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4 Ways to Improve Specialty Health Care in the U.S.

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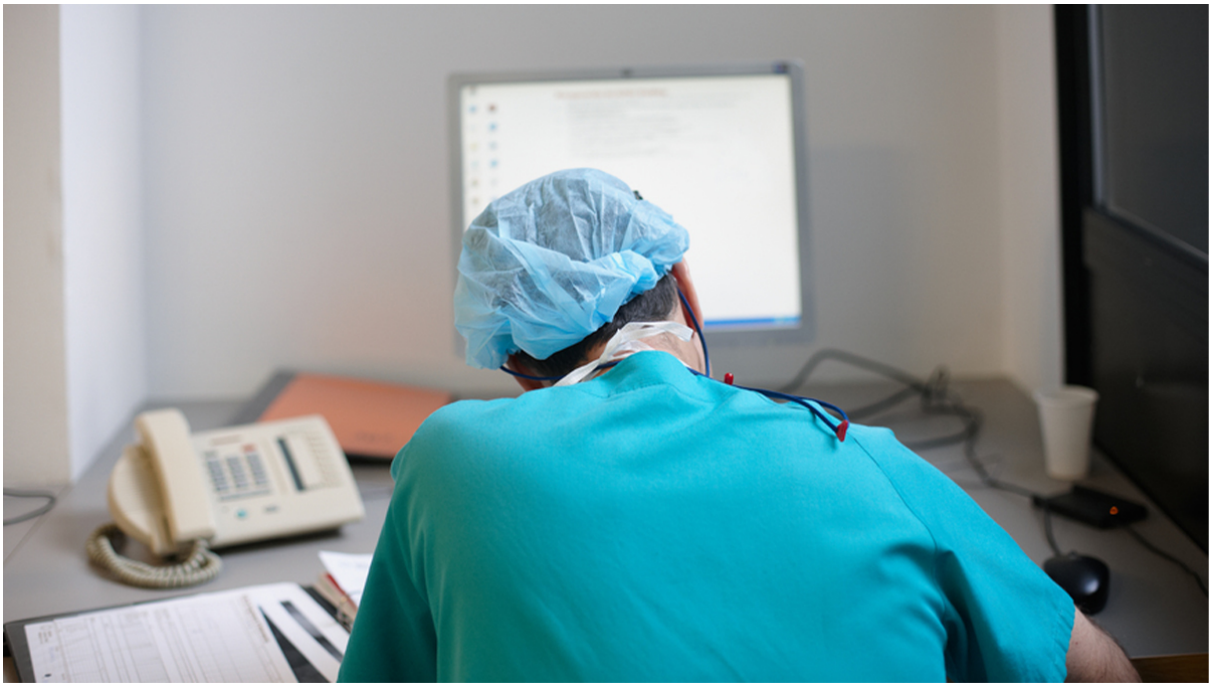

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Summary. The current structure of specialty care in the United States makes it less accessible, increases costs, tarnishes patients' experiences, reduces effectiveness, and strains specialists and staff. The remedy: unbundling and optimizing the various services that specialists provide. There are four ways this could be accomplished. **close**

Specialists dominate the U.S. health care system. Nearly nine in 10 physicians are specialists. They perform most health care encounters, are responsible for the bulk of Medicare and commercial spending, and account for a continually increasing share of outpatient visits and total expenditures. To improve U.S. health care, specialty care must get better. Specialists can achieve this by unbundling and optimizing the various services they provide.

Specialists' Core Activities

Specialists are problem-focused experts who care for individuals with specific health conditions. They extend their expertise through several core activities: consultations (sharing advice with another clinician), co-management (sharing long-term management of a particular problem), principal care (assuming total responsibility for a specific problem), primary care (providing a medical home), and procedures.

Each specialist's specific blend of activities varies based on his or her specialty and individual practice. Cognitive-based specialists who perform few, if any, procedures such as endocrinologists and nephrologists provide a mix of consults, principal care, primary care, and co-management. Procedural-based specialists such as gastroenterologists and cardiologists also perform consults, principal care, and co-management plus procedures but provide little or no primary care. Surgical specialists such as orthopedists and neurosurgeons mostly perform consults and procedures.

