



# Value-Based Care Solutions

FTI Consulting is uniquely positioned to assist payers and providers with the development, implementation and optimization of value-based care plans and programs



# FTI Consulting's dedicated to helping payers and providers be successful in value-based care.

In today's healthcare environment, public and private purchasers are demanding greater value – care that is demonstrably impacting the health status and outcomes of a community while making the most out of available funds and resources. As a result, purchasers are pursuing value-based care (“VBC”) programs and arrangements. Healthcare providers must rise to this challenge and treat it as an opportunity to innovate and deliver services that truly address the whole person.

FTI Consulting's VBC Solutions are purposely designed to help purchasers and providers design, implement and optimize VBC plans and programs by offering products and services that target the VBC pillars:

- Clinical and service integration
- Operational distinction
- Performance, financial and compliance management





Organizations that align provider incentives with value-based care-model guidelines can increase shared savings, improve stakeholder engagement and deliver better outcomes for patients.



# We Provide Expertise to Clients Throughout All Stages of VBC Maturity

Optimizing performance in Value-Based Care requires care-delivery organizations to focus on continuous improvement of their clinical, operational and financial operations.

	Foundational	Growing	Maturing	Leading	Innovating
Organizational Needs	Effectiveness	Flexibility	Efficiency	Optimization	Adaptability
Clinical & Service Delivery	Transactional, or FFS-like Encounters	Engaged Providers	Improved Quality Metrics	Highly engaged Members	Improved Quality at Reduced Cost
Operations	Highly Outsourced	Strategic Capability Investment	Efficiency Capture	Informed Analytics	Optimization Through Data
Finance	Reactive Controls & Process	Demand for Data	Insights & Controls	Intentional Growth	Predictive Insights
FTI's Value to Clients	Expertise to Guide Clients Throughout All Stages of Organizational Maturity				

# Our Capabilities | Clinical & Service Integration



Organizations that align provider incentives with value-based care-model guidelines can increase shared savings, improve stakeholder engagement and deliver better outcomes for patients. Your organization already invests in the best population health-platform to help providers and supporting staff capture the intervention opportunities. Our expert team can actualize this investment by delivering analytic training and by giving staff the skills necessary to convert platform capabilities into sophisticated, office specific workflows.



## Provider Engagement

- Utilize a series of series of interviews with physicians and provider leadership to create a plan for empowering providers to understand, support and promote the vision, mission and strategy
  - Standardize clinical pathways to build trust between physician and patients
- Identify leadership roles for providers in VBC oversight and development to ensure aligned incentives
- Create strong cross-functional teams for care integration, design and management
  - Create incentives and rewards for rising quality-metrics and teaming



## Population Health

- Consult with and train staff on using and interpreting reporting tools that help identify:
  - Risk-stratified population, potentially preventable events, clinical interventions and appropriate transition of care
- Identify measurable and actionable metrics with which to quantify and track improvements
- Develop and implement gap-closure initiatives
- Achieve higher levels of health equity



## Provider Network Management

- Perform gap analysis of current provider network capabilities
- Identify prospective-provider groups based on panel size, specialty type and location
- Negotiate contract terms with payers and contracted provider-groups regarding fee-for-service reimbursement and value-based care models

## CASE STUDY | CLINICAL INTEGRATION

# HEALTH SYSTEM ACO: VALUE-BASED CARE READINESS

Advised health system and its affiliated clinically-integrated network on value-based care-planning and implementation across multiple lines of business.

### SITUATION

A health system consisting of hospitals, a behavioral-health in-patient facility, and numerous primary-care providers and multiple-specialty groups in the Mid Atlantic region requested assistance with a new commercial ACO readiness.

To maximize value-based care-incentive revenue, the organization was seeking assistance establishing effective governance, mapping out a support team and developing data integration and care management workflows.

### OUR ROLE

- Evaluated provider culture to assess interest and engagement-baseline of existing value-based care models.
- Developed communication and management-plan identifying key stakeholders.
- Facilitated the data-integration process, ensuring accurate capture of required quality-measures.
- Created, adjusted and tested multiple financial-performance models.

### OUR IMPACT



Identified key organizational personnel critical in supporting new value-based care initiatives



Identified and set attainable financial targets and contractual terms



Aided in building successful workflows allowing for closing clinical and data gaps

# Our Capabilities | Operations



It is critical that VBC organizations have the governance, analytical and operational processes in place to ensure fair reimbursement for the care provided to patients and the risk associated with managing patient care needs over time. We assist clients to ensure the establishment of leading-class analytics and operational processes to optimize performance while remaining balanced by strong process-controls to mitigate risk.



