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HEALTHCARE COMMUNICATIONS

COUNCIL OF ACCOUNTABLE PHYSICIAN PRACTICES
An affiliate of the American Medical Group Association

SOCIETY FOR
Healthcare Strategy & Market Development℠
of the American Hospital Association

AMGA
American Medical Group Association®

IMPLICATIONS FOR HEALTHCARE COMMUNICATORS
Survey Results—December 2012

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EXECUTIVE SUMMARY

The transformation of health care is on the minds and agendas of healthcare executives across the country. It is universally accepted that the current healthcare delivery system is financially unsustainable. Costs are too high, incentives are misaligned and care coordination is often lacking, resulting in poor patient experiences and outcomes. In the movement to remedy this problem, 145 healthcare organizations are participating in a Medicare-sponsored accountable care initiative, and more than another 100 are partnering with private payers to engage in similar demonstrations and projects. In addition, medical homes are rapidly being developed by physician groups and hospitals to provide better coordination of patient care. It is clear that despite resistance from many in the healthcare industry, the transformation of healthcare organizations to deliver accountable care (i.e., the Triple Aim of providing better patient experiences and improved population health while reducing costs) is increasing and gaining traction.

Organizational change—particularly change of this magnitude— requires thoughtful, effective and targeted communications.

Building support for organizational change—particularly change of this magnitude—requires thoughtful, effective and targeted communications. Motivated by research on this topic conducted by the Council of Accountable Physician Practices (CAPP), an affiliate of the American Medical Group Foundation, Maricich Healthcare Communications partnered with CAPP to explore how healthcare organizations are addressing this critical issue. Together, we sought to answer key questions:

- **Do the organizations considering or implementing an accountable care initiative understand the importance of strategic communication to their success?**

- **If so, do they have the communication resources to manage the change process?**

- **Which stakeholder group do these organizations expect to be the most difficult to manage during the change process?**

- **What are the greatest barriers or concerns for that audience?**

To further investigate the role that communications plays in implementing and managing an accountable care initiative, Maricich and CAPP conducted an online survey with two key stakeholder groups: members of the American Medical Group Association (AMGA, representing physician groups) and the Society for Healthcare Strategy & Market Development (SHSMD, representing hospital organizations). The survey was conducted during July and August 2012.

"Communications to physicians must be honest and open."

— Quote from survey respondent

Because physician groups and hospitals will need to create better, more efficient care processes and relationships to achieve the goals of accountable/coordinated care, it's important to understand two perspectives on the value of communications.

A total of 62 AMGA members completed the survey, although not all respondents answered every question. The majority of survey respondents were C-level executives representing large organizations, with 45% representing organizations with 1,000 or more employees. Thirty-eight percent described their organizations as integrated delivery systems and 40% as multi-specialty medical groups.

A total of 129 SHSMD members completed the survey, although not all respondents answered every question. Forty-one percent of survey respondents were vice presidents of marketing/communications or marketing officers, with the remainder identifying themselves as chief operating officers, chief medical officers, vice presidents (other) or similar management roles. These respondents represented mostly large organizations, with two-thirds (67%) having 1,000 or more employees. Forty-five percent described their organizations as hospitals and 29% as integrated delivery systems.

While the profiles of the AMGA and SHSMD respondents were not entirely equivalent, all of the respondents did represent executive levels that should have knowledge and understanding of their company's business objectives and strategies.

The survey addressed four major areas: (1) the prevalence of accountable care organization (ACO) ventures among the organizations; (2) the types of ACO partnership relationships; (3) perceived challenges among stakeholders; and (4) readiness to communicate change. Findings suggest that the majority of both AMGA and SHSMD organizations are pursuing or are considering the pursuit of an accountable care venture, mainly the development of medical homes. Most often, this is being done in partnership with another organization, such as a health plan, medical group or hospital.

The majority of respondents described their organizations' attitude about ACO initiatives as cautiously optimistic; they anticipated the greatest resistance to ACOs coming from doctors and staff, both within their own organization and their partnering organization. Respondents from both medical groups and hospital systems attributed this resistance to fear about loss of autonomy, control and revenue.

Most survey respondents agreed that communication is "very important" or "extremely important" to the overall success of any ACO initiative, but only 43% of AMGA members and 38% of SHSMD members felt adequately prepared to communicate about the initiative to both internal and external audiences. Concerns about communicating the ACO initiative include perceived resistance due to the Patient Protection and Affordable Care Act; general inability to explain the concept in terms that patients or staff will understand; the lack of resources to adequately manage and communicate the change; and the pace of implementation.

"Change creates anxiety. Ongoing dialogue regarding how change impacts the individual is crucial. The fundamental questions of Can I do it?, Is it worth it?, are very important to address directly."

— Quote from survey respondent

The findings imply that most healthcare organizations—particularly those that are smaller—may not be bringing communications counsel to the table early enough in the process of implementing an accountable care initiative, or resourcing their communications counsel appropriately. However, communications related to ACO ventures should be viewed as an essential strategy to manage change in culture, process and people. Because the most resistant stakeholders are often physicians who are most important to the success of an ACO, careful attention should be paid to building awareness, trust and understanding among this group. Failure to do so could mean the failure of the accountable care initiative itself and a significant loss of time and money invested.

Healthcare leaders would be wise to provide their communications teams with the tools and resources need to assess the impact of the change on their organization and marketplace. Doing so will not only support effective change management, but also mitigate potentially disrupting reactions from stakeholders.

INTRODUCTION AND BACKGROUND

With the June 2012 Supreme Court decision upholding the Patient Protection and Affordable Care Act, the barriers to federal funding of accountable care organization (ACO) pilots and other payment and delivery system reform projects were lowered. Healthcare organizations that were still on the fence about implementing accountable-care type initiatives received a clear message with that decision: The system must try to achieve the goals of health reform—reduced costs, improved care experience and improved population health—or providers may face financial penalties for failing to do so.