How Bundling Can Limit Performance

To reduce production and distribution costs, companies in other industries often bundle products and services with multiple components regardless of whether their customers use all of

them. However, including elements some consumers never use increases costs. And focusing on mass markets may miss individual consumers' specific needs. Think newspapers, music albums, and the traditional television networks.

Similarly, specialists routinely use the same processes, resources, and business models to deliver very different services. This bundling makes specialty care less accessible. (For example, those needing quick input must often wait too long because specialists' schedules are filled with those receiving ongoing care.) It increases costs when simpler services involve unnecessary overhead. It tarnishes patients' experiences when processes are too cumbersome. It reduces effectiveness when resources are inadequate to address more complex needs. And it strains specialists and staff who must continually switch attention between very different tasks.

Unbundling Specialty Care May Improve It

By reducing distribution costs, the internet has allowed many companies to unbundle products and services into stand-alone offerings that are cheaper and better meet specific consumer needs. Think newsfeeds, Spotify, and Netflix.

Similarly, unbundling specialist activities into modular components — and delivering each with specific clinical, operational, and business models — may make specialty care more accessible, affordable, effective, and pleasant. Here are ways to unbundle specialists' four core services.

1. Unbundled Consultations

Specialists perform consultations to provide diagnostic or therapeutic advice to reduce clinical uncertainty. Here's a typical example: A family physician refers an older woman with new joint aches to a rheumatologist. At the initial appointment, the rheumatologist gathers and interprets clinical information (reviews medical records, takes a history, performs an exam), orders necessary tests (blood tests and x-rays), analyzes new data (test results), forms an assessment, and communicates recommendations to the patient and her referring physician.

Traditional consults are both underused and overused, frequently involve long waits, and often are poorly integrated across primary and specialty care. Consults may be unbundled and delivered in various configurations.

Informal consults. Specialists have long performed "curbside" consults whereby they discuss a case with another clinician and — without seeing the patient or reviewing his or her medical record — give the clinician informal management advice.

Telephone consults. Designating specialists to perform curbside consults via dedicated phone lines facilitates timely specialty access, reduces unnecessary emergency department visits and hospitalizations, and enhances requesting clinician satisfaction.

eConsults. Clinicians use the electronic health record to send an asynchronous message about a particular patient problem. A specialist reviews the message and relevant clinical information and either answers the question, requests additional information, or suggests an in-person consult. By reducing unnecessary consults, eConsults improve specialty access, enhance patient

and clinical experiences, decrease total costs, and free-up specialists to evaluate patients with more complicated conditions and perform procedures.

Remote second opinions. They are like eConsults, but rather than answering focused questions, specialists provide in-depth reviews and recommendations for complex cases. Included Health reports two-thirds of its remote second opinions change treatment recommendations, generating, on average, nearly $10,000 in savings.

Consultation clinics. Consults may also be unbundled and delivered in dedicated clinics, where specialists see patients only once or twice to formulate an assessment and a clearly outlined care plan. Unless the specialist identifies a severe issue, the patient returns to his or her referring clinician for ongoing care. By carving out this time-limited service, consult clinics such as Case Western's Psychiatric Consult Clinic make specialty care far more accessible.

2. Unbundled Co-Management

Specialists and other clinicians regularly share long-term management of patients' health problems. Here's a typical example: A general internist and psychiatrist jointly manage a middle-aged woman with depression. The psychiatrist is responsible for providing evidence-based management and communicating recommendations and changes. Key challenges include ensuring timely access to a specialist and clarifying which doctor is accountable for which tasks to prevent gaps in care and duplication of services.

Unbundling co-management addresses these challenges. For example, the Collaborative Care Model (CoCM) unbundles co-management for common mental health conditions in primary care. A behavioral care manager embedded in the primary care clinic works with patients, the primary care team, and a consulting psychiatrist to develop measurement-guided, evidence-based care plans that may include psychotherapy (delivered by the behavioral care manager) and medications (prescribed by the primary care clinician and overseen by the consulting psychiatrist). A large evidence base shows CoCM enhances clinical outcomes, increases patient and clinician satisfaction, and reduces costs.

3. Unbundled Principal Care

With principal care, specialists assume total responsibility for the long-term management of a referred health problem. Here's a traditional example: An endocrinologist fully oversees a college student's diabetes, including evidence-based management and communicating changes and recommendations to the primary care clinician. Today this care is largely provided by specialists on their own through intermittent clinical encounters. This makes it hard to quickly respond to patient needs, address psychosocial factors, coordinate care, support patient self-management, and apply evidence-based practices in ways that maximize health.