## Member Engagement

- Creating models and systems that identify patient outreach and communication preferences
- Developing omni-channel access points integrated with full patient data
- Establishing systems and processes for testing and evaluating the effectiveness of new-patient engagement strategies



## Risk-Adjustment and Quality

- Identifying major sources of operational risk and inefficiency and creating control-mitigation strategies
- Performing reviews of coding-accuracy and completeness
- Conducting comprehensive operational- and compliance-reviews
- Optimizing Risk Adjustment operational and financial performance from end-to-end including prospective and retrospective programs



## Analytics and Technology

- Improving revenue through more timely and actionable dashboards, reporting and analytics-platforms
- Generating efficiencies by implementing leading-class analytics and technology
- Building financial and analytical models to ensure accurate reimbursement for risk-adjustment and stars
- Providing advisory, operational and analytic support for governmental audits and investigations



## CASE STUDY | OPERATIONS

# DATA AND ANALYTICS VENDOR — PLATFORM-PERFORMANCE-MEASUREMENT AND ENHANCEMENT

Assisted a client in responding to analytical requests from client — national healthcare payer. FTI Consulting analyzed the payer's return on investment ("ROI") utilizing our client's practice-encounter-management software. After the payer understood that our client's platform produced a positive ROI, our engagement extended to additional work in metric-calculation improvement and platform efficiency.

### SITUATION

- FTI Consulting's client offers a data management platform that allows payers and providers to monitor the status of quality, risk and utilization metrics across a given patient population and including dashboard functionality and KPIs.
- Our client's largest customer utilizes this functionality to engage providers serving Medicare Advantage beneficiaries. By providing access to our client's platform, payers' physicians with can support providers in identifying specific patients to close care-gaps and provide additional or improved care.
- FTI Consulting provided data-grounded support through use of the client's platform contributing to improved quality, risk- and utilization-metrics as well as identification of key reporting and KPI-metric improvements for the platform.

### OUR ROLE

- FTI Consulting was engaged to build a methodology for measuring the performance and value of the platform to the payer. FTI Consulting leveraged its healthcare- and data-analytics expertise to develop an evaluation of the frequency and manner with which a provider accessed the client's platform, along with any improvement of their quality, risk-score and HCC recapture-metrics over time.
- Through this process FTI Consulting identified KPI and analytical improvements that led to the development of a more robust reporting package.
- FTI Consulting has also identified several areas for improvement in our client's back-end databases and programming logic and has provided support in improving the efficiency of the platform.
- FTI Consulting has subsequently been engaged to assist the client and the payer with an updated platform-provided analysis of the financial value and other client-growth initiatives.

### OUR IMPACT



Combined calculation of platform-usage statistics of quality, utilization and risk-metrics to create an ROI analysis.



Applied industry knowledge to refine existing metric calculations and provide further insight into provider-level care.



Provided technical support to improve platform efficiency.

# Our Capabilities | Financial Performance and Risk Management



We improve the execution of enterprise reporting business planning by reflecting expected revenue from contractual arrangements such as shared savings, initial capital contributions and ongoing operational expenses. We define and implement strategies that leverage best practices and optimize the financial operating model. Additionally, we consider the financial-incentive methodology geared to a degree of risk tolerance, readiness and compliance.



## Actuarial Services

- Incurred But Not Reported (“IBNR”) analysis
- Shared-savings P&L modeling and PMPM forecasting
- Management reporting including dashboards and actual- vs. expected-variance analysis to identify areas of concern
- Predictive-modeling analytics
- Year-end audit support and actuarial opinions/certifications
- ROI studies on disease-management programs and other cost-reduction initiatives



## Risk Models and Strategy

- Physician due diligence in evaluating VBC participation opportunities
- Strategic and financial evaluation of VBC model type and risk-tolerance
- Ongoing monitoring and forecasting of VBC performance
- Fee schedule analysis



## Compliance

- Preparation of mandatory state and federal reporting
- Design or review of scope for VBC compliance plan
- Conduct early-compliance-gap analysis and ongoing monitoring of compliance requirements

## CASE STUDY | FINANCIAL PERFORMANCE AND RISK MANAGEMENT

# VALUE-BASED-CARE MODEL: ACTUARIAL SUPPORT FOR INCURRED BUT NOT REPORTED (“IBNR”) CLAIM ESTIMATES AND FORECASTING

A risk-bearing healthcare-entity-supporting value-based-care models for primary care physicians needed financial and actuarial expertise. FTI Consulting was engaged to calculate their monthly IBNR claim estimates as well as to provide actuarial projections by product and line of business for their quarterly forecasts and variance analysis.

### SITUATION

The entity was a rapidly growing, analytics-driven healthcare organization supporting value-based-care models for primary care physicians serving Medicare Advantage and Traditional Medicare members.