Prior to the Supreme Court decision, many healthcare organizations had already taken the plunge and applied to participate in one of Medicare's shared payment and accountable care initiatives. To date, more than 250 healthcare organizations describe themselves as accountable care organizations. Many are participating in

Medicare-sponsored accountable care initiatives, while others are partnering with private payers in similar projects. Some organizations, such as those that serve on the Council of Accountable Physician Practices (CAPP), an affiliate of the American Medical Group Foundation, have long considered themselves "accountable care" organizations because their common mission is to improve care quality and delivery-system efficiency while ensuring that their providers are effective stewards of healthcare resources.

CAPP (www.amga-capp.org) is a consortium of some of the nation's largest and most organized delivery systems such as Kaiser Permanente, Mayo Health System, Geisinger, The Cleveland Clinic, HealthCare Partners, Austin Regional Clinic and others. These groups are now in the forefront of the current accountable care movement. Having recognized the need for physician and patient engagement in healthcare reform, they charged their own marketers and communicators with finding the best way to educate the public about the benefits of accountable care.

The CAPP communications workgroup comprises healthcare communicators from these organizations. This workgroup had already researched and implemented an accountable care

"We need to continue to promote positive impact on patients and benefits for physicians to help our organization and other stakeholders understand the reason for change."

— Quote from survey respondent

public education initiative (www.5RealAnswers.org) in 2011, which continues today. Inspired by CAPP's published research that found great disparity in patients' understanding of the healthcare system across the nation, their understanding of healthcare language and their individual care experience, Maricich Communications contacted CAPP to learn more about the organization's best practices research for accountable care communications. Those discussions revealed opportunities to better understand how organizations can most effectively manage the transition to the ACO model.

Proactive communication is essential for successful organizational change. With this in mind, executive management and healthcare communicators alike should reflect on these core issues: Does the organization understand the importance of strategic communications to their success? Do they have the resources needed to effectively manage change? Which stakeholder group do they anticipate will be the most difficult to manage? And what would be the greatest barriers or concerns about change for that audience?

METHODOLOGY

To answer these and other questions, Maricich and CAPP partnered with Gomez Research, the American Medical Group Association (AMGA—representing medical groups), and the Society for Healthcare Strategy & Market Development (SHSMD—representing hospital organizations), to conduct web-based surveys of their member organizations.

A total of 62 AMGA members completed the survey, although not all respondents answered every question.[1] The study yielded an overall margin of error of +/-12% at the 95% confidence level, meaning if the study were conducted repeatedly, 95 times out of 100 the results would be the same, give or take 12 percentage points. The initial invitation to complete the survey was sent out on July 10, 2012, with a reminder email sent two weeks later.

A total of 129 SHSMD members completed the survey, although not all respondents answered every question. The study yielded an overall margin of error of +/-9% at the 95% confidence interval, meaning if the study were conducted repeatedly, 95 times out of 100

[1] In general, results based on fewer than 100 respondents should be interpreted with caution due to the small sample size.

the results would be the same, plus or minus 9 percentage points. The initial invitation to complete the survey was sent July 12, 2012, with a reminder email sent two weeks later. In addition, an icon was placed in SHSMD's member newsletter linking to the survey.

No incentives were provided to respondents; however, all individuals who completed the survey were told they would receive a copy of the final report.

SURVEY RESPONDENT CHARACTERISTICS

AMGA survey respondents tended to represent mid-sized and larger organizations, with 89% representing organizations with 250 or more employees. Almost half (45%) reported employee populations of more than 1,000. Three-fourths of respondents represented multi-specialty medical groups and integrated delivery systems (77% combined), with fewer than 10% of respondents describing their organizations as physician-hospital organizations (PHOs), independent physician associations, academic medical centers or single-specialty practices.

Two-thirds of the individuals who completed the survey identified themselves as the CEO, COO or CMO of their organization. Fewer than 5% of survey respondents identified themselves as marketing officers.

SHSMD survey respondents tended to represent larger organizations as well, with two-thirds (67%) representing organizations having 1,000 or more employees. Only 10% of respondents reported employee populations under 249. Respondents most frequently represented hospitals (45%) and integrated delivery systems (29%), with fewer than 5% of respondents each describing their organizations as PHOs, management services organizations (MSOs), multi-specialty medical groups, single-specialty practices, ancillary services providers or solo practices.

"We need to break down the misconceptions and find words [that patients] are comfortable with to describe what needs to be done and what we hope to accomplish."

— Quote from survey respondent

The individuals who completed the survey were most often the organization's marketing/communications vice president or officer (41%) or similar management position (21%). Fewer than 5% of all respondents identified themselves as a chief operating officer. The 25% who fell in the "other" category described themselves as the senior vice president of marketing; assistant vice president; director of communications, marketing, programs or planning; coordinator/analyst; or chief strategy officer.

FINDINGS

The survey addressed four major areas: (1) the prevalence of ACO ventures among AMGA and SHSMD members; (2) the types of ACO partnership relationships; (3) perceived challenges among stakeholders; and (4) readiness to communicate change. Results are presented below.

1. PLANS TO PARTICIPATE IN AN ACCOUNTABLE CARE INITIATIVE

Survey results suggest that the majority of AMGA and SHSMD respondents are already pursuing an accountable care venture. The establishment of medical homes was the most frequently cited initiative: 90% percent of AMGA organizations surveyed reported that they are participating in or are considering an ACO, venture with more than half (52%) enhancing their primary care services to allow them to become a medical home.

Are you considering undertaking any one of the following accountable care business ventures?

AMGA

Advance Payment ACO Model	8%
Medicare's Pioneer ACO Program	0%
Medicare Shared Savings ACO Program	28%
Partnering with a commercial insurer and/or hospital on a medical home or accountable care project	44%
Partnering with a hospital on an initiative to reduce avoidable readmissions	31%
Partnering in other care coordination programs or with care coordination partners	38%
Enhancing primary care services to become a medical home	39%
Merging with or acquiring other medical groups, IPAs or hospitals	31%
My organization is not participating in or considering an accountable care business venture at this time.	5%
Don't know / None of the above	10%
Other	5%

(n=62) Does not add to 100% since respondents chose all that applied.