Principal care may be unbundled and delivered through integrated practice units (IPUs) that are structured to meet the needs of patients with similar conditions over the full cycle of care. Ideally accountable for the cost of care and outcomes that matter to patients, multidisciplinary care teams (rather than individual specialists working in silos) use data and technology to identify needs, engage patients, and deliver more continual,

better-coordinated, evidence-based care. At the same time, by focusing on specific conditions and measuring processes and outcomes, IPUs continually learn and improve. Patients treated at a Navy Medicine diabetes IPU experienced clinically meaningful improvements in blood sugar control, quality of life, and ease of disease management.

4. Unbundled Procedures

Specialists perform procedures to aid diagnosis, cure a condition, identify and prevent new conditions, or palliate symptoms. One example is a gastroenterologist performing an upper endoscopy to evaluate an elderly man having trouble swallowing. Traditional activities include evaluating the need for the procedure, assessing risks and benefits, ensuring informed consent, performing the procedure safely and effectively, and communicating the procedure findings. Key challenges include procedure overuse, overly complex processes, as well as variable outcomes and costs.

Unbundling procedures may enhance access, value, and experiences. For example, clearly indicated, low-risk procedures such as screening colonoscopies may be unbundled by using an "open-access" model that eliminates the pre-procedure consultation, thereby saving patients and specialists time and reducing costs. Because patients do not see the specialist until the date of service, processes are needed to ensure referrals are appropriate and patients are correctly scheduled and prepared.

Over the past few decades, many low-risk procedures have been unbundled from hospitals to dedicated ambulatory surgery centers. By eliminating unnecessary overhead costs and streamlining processes, these centers are typically higher-quality, lower-cost sites of service.

Likewise, select procedures may be unbundled from general hospitals and delivered within highly specialized facilities such as Canada's Shouldice Hernia Hospital and India's Narayana Health, which performs heart surgeries. Focusing on a few select services enables these organizations to standardize processes, leverage economies of scale, and optimize productivity in ways that minimize costs and maximize outcomes.

Challenges and Opportunities

Unbundling specialty care could make it more effective and affordable. Still, there are challenges, including the following three.

1. Sometimes individual care components are clinically interdependent. For instance, consultations are frequently needed to determine if a procedure or surgery is indicated. And time-limited co-management may be required to confirm a consultation diagnosis. Therefore, mechanisms linking different unbundled services are necessary.

2. One in three Medicare beneficiaries see at least five specialists each year. And for Medicare beneficiaries alone, the typical primary care physician (PCP) already coordinates care with nearly 100 specialists. Unbundling specialty care could further fragment care if it requires patients and PCPs to interact with even more specialists. One possible solution is having PCPs identify a select set of specialists for each type of unbundled service their patients require.

3. Unbundling specialty care requires changing how specialist care teams are configured, as well as the processes, information technology, and business models they use. Yet health care is

notoriously resistant to change. For example, more than 90% of health system specialists' compensation is from fee for service, which incentivizes them to deliver more billable services and limits their flexibility to unbundle care. Specialists who shift to alternative payment models are better positioned to unbundle services.

Despite these challenges, two broad trends are facilitating unbundling:

One is U.S. primary care is now receiving long-overdue investments aimed at reducing health care costs and improving outcomes. Yet forcing updated primary care practices to integrate with traditional specialty care could limit their total impact. Unbundled specialty care services that support "confident generalists" and address their patients' specific needs may better align with these efforts. Accordingly, some advanced primary care organizations such as ChenMed and Oak Street Health now directly provide unbundled specialist services.

The second is virtual care is unlocking opportunities for forward-thinking specialists to deliver unbundled consults, co-management, and even principal care across geographic regions. In doing so, they may develop deep experience and expertise in serving specific patient segments and their referring practices.

American health care is uniquely oriented towards specialty care. The status quo is not good enough. Appropriately unbundling specialty care is a better way forward.

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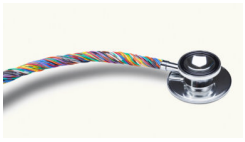

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