

# Value-Based Care Performance Management Analytics

## The case for a new analytical capability

Value-based care performance management is a set of core analytic and operating system functions that healthcare entities must perform to succeed under new payment and care delivery models. They include:

- Sophisticated financial and statistical analysis capabilities needed for risk-based contract management: contract modeling, forecasting and performance management analytics; medical loss ratio modeling and performance analytics; clinical pathway analysis and integrated care performance analytics; network and referral performance analytics; and cost and quality optimization analytics.
- Enhanced quality management and statistical analysis needed to achieve benchmarks associated with revenue-share and cost-containment contracts: improved patient outcomes; improved management of chronic diseases; reduced episode costs; higher levels of patient satisfaction.
- Enterprise performance management system: analytic decision tool to identify and quantify care and cost improvement opportunities; planning tool to build operating plans and manage project implementation; reporting tool to track progress and results.

Value-based care performance management is a necessary compliment to population health management. It addresses patient care and cost issues at the point of care delivery, to “fix-the-plant”. It provides systemic, “one-to-many” solutions that affects thousands of patients and saves millions of dollars. It enables patient health management at scale.

## Gartner point of view

The July, 2016 Gartner Hype Cycle for Healthcare Providers included Value-Based Performance Management Analytics for the first time, designating it as an emerging and important capability for healthcare providers. The report states: “We expect value-based performance management analytics to quickly become a critical capability providers will need to be successful under new payments and delivery models.”

Gartner noted the financial complexity associated with value-based care: “Financial modeling and forecasting has become harder and more complex; the revenue side of the equation is now calculated with a mix of fee for service, bundled payment and shared savings models. Additionally, reimbursement is increasingly linked to better patient outcomes, and incentives will be aligned with the requirements to evaluate quality by measuring clinical performance.”

Gartner advises providers to:

- Shift away from doing performance management in pieces and in separate areas of the enterprise to a new integrated paradigm. “The new payment paradigms, however, call for the intersection of cost, quality and finance to achieve optimal results under the terms and conditions of risk and value-based contracts.”
- Recognize the need for accurate cost accounting. “HDOs need precise information around cost and cost variables, which is crucial to negotiating contracts and managing performance and essential for value-based performance management analytics.”
- Learn about new healthcare management tools. “Understand what these tools do, how they address new challenges, and how they complement existing tools and capabilities (e.g., population health management, corporate performance management).”

## **The Cedar Gate Technologies Solution**

Cedar Gate Technologies (CGT) is a new, advanced analytic and cognitive computing company providing value-based performance management analytics and tools to companies taking risk with the healthcare dollar: IDNs, ACOs, Payers and self-insured employers.

CGT was recently listed in the July, 2016 Gartner Hype Cycle for Healthcare Providers report.

CGT's ISAAC™ platform is an innovative, risk-based contract and enterprise performance management platform. It incorporates a sophisticated set of financial and statistical capabilities for accurate in-year and projected financials; it applies prescriptive analytics that identify clinical, network and operational performance improvement opportunities and values them using in-effect contract prices and terms; it includes Playbook, a performance management planning, workflow and implementation tool to drive accountability around execution.

ISAAC™ is helping healthcare entities at risk for the healthcare dollar make the successful transition from fee-for-service to value-based reimbursement. It is a first of its kind risk-based contract and performance management platform.

To learn more or to arrange a demonstration of ISAAC™ capabilities email us at: **[learnmore.cedargate.com](mailto:learnmore.cedargate.com)** or go to our website **[www.cedargate.com](http://www.cedargate.com)**.