SHSMD

Advance Payment ACO Model	8%
Medicare's Pioneer ACO Program	5%
Medicare Shared Savings ACO Program	16%
Partnering with a commercial insurer and/or hospital on a medical home or accountable care project	24%
Partnering with a hospital on an initiative to reduce avoidable readmissions	16%
Partnering in other care coordination programs or with care coordination partners	30%
Enhancing primary care services to become a medical home	28%
Merging with or acquiring other medical groups, IPAs or hospitals	24%
My organization is not participating in or considering an accountable care business venture at this time.	8%
Don't know / None of the above	31%
Other	6%

(n=129) Does not add to 100% since respondents chose all that applied.

> **"[Accountable Care] is a complex issue that takes a lot of education before it is summarized in communications vehicles—a couple of newsletter articles won't do it. Education is needed for medical staff, finance, IT, employees, etc."**
>
> — Quote from survey respondent

Two-thirds of SHSMD organizations surveyed reported that they are participating in or are considering an ACO venture, with 39% enhancing their primary care services for medical home development.

Thirty-nine percent of AMGA members reported that their organization was participating in a Medicare accountable care project (Shared Savings pilot, Pioneer ACO, Advanced Payment project), and 36% were considering participating in a Medicare project.

The percent of AMGA members participating in a Medicare accountable care project (39%) is statistically higher than the proportion of SHSMD respondents (24%) that are participating in a formal Medicare project.

Is your organization participating in one of the following accountable care business ventures?

AMGA

Advance Payment ACO Model	2%
Medicare's Pioneer ACO Program	10%
Medicare Shared Savings ACO Program	27%
Partnering with a commercial insurer and/or hospital on a medical home or accountable care project	50%
Partnering with a hospital on an initiative to reduce avoidable readmissions	36%
Partnering in other care coordination programs or with care coordination partners	32%
Enhancing primary care services to become a medical home	52%
Merging with or acquiring other medical groups, IPAs or hospitals	34%
Don't know / None of the above	10%
Other	5%

(n=62) Does not add to 100% since respondents chose all that applied.

SHSMD

Advance Payment ACO Model	4%
Medicare's Pioneer ACO Program	8%
Medicare Shared Savings ACO Program	12%
Partnering with a commercial insurer and/or hospital on a medical home or accountable care project	29%
Partnering with a hospital on an initiative to reduce avoidable readmissions	21%
Partnering in other care coordination programs or with care coordination partners	33%
Enhancing primary care services to become a medical home	39%
Merging with or acquiring other medical groups, IPAs or hospitals	26%
Don't know / None of the above	32%
Other	10%

(n=129) Does not add to 100% since respondents chose all that applied.

There is active consolidation going on in this population as well with 34% merging with or acquiring other groups, IPAs or hospitals. Nearly 20% of respondents were not familiar with the details of their ACO venture, suggesting that these numbers may underestimate the proportion of AMGA organizations that are working with partners. Only 5% stated they were not participating or considering participating in an accountable care project at this time.
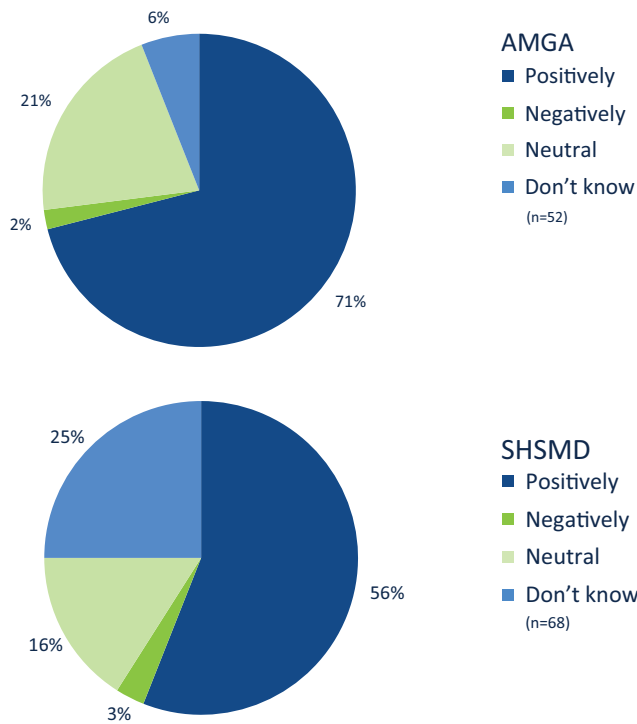
Only one quarter (25%) of the SHSMD respondents were participating in a formal Medicare project. Medical home development (39%) and other care coordination projects (33%) were the top two cited initiatives. Twenty-six percent are merging with or acquiring other groups, IPAs or hospitals. About one-third (32%) were unfamiliar with the ACO concept or were not participating in one at this time.

Results showed a significant difference in how respondents from hospital organizations and those from medical groups perceived the market impact of ACO ventures. More than two-thirds (71%) of respondents from medical group organizations anticipate their ACO project will positively impact their market position, while only 56% of respondents from hospital organizations agree. There is also more uncertainty among the hospital organizations about market effect—25% state that they did not know what the market impact would be.

"The thoughtful communication of the benefits of departing from the fee-for-service type of system will need to be articulated clearly. Otherwise, the new system of care will be perceived as limiting choices and/or rationing care."

— Quote from survey respondent

How do you think your organization's market position will be affected if you implement an accountable care initiative?

