

## CARE MANAGEMENT IMPROVEMENTS AND INDUSTRY BEST PRACTICES



A leading health system sought to improve care management services across its vast regional network of hospitals and clinics. Its leadership wished to modernize its care management organization to align with industry best practices and gain new process efficiencies.

If any health care process is ripe for continuous improvement, it's care management. Done well, care management improves care coordination for complex patients, prevents admissions or readmissions, and enhances disease control and self-management. A [recent study](#) of high-need, high-cost Medicaid patients found that a complex care management program reduced total medical expenditures by 37 percent – a savings of over \$7,700 per member per year.

A leading health system sought to improve care management services across its vast regional network of hospitals and clinics. While this system's current care management practices appeared adequate, its leadership wished to modernize its care management organization to align with industry best practices and gain new process efficiencies.

Recognizing the care management expertise and experience of Freed Associates (Freed), the health



system engaged Freed to assess its current care management operations, recommend improvements and develop an implementation plan. Freed's prior knowledge of this health system's operations and culture also played a large role in Freed's engagement for this project.

### **Strategy and Tactics**

In concert with the health system's quality and care management teams, Freed began by interviewing key stakeholders to understand the organization's current state operations. These findings were then compared with the latest industry best practices in care management to identify opportunities for improvement within the health system.

Freed's research and analysis revealed that the team relied on an antiquated, siloed workstream approach for care management, with registered nurses (RNs) working well below their licensure. RNs were spending more than 22% of their time handling a high volume of low complexity care coordination needs and administrative tasks. Industry best practices supported implementing dyad-based care management, with RNs partnering with population health coordinators (PHCs) to better manage the breadth of high- and low-risk care coordination needs across the health care continuum. PHCs with dedicated caseloads would be a new addition to the care management team.

Previously, the identification of members for care management was driven by lagging indicators, previous hospitalizations and ED visits. Under Freed's recommended dyad leadership approach, members would be assigned to RNs and PHCs leveraging a weighted, predictive modeling approach. RNs would assume responsibility for moderate-high to high-risk patients, while PHCs would oversee the remaining moderate-risk and all low-risk patients. Escalation and de-escalation pathways between the RNs and PHCs were defined to ensure patients received the appropriate level of care. With this approach, patients' needs would be addressed more efficiently and effectively, and RNs in particular could work at the top of their licenses, with their overall productivity estimated to increase by 43%.

Freed also identified an opportunity for the care management team to significantly improve its operational and outcomes reporting. The existing key performance indicators (KPIs) used to measure care management effectiveness did not capture operational complexities and were manually calculated.

Freed recommended developing a dashboard with 60 future-state utilization, productivity, and quality KPIs that would automate calculations and allow for timely and robust performance measurement. Doing so would provide a dual benefit of not only identifying opportunities for improving care management but also elevating the reputation of the care management team across the organization. Freed also recommended ways to streamline the care management team's data sources, from seven to a more efficient three, for developing the team's daily census report.

### **Results**



Freed's recommendations for care management improvements were enthusiastically received by key leaders, who quickly made plans to implement Freed's input. The client team particularly found value in the future use of a dyad-led, risk-based approach to care management, as well as the introduction of new KPIs to track care management performance.

Equipped with Freed's improvement recommendations, the health system's leaders have gained a higher degree of confidence in the appropriateness of their care management processes, relative to industry best practices. Team members expressed both a greater degree of job satisfaction with their future-state roles and heightened confidence in their ability to provide high-quality care management services.