



Analytics Answers

Economic Value Analysis of Value-Based Care Prepare for what's next

A perfect storm of reform mandates, rising costs, and declining reimbursements is forcing massive changes across the health care industry, with providers taking much of the brunt. For many, the question isn't whether to launch their volume-based business model—but when and how.

Many hospitals and physicians are considering shifting to value-based care (VBC) delivery models over the next three to five years through accountable care organizations (ACOs), patient centered medical homes, shared savings programs, and other risk arrangements. Effective implementation will be critical to achieving their goals of enhancing patient care and reducing costs—but with little experience in this new world of health care, it's seemingly difficult to know where to start. Smart, up-front analytic tools can help provider organizations manage their risk and improve the odds of achieving a smooth transition, both clinically and financially.



Get inside your data

At Deloitte, analytics isn't just a good idea—it's a call to action. That's why we've launched the *Analytics Answers* series of solutions—practical, problem-specific tools that are ready to deploy today.

Batten the hatches

Many forward-thinking providers are not waiting around to see who survives. Many are defining ways to reduce fixed costs. In addition, they are exploring new risk and payment strategies. Some are looking beyond their organizations to view how a clinically integrated network of providers in their systems can work together to achieve greater efficiencies and improved patient outcomes.

Deloitte's economic value analytic tools bridge this knowledge gap by aggregating data across disparate systems, providing insight into which changes are likely to provide more value, and supporting review of scenarios of effective approaches to implementation.

Economic value analysis allows health care leaders to establish their baselines in support of effectively evaluating the costs and benefits of alternative business and clinical models. This helps leaders:

- Understand the risks associated with maintaining the status quo.
- Identify a range of actions they can take to improve performance.
- Make informed decisions about whether to initiate rapid change or adopt a more cautious approach.
- Identify financial risks associated with potential economic, political, or environmental scenarios that might occur.

Bottom-line benefits

Deloitte's economic value analysis tool gives providers the foresight to anticipate the potential challenges and rewards of alternative business models in these ways:

- Evaluating the potential impact of various strategies and scenarios on near-term and long-term financial performance.
- Providing insights for a phased implementation—at the appropriate speed—to reduce service disruption and improve outcomes.
- Prioritizing opportunities to gain more potential value from limited resources.
- Supporting the building of a pragmatic roadmap to value-based care.

Learn more

www.deloitte.com/us/analyticsanswers

Contacts

If you think an economic value analysis tool could help your leaders and administrators make smarter decisions, we should talk. Please reach out to any of us to get the conversation rolling:

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