AMGA
- ■ Positively
- ■ Negatively
- ■ Neutral
- ■ Don't know

(n=52)

6%
21%
2%
71%

SHSMD
- ■ Positively
- ■ Negatively
- ■ Neutral
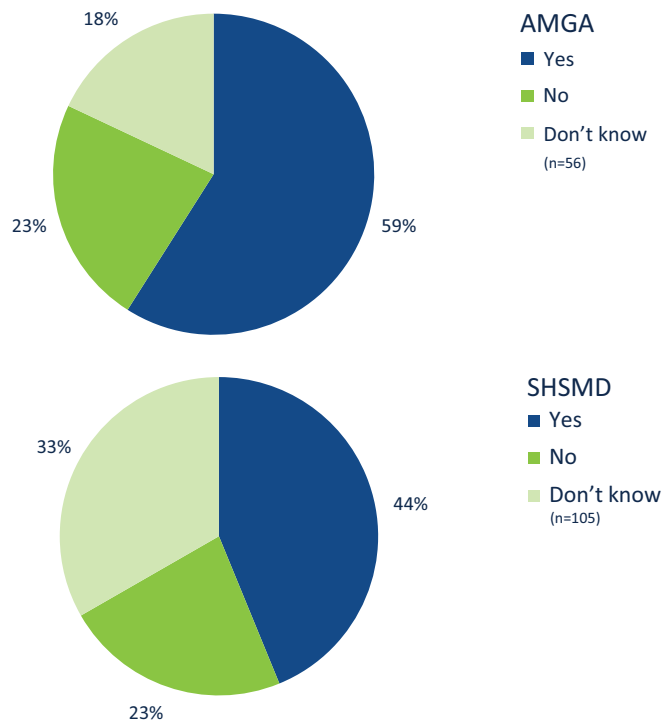- ■ Don't know

(n=68)

25%
16%
3%
56%

2. ACO PARTNERS

Of those organizations pursuing an ACO venture, the majority are partnering with at least one other organization. Nearly six out of 10 medical group respondents (59%) reported that their organizations were partnering with another entity, most frequently with a health plan (36%). Twenty-two percent were working with hospitals.

On the hospital side, 44% of SHSMD members stated that they were partnering with another organization, but a one-third of the respondents didn't know what kind of

partners were involved. The partnerships that the SHSMD respondents were aware of include those with medical groups, health plans, other provider organizations and management services organizations (MSOs).

Nearly half of the AMGA members initiated ACO discussions with potential partners. Thirty-five percent of the SHSMD respondents stated that their organizations took the lead to develop accountable care business partnerships, although more than half answered "didn't know/not applicable."

If your organization is participating in or considering an accountable care business venture, are you partnering with another organization?

AMGA
- Yes
- No
- Don't know
  (n=56)

18%
59%
23%

SHSMD
- Yes
- No
- Don't know
  (n=105)

33%
44%
23%

What type of organization is your organization partnering with?

AMGA

Hospital	22%
Health plan	36%
Management Services Organization (MSO)	0%
Medical group	9%
Other provider organization	13%
State or local government	2%
Don't know	18%

(n=55) Does not add to 100% since respondents chose all that applied.

SHSMD

Hospital	17%
Health plan	15%
Management Services Organization (MSO)	3%
Medical group	15%
Other provider organization	11%
State or local government	2%
Don't know	36%

(n=98) Does not add to 100% since respondents chose all that applied.

In this accountable care venture, did your organization initiate discussions with the partnering organization or were you approached by the partner first?

AMGA
- Our organization initiated discussions about the project
- The partnering organization approached us
- Don't know / Not applicable
  (n=55)

47%
16%
36%

SHSMD
- Our organization initiated discussions about the project
- The partnering organization approached us
- Don't know / not applicable
  (n=96)

35%
13%
52%
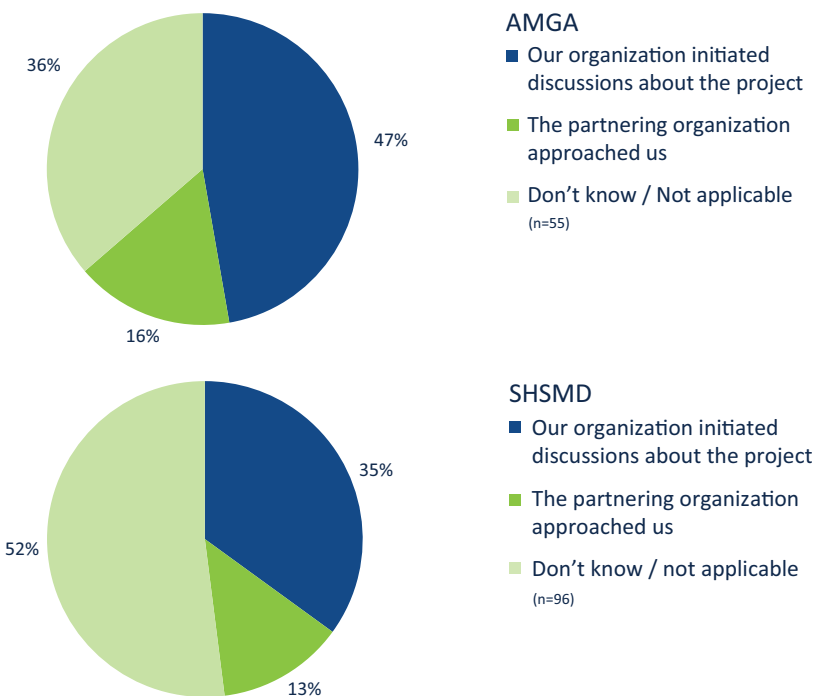
3. PERCEIVED CHALLENGES

Three-fourths (76%) of AMGA organizations participating in or considering an ACO venture described their organization as strongly in favor of the change or cautiously optimistic. Only 24% of organizations participating in or considering an ACO partnership described their organizations' attitude as "reluctant" or "resistant." None of the AMGA respondents felt "negative" about the change.

More than seven out of 10 (72%) of SHSMD member organizations participating in or considering an ACO venture described their organizations as strongly in favor of the change or cautiously optimistic. Twenty-eight percent described their organizations' attitude as "reluctant," "resistant" or "negative."

