

PHYSICIAN EMPOWERMENT SUITE LEVERAGES BIG DATA TO MITIGATE MEDICAL LIABILITY RISKS, IMPROVE PRACTICE ECONOMICS

The era of big data in medicine is here, and it promises to improve the overall quality and efficiency of healthcare, increase profitability, reduce waste, predict epidemics, cure diseases and help avoid adverse medical outcomes. Of course, its success is reliant upon collecting the right data and the ability to meaningfully interpret that data.

Smart entrepreneurs have recognized that—under the reforms contained in the Patient Protection & Affordable Care Act of 2010—the value of data and data analytics in healthcare will only amplify, and during the last six years, more than 200 private-sector businesses have been founded to develop an array of tools to better use available healthcare data as well as collect and analyze new data metrics.

In April of this year, SE Healthcare Quality Consulting—a healthcare quality, safety and analytics company headquartered in Charleston, S.C.—and Saxton & Stump—a Pennsylvania-based law firm focused on representing and assisting healthcare providers—officially launched their collaborative Physician Empowerment Suite, a web-based tool that lets healthcare providers generate actionable data that mitigates liability risk while also improving the provider's position in reimbursement negotiations with payors. Thousands of providers are already using the platform.

"What our companies recognized when working on the



Jim Saxton, Esq.

Physician Empowerment Suite is that there is an overlap between reducing medical liability exposure and enhancing healthcare practice economics," said Jim Saxton, Esq., chief executive of Saxton & Stump as well as a board member for SE Healthcare Quality Consulting. "One of the most significant data points we measure, which directly influences liability and reimbursement, is patient engagement. There is an abundance of research that indicates the more engaged patients are, the more likely they are to be satisfied with their care and the less likely they are to file a medical malpractice claim. Similarly, as the healthcare delivery system continues down the road of value-based contracts and reimbursements based on population health, demonstrating patient engagement will have a greater influence over the economics of healthcare."



Richard Hammer, MD

Developed through a collaboration between clinical and legal experts, the Physician Empowerment Suite gives providers the essential building blocks to capture and own the data necessary to evaluate baseline performance as well as identify areas of professional liability risk and opportunities for performance improvement. This data can also be used when negotiating value-based contracts.

LEVERAGING DATA IN VALUE-BASED CONTRACT NEGOTIATIONS

Success in a reimbursement environment increasingly populated by value-based contracts requires sophisticated data and analytics to measure financial and quality performance for each population of patients. Those providers and health systems unable to prove they



have met negotiated metrics will face the untenable burden of financial penalties and lower reimbursements.

"Many providers feel this new reimbursement environment is punitive and largely out of their control," said Richard Hammer, MD, executive vice president of SE Healthcare Quality Consulting's Partners in Safety Program. "Our system generates for providers meaningful data that they can use to manage and negotiate their contracts. In effect, it allows them to reassert control."

"Every value-based contract that I've seen includes quality of care and cost of care requirements. Quality of care is a very grey variable that even payors have difficulty defining. So where the providers can have the greatest impact when negotiating value-based contracts is to define and demonstrate quality themselves, and the Physician Empowerment Suite provides them the data to do so."

The Physician Empowerment Suite generates this data by enabling providers to easily survey patients, track and monitor results, and quickly take action to improve the patient experience. It also benchmarks physicians on a number of specialty-specific best practices and provides real-time scorecards on physicians' patient engagement as well as educational modules to help practices make important improvements.

Hammer shared the story of a large primary care group he worked with where more than a third of its revenue came from value-based contracts. After implementing the Physician

→ [CONTINUED ON PAGE 7](#)



LEVERAGING DATA TO REDUCE LIABILITY RISK, IMPROVE PRACTICE ECONOMICS

—> CONTINUED FROM PAGE 5

Empowerment Suite, the practice was able to measure patient engagement and realign its resources to improve those scores. The result was greater patient compliance, better medical outcomes and healthcare delivery that is 26-percent less expensive than its peers. And they were able to demonstrate these results with meaningful data when renegotiating its contracts.

“Previous to implementing the Physician Empowerment Suite, the group was completely at the mercy of their health plan payors’ data when negotiating,” Hammer said. “With the use of our tools, they were able to generate their own performance data that was so obviously superior, both statistically and clinically, that they were able to replace a portion of the inadequate payor data with the data that they generated. And when you come to the table with meaningful data that demonstrates you are hitting quality metrics, it balances the power in negotiations.”

USING DATA TO GET AHEAD OF A MEDICAL LIABILITY CLAIM

Because predictive analytics extracts information from created data sets to determine future patterns and trends, it can be a powerful tool to intercede with appropriate risk management mechanisms prior to an unanticipated adverse medical outcome. But that data needs to be specialty specific and manageable, and during the development of the Physician Empowerment Suite, the research and development team was able to narrow as many as 150 currently available metrics down to 20 to 25 specialty-specific, actionable data points.

“By measuring doctors on certain critical data points, we can use that actionable data to reduce their liability exposure,” Saxton said. “And this is going to be increasingly important in healthcare moving forward because there are aspects of the changes in reim-

bursement which could, if you’re not careful, actually increase liability exposure.”

Saxton used obstetrics as an example where reimbursement incentives could expand liability risk.

“Payors are applying pressure to reduce the number of C-sections, while at the same time unknowingly creating financial incentives to induce labor,” he said. “This pressure influences OB decision making, often forcing them into a no-win situation when deciding the best clinical choice for delivery. All too often, the result is a compromise that can increase clinical risk for both mother and baby. The Physician Empowerment Suite works within this structure by measuring the risks of adverse outcomes, like shoulder dystocia, postpartum hemorrhage and inappropriate inductions. Each OB receives a score, a comparison to their peers and other critical feedback that can be used to improve quality and reduce risk.”

OPPORTUNITIES FOR MEDICAL LIABILITY INSURER PARTNERSHIPS

The Physician Empowerment Suite is currently being employed by healthcare providers in 17 states, and the Saxton & Stump/SE Healthcare Quality Consulting collaboration has entered contractual partnerships with several medical professional liability insurance companies, including Constellation Mutual and Central Pennsylvania Physicians Risk Retention Group, to market the Physician Empowerment Suite to its members.

“We’re looking for other serious, qualified partners who really care deeply about healthcare quality and safety, and believe in the power of data analytics,” Saxton said. “Medical professional liability companies are an obvious fit because if they can help an insured better position themselves economically and risk-wise through the Physician Empowerment Suite; that’s the definition of value. The insurer thereby solidifies a partnership with the doctor.”