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The Latest Developments Driving the Transformation of Care

## THIS WEEK



### Check your blind spot as you address disruptive changes

Transforming health care to become more consumer-centered, less expensive and more innovative in where and how care is delivered has proven to be more challenging than many hospital and health system leaders envisioned. What's more, many CEOs expect the pace of change to keep accelerating even as the health care market remains as fluid as it is unpredictable, according to [Deloitte's 2019 Health Care CEO Perspectives Study](#).

The report, based on interviews with 25 health care CEOs whose organizations have at least \$1 billion in annual revenue, underscores just how difficult it has been to adapt to the pace and breadth of change in the field and the evolving definitions of success. One of the more interesting findings: Health care CEOs thought they'd be further along in transitioning to value-based care models, noting that this has been much more difficult than anticipated.

While CEOs had little trouble identifying key drivers of change expected in the field over the next decade (shifts in care settings, proactive consumers and value-based payment methods topped the list), a potential blind spot for many organizations emerged — the need for health care

leaders to recognize cognitive biases that can lead to poor decision-making when confronting change.

That is no small matter during this time of accelerating innovation, looming disruption and unprecedented market uncertainty. Deloitte notes that leadership teams and boards can be prone to such common mistakes as:

- **Being anchored on self:** Not looking outside the eyes of their organizations and peers and failing to reframe or adopt other perspectives by considering other industries, disruptors and customers.
- **Confirmation bias:** Conducting research or analysis that confirms and reinforces existing views and suppresses work that challenges those views.
- **Tunnel vision:** Considering too narrow a set of frames, methods, alternative scenarios or strategies.
- **Low volume/low frequency:** Too quick to decide, too slow to rethink, adjust or change; not enough forecasting cycles, modifying assumptions, questioning, and revising incrementally.
- **Outcome orientation vs. process orientation:** Too focused on whether forecasts and decisions turn out to be right or wrong, not focused enough on the underlying quality of the decision-making process.

#### 4 ways to mitigate organizational biases:

Deloitte leaders suggest taking the following actions to break out of this mindset:

- Consistently make aggressive use of scenario planning, market sensing and simulation.
- Engage leadership teams and boards in developing and refining future scenarios.
- Incorporate up-to-the-minute sensing of early indicators of competitive changes to the marketplace.
- Use computer models to simulate alternative scenarios and actively engage executives and board members to test assumptions and their implications.

As you examine ways to better respond to ever-changing market conditions in areas like value-based care models, look to these AHA resources for help:

- **[Evolving Care Models — Aligning Care Delivery to Emerging Payment Models](#):** This report from the AHA Center for Health Innovation provides an overview of the successes and challenges providers have experienced in aligning care delivery models with emerging payment models, and provides insights for those in the midst of this transition.
- **[Scenario Planning for Hospitals and Health Systems](#):** This guide, from the AHA's Society for Health Care Strategy & Market Development, leads planners through the process of identifying important trends, bringing them together into a coherent picture, and creating the visions of possible futures that will lead organizations to action. The report is free to SHSMD members.

- **2019 Value Snapshot:** This AHA members-only resource aggregates data from a variety of sources to illustrate where hospitals are today in terms of the value equation, value-based payment and culture that creates value.

## GOOGLE CLOUD FACES HEADWINDS IN TRYING TO WIN OVER EHR COMPANIES

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Google Cloud has hit a significant roadblock as it tries to execute its plans to help health care organizations turn their data into breakthroughs via better care and more streamlined operations. Epic Systems, one of the largest electronic health record companies in the nation, has been calling customers to tell them it will not pursue further integration with Google Cloud, [CNBC](#) recently reported.

Epic instead will focus its integration efforts on Amazon Web Services and Microsoft Azure. Epic reportedly made the decision to drop work with Google because it wasn't seeing enough interest from health system customers to justify the investment. This news comes on the heels of reports in December that Cerner, another top EHR system provider, also plans to migrate its core applications to AWS. Cerner also will standardize its artificial intelligence and machine learning on AWS to develop new predictive technology, [Healthcare IT News](#) reports.

What might this mean for Epic and Cerner users? One health system customer told CNBC that Epic's decision could impact the provider's data-sharing and aggregation efforts in the future. With Epic and Cerner being "picky" with their data-sharing standards, the source said, withdrawing support for Google could make it risky for health systems to use Google Cloud.

## VIRTUAL PRIMARY CARE GETS A MAJOR BOOST FROM CIGNA

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Widespread use of virtual care platforms to deliver primary care has been expected for some time now and a recent [agreement](#) between MDLIVE and Cigna could jump-start the transition. Cigna recently signed on to make MDLIVE's new primary care platform available to 12.5 million of its members starting in the second quarter of this year.



Cigna has been working with MDLIVE since 2014 to deliver urgent care services and began using the platform for behavioral health services earlier this month. The new virtual primary care platform can be used by Cigna members for services like annual wellness screenings or checkups that include health-risk assessment; referral management when a patient needs to see a specialist; the ability to maintain an ongoing relationship with a primary care provider; and remote monitoring as patients self-track vital signs and have access to programs involving health check-ins and reminders through Sophie Health Monitoring.

## HOW HOSPITALS ARE PAVING THE WAY TO THE FUTURE

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As a follow-up to our report last week on the J.P. Morgan Healthcare Conference, Maryjane Wurth, AHA executive vice president and chief operating officer, recently shared key takeaways from presentations by providers, technology firms, payers and others. Her [blog](#) also examines how health systems are working to create a “patients-first” culture.

We want to hear from you! Please send your feedback to Bob Kehoe at [rkehoe@aha.org](mailto:rkehoe@aha.org).



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