In both AMGA and SHSMD organizations that are currently participating in or considering an ACO venture, the greatest resistance is anticipated among doctors and staff (within their own organization, as well as with their partnering organization). Loss of revenue or profit, loss of autonomy and control, and concerns about the impact on their worklife and practice patterns were the most cited concerns. Survey respondents were least concerned about negative reactions from patients; however, more than three-quarters of respondents from both groups (79% of AMGA members and 77% of SHSMD members) reported that they still believe there is a need to communicate business changes to patients. Patients, they say, may be confused by the transition to ACO status, fearing loss of services and/or access.

"External help and resources [for communications] would be appreciated so that we don't have to 'reinvent the wheel'."

— Quote from survey respondent

If you are participating in or considering an accountable care initiative, how would you describe your organization's attitude about the shift?
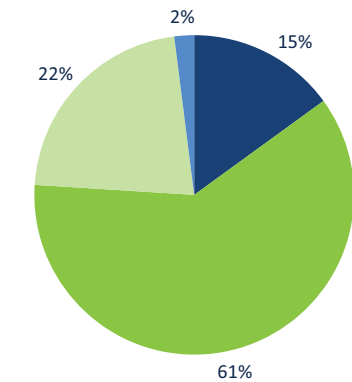
AMGA
- Bullish; strongly in favor of the change
- Cautiously optimistic; we feel it's the right thing but we're not sure how it will affect our business
- Reluctant; but we feel the need to understand and be prepared
- Resistant; we are adopting a wait-and-see approach
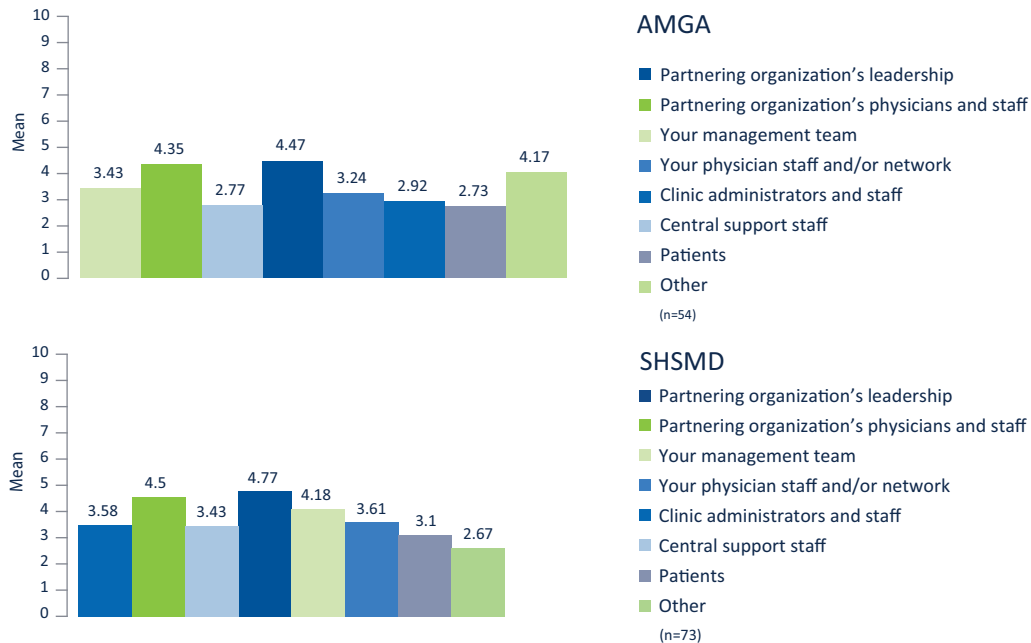- Negative; we don't think this will work
  (n=54)
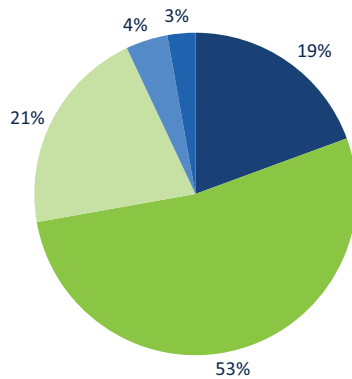
SHSMD
- Bullish; strongly in favor of the change
- Cautiously optimistic; we feel it's the right thing but we're not sure how it will affect our business
- Reluctant; but we feel the need to understand and be prepared
- Resistant; we are adopting a wait-and-see approach
- Negative; we don't think this will work
  (n=72)

On a scale of 1 (low) to 10 (high), please rate the level of resistance you have experienced or expect to experience from each of the various stakeholders listed below:

AMGA

- ■ Partnering organization's leadership
- ■ Partnering organization's physicians and staff
- ■ Your management team
- ■ Your physician staff and/or network
- ■ Clinic administrators and staff
- ■ Central support staff
- ■ Patients
- ■ Other

(n=54)

AMGA values: 3.43, 4.35, 2.77, 4.47, 3.24, 2.92, 2.73, 4.17

SHSMD

- ■ Partnering organization's leadership
- ■ Partnering organization's physicians and staff
- ■ Your management team
- ■ Your physician staff and/or network
- ■ Clinic administrators and staff
- ■ Central support staff
- ■ Patients
- ■ Other

(n=73)