Their rapid expansion with multiple-risk-sharing contracts brought about financial- and actuarial-modeling complexities that outpaced their in-house capabilities and expertise. Their financial close process relied on IBNR estimates from the various health plans with which they contracted—and which proved challenging from a standpoint of timing, transparency, accuracy and volatility.

### OUR ROLE

- FTI Consulting’s support in this function was as follows:
- Worked with the entity’s IT, claims and financial segments to:
  - reassess the granularity of results needed going forward; and
  - Define the data needed for the analysis, while still reconciling to verified financials.
- Independent monthly calculations of IBNR using FTI Consulting’s proprietary projection models, which include (but are not limited to) the following:
  - standard actuarial-lag-factor methodology, which estimates incurred claims for each month based on historical payment patterns; and
  - estimated claims, which are then credibility-weighted with the Per Member Per Month (“PMPM”) method and which incorporate seasonality and trend in the projections as well as statistical adjustment for outliers.
- For budgeting and forecasting support, our models also produce:
  - incurred PMPMs by month for each product; and
  - rolling 3-, 6-, 9- and 12-month claim trends to observe recent and long-term activity.

### OUR IMPACT



**Determined inaccuracies, volatility, timing and transparency issues in the IBNR amounts provided to client each month.**



**Developed and executed a process for streamlining data delivery to FTI Consulting, facilitating our independent calculation of IBNR estimates.**



**Provided the entity with granular, timely and transparent IBNR estimates. Also assisted with forecasting projections.**



A commitment to delivering excellent service is central to our culture.



# We Deliver a Unique Client Experience

A commitment to delivering excellent service is central to our culture.

## Clients choose FTI Consulting's VBC Solutions because:

**We are FTI Consulting's Value-Based Center of Excellence.** We are a specialty practice that helps you tackle challenges quickly, execute efficiently and deliver real results.

**We are hands-on.** We are action-oriented in our collaboration with clients and have a reputation as the "get it done" firm with pragmatic solutions.

**We bring comprehensive solutions tailored to your needs.** We understand that clinical, operational and financial challenges may range from tactical to transformational, and we take pride in helping our clients in their respective stages of organizational maturity.

**We stand out with our delivery.** We know how to engage with internal and external stakeholders across the payer-provider spectrum, including the C-suite, operational leaders, investors, auditors, regulators, lawyers and consumers to drive value-based care initiatives forward.

**We have the experts.** Our professionals range from former executive-level operators of large organizations to past controllers, FP&A leaders, treasurers, accountants, auditors and more.

## When you work with FTI Consulting, you can expect:

**Professionals who put your interests first** and work with a collaborative spirit.

**Practical and actionable recommendations** to create value and mitigate risks, all from those who have done it before.

An **approach that will be results-oriented**, rooted in facts, data and analysis.

**Smaller teams of experts**, who are best suited to the tasks at hand.

Teams that work with **speed and accuracy**.

A reputation for **communicating clearly and delivering with consistency**.

Leadership and advisory services from **professionals who have "sat in the seat" responsible for execution**.

Access to renowned industry **and regulatory experts**.

FTI Consulting can help mitigate the risk in this transition and foster opportunities for additional revenue. Excellence in value-based care requires new thinking, new processes and new infrastructure.



# “We Just Joined Our First Value Based Program — Now What?”

The VBC transition is happening fast — don’t be caught off guard. FTI Consulting can help mitigate the risk in this transition and foster opportunities for additional revenue. Excellence in value-based care requires new thinking, new processes and new infrastructure. FTI Consulting’s Health Solutions Experts are here to help clients navigate this transitional journey.



## Managing Communication

- Structuring financial incentives and identifying non-financial incentives to elicit desired behavioral change.
- Developing engagement-strategies using organizational-, practice- and provider-level data.
- Creating a lexicon that resonates with providers.
- Creating a communication strategy and governance structure promoting provider-contribution.



## Practice Transformation

- Thinking and Working Differently
- Creating action plans for utilization- and-cost reporting.
  - Prioritizing initiatives based on historical skill and will of the organization.
  - Adapting and evolving existing referral patterns emphasizing efficiency and access.
  - Identifying opportunities to implement prescribing-pattern reviews, ensuring efficiency and clinical appropriateness.
  - Analyzing existing care management integration across the enterprise.



## Quality Measures

- Ensuring Highest Level Reimbursement
- Differentiating gaps in data from gaps in care.
  - Developing EHR capabilities to capture required quality measure data.
  - Creating provider education on measure parameters and best practices.
  - Completing a staffing-team assessment to create appropriate support for optimal clinical- and cost-outcomes.

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## EXPERTS WITH IMPACT™

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