the cost of care increases and more and more people are in the care delivery system, traditional approaches have begun to fail.

How do I win more games?



Success in care delivery today doesn't come from the most expensive outcomes, but the most efficient outcomes.

Why hasn't this happened already?



Practice pattern analysis has been around for decades, but only a few in the health care industry have begun to take advantage of this approach.

Why is there so much resistance?



Success in care delivery today requires something fundamentally different. That's terrifying to those entrenched or invested in old ways.