SHSMD values: 3.58, 4.5, 3.43, 4.77, 4.18, 3.61, 3.1, 2.67

4. READINESS TO COMMUNICATE CHANGE

Ninety-four percent of AMGA respondents surveyed reported that they believe communication is "very important" or "extremely important" to the overall success of any ACO initiative. Three-quarters (76%) of SHSMD respondents reported that they believe communications is "very important" or "extremely important" to success.
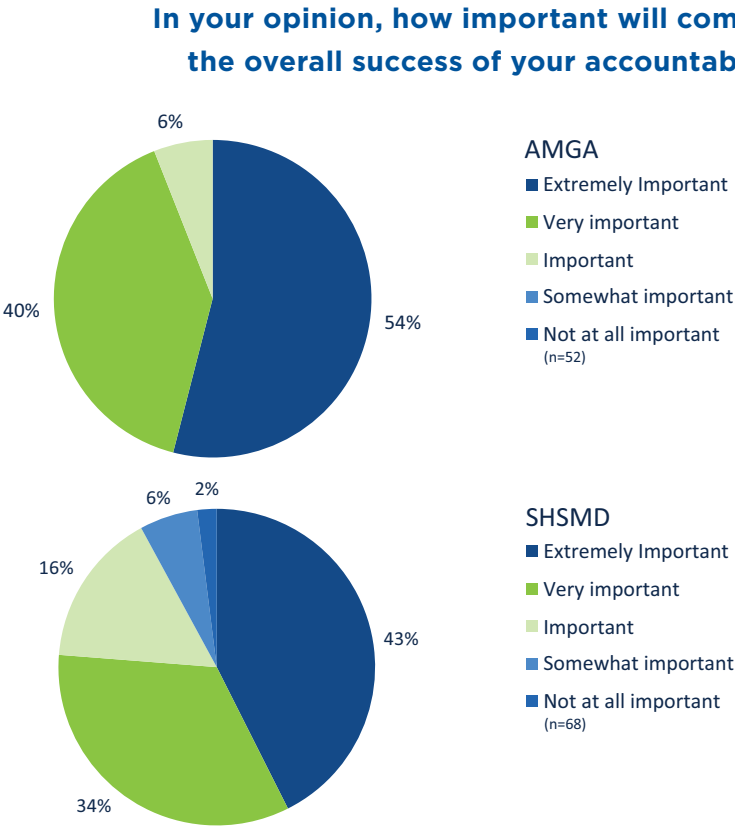
Despite the expressed importance placed on communication by 100% of the respondents, only 43% of AMGA members and 38% of SHSMD members felt adequately prepared to communicate about the initiative to both internal and external audiences. Twenty-six percent of AMGA and 38% of SHSMD respondents did not feel prepared at all. Nearly two-thirds of the

> **"Leaders and communicators should develop strategies that include strong, clear, timely communications but coupled with other approaches designed to build trust and address organizational cultural issues."**
>
> — Quote from survey respondent

medical group organizations surveyed (62%) reported that they did not have or did not know if they had a crisis communications plan in place to address a negative reaction to the launch of their initiative, with more than half of the SHSMD respondents (56%) reporting the same.

AMGA members who felt unprepared to communicate described themselves as still in the planning phases and uncertain about what to communicate or how to package the services;

In your opinion, how important will communication be to the overall success of your accountable care model?

AMGA
- ■ Extremely Important
- ■ Very important
- ■ Important
- ■ Somewhat important
- ■ Not at all important
  (n=52)

SHSMD
- ■ Extremely Important
- ■ Very important
- ■ Important
- ■ Somewhat important
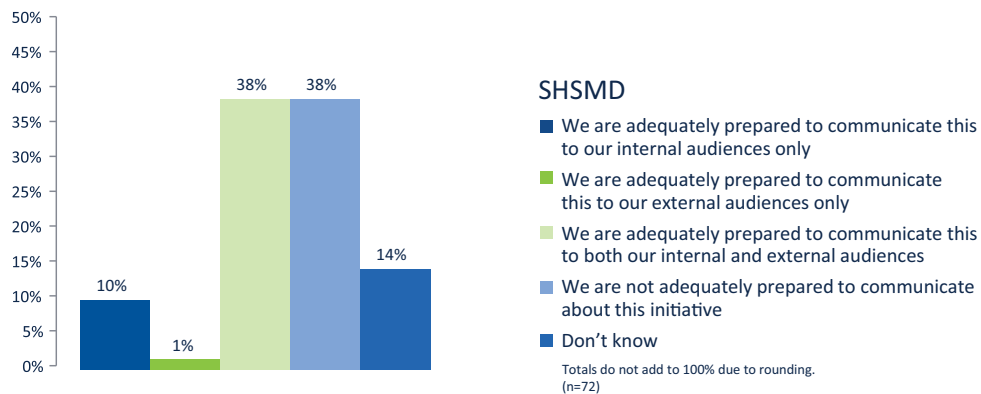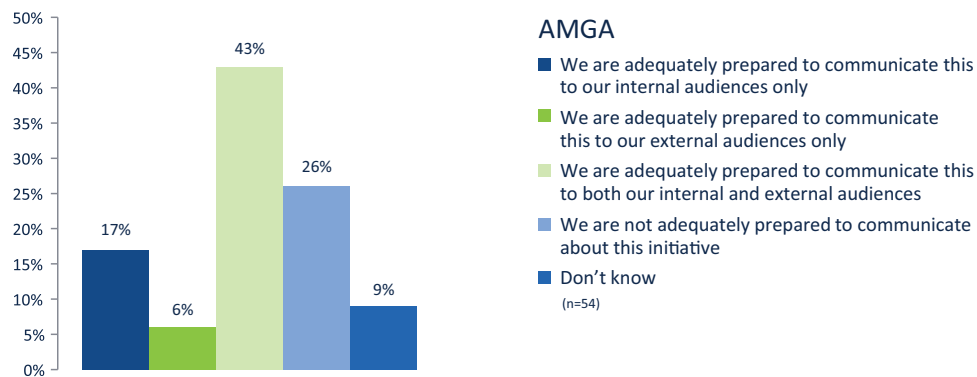- ■ Not at all important
  (n=68)

felt limited as to what they can communicate because of partnership agreements; or concerned because their internal audiences had not been adequately prepared for the changes.

Those medical groups that felt prepared to communicate about their venture believed that they were ready because of their familiarity with the model (capitation, care coordination, risk sharing); had already started a communications strategy; have a communications team on board and/or process in place; and have a strong culture of transparency.

The SHSMD respondents who described themselves as unprepared to communicate felt that they either did not understand the accountable care venture themselves; were not sure if the initiative was a "customer-facing concept"; were not aware of what the model would be; did not understand the impact on their stakeholders; or were still in the planning phases and uncertain about what to communicate.

Those hospital organizations who felt prepared to communicate about their venture cited these reasons: they were already educating stakeholders about the Affordable Care Act; had already started a communications strategy; have a communications team on board and/or process in place; the accountable care model is not a big change in their organization from what they are doing today; they have strong executive support and dedicated resources.

Do you feel your organization is adequately prepared to communicate the impact of your accountable care initiative with your internal and external audiences?

AMGA
■ We are adequately prepared to communicate this to our internal audiences only

■ We are adequately prepared to communicate this to our external audiences only

■ We are adequately prepared to communicate this to both our internal and external audiences

■ We are not adequately prepared to communicate about this initiative

■ Don't know

(n=54)

SHSMD
■ We are adequately prepared to communicate this to our internal audiences only

■ We are adequately prepared to communicate this to our external audiences only

■ We are adequately prepared to communicate this to both our internal and external audiences

■ We are not adequately prepared to communicate about this initiative

■ Don't know

Totals do not add to 100% due to rounding.
(n=72)

"**Take time to set the stage for a comprehensive strategy, so that when individual initiatives are announced, they are placed into the larger context in a way that makes sense to the audience.**"

— Quote from survey respondent

▶ MEDICAL GROUP LEADERS WHO BELIEVE THEY ARE PREPARED

"We have experience with capitation."

"We have already been doing and communicating many accountable care activities."

"Our organization has formed a communications team centered on communicating our organization's involvement with CMS' Shared Savings Program and the impact to the various stakeholder groups within our organization."

"We have a very good in-house communications department, fully integrated."

"This has been the goal of our strategy for over eight years now. Earlier smaller projects have been selected that align with the strategy. We have accumulated positive experiences (and data) in the area of quality. [Our] greatest weakness remains lack of experience in the financial aspect of this model."

"Internal—we are prepared. External—as an integrated health system, we view our key external audience [as] patients. Therefore our messaging is focused on medical home, care continuity, and ensuring 'right care, right level, right time.'"

"[We have a] strong culture of transparency."

"We are just beginning to actively communicate with our stakeholder groups. To this point, communication has focused on explaining the program and our organization's goals going forward. These messages have been well received."

▶ HOSPITAL LEADERS WHO BELIEVE THEY ARE PREPARED

"We have been educating our stakeholders on an ongoing basis about this and the other impacts of the Affordable Care Act."

"We have had the support of executive leadership and we understand that this is the right way to approach change."

"The initiative is well aligned with our model of care and makes sense."

"We have been laying the groundwork with our communications for some time, so this move will be a natural progression."

"We started talking about it before the changes started."

"We have strong communications programs already in place."

"We have dedicated resources focused on this strategic initiative."

Does your organization have a formal crisis communications plan in place to combat any negative public reaction related to the launch of your new care model?
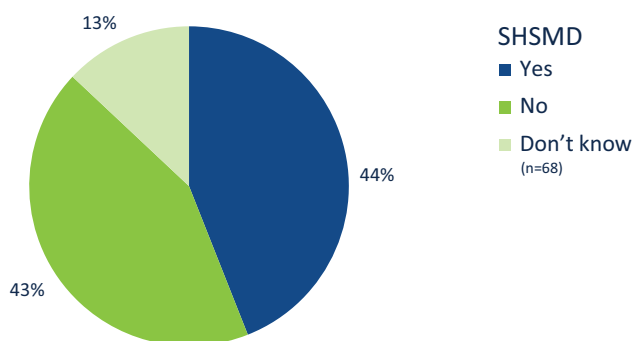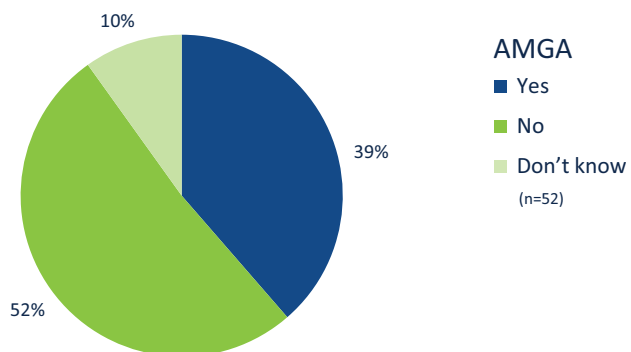
AMGA
- Yes
- No
- Don't know

(n=52)

39%
52%
10%

SHSMD
- Yes
- No
- Don't know

(n=68)

44%
43%
13%

"[Communicating this] is a heavy lift as stakeholders do not even speak the language of accountable care."

— Quote from survey respondent

▶ MEDICAL GROUP LEADERS' CONCERNS ABOUT NOT BEING PREPARED

"Physicians are very stuck in the fee-for-services treat-and-bill model. The concept of the value sell will be challenging for them."

"Our primary care physicians are primarily concerned with what the expectation will be for their accessibility (office hours) and the workload impact in order to meet the quality requirements."

"Physicians do not yet understand what an ACO is and how it may impact their clinical practice. Added accountability for full continuum of care—through an attributed patient model—is a bit daunting."

"[Communicating this] is a heavy lift as stakeholders do not even speak the language of accountable care."

"We are doing some communications, but we have a lot to define in terms of what services we want to include and how the ACO will actually work before we can have really robust communications, internally or externally."

▶ HOSPITAL LEADERS' CONCERNS ABOUT NOT BEING PREPARED

"It will take many repetitions of the message for employees to grasp it. The hard part will be keeping this message up front as a priority in the heat of multiple competing priorities at the hospital and health plan level."

"We are not sure whether the accountable care organization is a customer-facing concept and if so how to talk about it and the collective value of all the providers involved."

"We are engaged in communicating, but buy-in from the physicians is slow. We understand that it may take several years to report value to the public and the physician community."

"[There is] uncertainty regarding shared savings formulas and understanding quality indicators and methods of data collection…that will be utilized."

"We don't yet understand what model we are going to follow or the impact on physicians, our hospitals and staff or our patients. We find it difficult to plan ahead for new models when we are still paid under the old models. People don't understand the terms or what they mean."

"[We are concerned] 1) whether it will work when multiple non-integrated hospitals are participating [and] 2) how you can convince patients they also need to change and take a more proactive approach in managing their own care. Not enough emphasis placed on the need for patient change and accountability and how to accomplish this."

"Stakeholders were not integrated into the decision-making process and are unaware of how it will impact them."

"As the main communication lead for our hospital (for both external and internal audiences), I have had zilch from our ACO leaders (other than what I've ferreted out myself)."

"Backlash from community due to misunderstandings and political polarizing."

"What happens if it's an abysmal failure?"

"Taking something that is very complex and making it easy to understand."

"Internal audiences are not communicated with enough. They don't really know how the changes will affect them."

"I believe that the media and general public do not generally understand how healthcare is changing, and there's a good chance they may not like it."

"We have not done the prep work required to explain why an ACO is on its way."

"Lack of time available to do this appropriately with reduced staff."

DISCUSSION

The online survey of AMGA and SHSMD members about their accountable care plans revealed several insights regarding communications strategies and readiness to manage and communicate their initiative.

▶ It is not surprising that more than a quarter of hospital organizations are not optimistic about their accountable care initiative because their model of providing acute care services and service-line marketing will need to change to support more preventive and coordinated care. Reduction of readmissions is a major focus of the accountable/coordinated care movement, which by its very nature means the reduction of revenue for hospitals. Hospitals are planning to make up for revenue losses by increasing market share, and the strategies will differ depending upon the market attributes. Those hospitals that are becoming engaged in the ACO movement are moving to develop stronger relationships with physician groups, positioning themselves as a "Triple Aim" hospital and building their quality reputation. Others who dominate their marketplace can hire physicians and try to sustain the status quo until forced to do otherwise (cf. "Physician-Hospital Integration Project", Council of Accountable Physician Practices, 2012).

▶ The majority of respondents participating in or considering participating in an accountable care initiative are partnering with a health plan, hospital or medical group. Twenty-six percent of hospital organizations are merging with or acquiring other provider organizations; 34% of the medical groups are merging with or acquiring other groups.

Aligning culture and mission between partnering organizations is critical to build the kind of trust that will make the relationship successful. Culture clashes and trust issues are possible even when strategies and financial incentives are in sync. Ongoing contracting negotiations between hospitals and physician groups in a particular marketplace may have created historical tensions that will need to be overcome in order to work more collaboratively toward providing value for healthcare payers. Lack of trust between any two entities or groups of people can undermine the best of plans in ways that the leadership may not be able to

"Explaining an ACO through patient coordination stories makes
 the approach understandable."

— Quote from survey respondent

anticipate. Some healthcare leaders believe that strong personal relationships are as important to a successful partnership as shared incentives and shared management. Dual accountability at the management level can help maintain a "dynamic tension" between physician and hospital leadership (cf. "Physician-Hospital Integration Project", Council of Accountable Physician Practices, 2012.)

So, while financial incentives are big drivers of change, it would behoove the leaders of such partnerships to bring their expert communications counsel to the planning table to address barriers to change among all stakeholders. A communications assessment prior to implementation can lead to the identification of the best messengers to communicate the change, as well as better framing of key messages and more effective communications plans. As many survey respondents commented, change communications requires repetition, consistency, and an investment of time and attention.

▶ Based on the responses, the greatest resistance is anticipated among doctors and staff (both within the respondent's own organization and the partnering organization). If patients receive confusing communications from Medicare, health plans or hospitals, they may go to their doctors for advice and information. If physicians and staff are resistant to the change, they may express their discontent directly to patients. It is imperative, therefore, for leaders of accountable care initiatives to carefully manage the change among staff and physicians to create informed care teams. This can mitigate patient confusion and discontent, while ensuring patient loyalty throughout the change.

▶ While effective change management requires effective communications, this alone is not enough. Leaders of the accountable care venture should consider organizational culture and leadership, as well as messaging. Trusted leadership who are also strong communicators can take an organization a long way toward success.

▶ Other strategies to get resistant stakeholders to better understand the change may be as necessary as good messaging and leadership. Tactics that allow a person to witness the change from a safe distance may break down barriers, so stories from other people who have successfully navigated the change may be effective. Allowing physicians to see doctors at work in the new environment is another tactic. Leaders and communicators should develop strategies that include strong, clear, timely communications, coupled with other approaches designed to build trust and address organizational cultural issues.

▶ While the majority of respondents expressed that communication is "important," "very important" or "extremely important" to the overall success of any ACO initiative, only 43% of medical groups and 38% of hospital organizations felt adequately prepared to communicate the change to both internal and external audiences. Thirty-eight percent of hospitals and 26% of medical groups did not feel prepared at all. This gap between importance and readiness should be addressed if an organization wants to create the best foundation for success. At a micro level, if an accountable care venture does not succeed, the failure could adversely affect the organization's finances, relationships with patients and others, and market position. At the macro level, failed accountable care ventures will hinder the drive to address the nation's spiraling healthcare costs and quality-of-care issues. Leadership involved in these ventures should bring communications counsel to the table early in the process and support their in-house staff with the resources they need to succeed.

CONCLUSION

The healthcare industry is in the midst of a major transformation borne by necessity. The changes required to achieve the goals of accountable care must start within physician practices. As healthcare organizations work together in new ways to lower costs, improve population health, and deliver better patient experiences, physicians and staff will be challenged by changes to the delivery of care. Gaining the support of these audiences through strategic communications that connect the leadership of all partnering organizations with the entire care team will be crucial to the success of the accountable care movement.

Hospital and medical group leaders are aware of the need to support and manage this shift with effective communications. Based on the results of this study, it is clear that some healthcare organizations have already taken steps to do so. However, many have not. The key to success will be communicators and leadership working together to correctly identify needs, develop strategies and deploy well-planned communications to stakeholders.

"We tested a lot of communications because there is no common reference for this. Market research was key."

"You can never over-communicate."

— Quotes from survey respondent

COUNCIL OF ACCOUNTABLE PHYSICIAN PRACTICES
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Maricich is a strategic and creative marketing communications firm with a distinct purpose. We specialize in developing communications and marketing strategies for healthcare and medical brands, products and services.

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