

# Costs Down; Quality Up

Prepared by:  
Mark Wilson and Erica Morris  
*Dickinson Wright*



Quality



Costs

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## COSTS DOWN; QUALITY UP

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How can providers increase quality of care while reducing cost to patients? The answer is through innovation, creativity, increased patient responsibility, partnership, and real-time flow of information. Here are just a few ideas to consider in reaching this overarching goal. While none of the ideas articulated below are novel or groundbreaking on their own, they are strategies that we have observed to be successful and that have benefited both patients and practices.

### *Encourage Your Patients to Be Involved in Their Healthcare Decisions—Both Procedurally and Financially*

One of the keys to bringing costs down and letting the competitive consumer market assist in the process is having an informed clientele. Often, patients do not see the costs of the services provided until after the numbers have gone through their insurance. In the past, consumerism had little impact on the healthcare cost structure due to fear overriding frugality—no one wants to save a few hundred dollars on a particular test and then “die” as a result of that decision. Find ways to encourage your patients to compare the true costs of their medical care by establishing the quality baseline. For example, two identical CT Scanners sitting next to each other can have very different price points depending on their ownership. Once a patient understands

the quality differential and that the less expensive one is the equal (or even superior) of the other, consumerism can take place.

### *Partner with Urgent Cares and Ambulatory Surgical Centers*

For many non-urgent medical situations, sending patients to quality urgent care and ambulatory surgical centers for testing can bring costs down for everyone. This is particularly noticeable to patients who have high deductible health insurance plans. Because there is a smaller or vastly reduced facility fee reimbursed to the typical ASC as opposed to hospitals, the overall cost of using outpatient centers is lower. Find those urgent care centers that treat patients with your quality of care standards and make those known to your patients or, even better, establish or “partner” with an urgent care so that your standards of treatment are extended into the after-hours time periods and the higher cost of an emergency room visit is avoided.

### *Interdisciplinary Partnerships*

We are only beginning to scratch the surface for the benefits achieved through interdisciplinary practice teamwork. For smaller practices, consider adding different complementary specialists on site in the areas of behavioral health, nutrition, or weight management to give your patients a one-stop holistic option for health needs. While care must be taken to structure the partnerships properly, don't just co-locate these, but integrate them into the practice. In many cases billing codes exist for truly integrated professionals.

### *Implement Proven Screening Programs and Preventive Medicine*

Many health related organizations have created successful screening and early intervention procedures for a variety of conditions. Offer easy access to these screenings to your patients (many are free). More and more payors have discovered that implementing these preventive steps can save millions, if not billions, of dollars in coverage costs down the road. If a patient is reluctant, a more directed intervention and repetitive follow-up may be necessary. However, if even a small percentage of patients avoid the projected health risk, the financial outcome may be significant for the provider. Further, your high quality and reduced cost metrics will make your practice desirable for inclusion by the clinically integrated networks, accountable care organizations, or a variety of other merit-based incentive plans.

One example, for patients at risk for Type 2 Diabetes, is the CDC approved Diabetes Prevention Program from the National Kidney Foundation of Michigan.<sup>1</sup>

### *Real-Time Flow of Information*

“The key to healthcare integration decreased cost and increased satisfaction is the flow of information—having everyone have the right information at the right time and in the right place,” explains Dr. Spencer Erman, MD, FAAFM, Vice President and Chief Medical Informatics Officer of Hartford HealthCare.

While many electronic health records allow providers to exchange information within their group or institution, we need a system that

allows all medical practitioners to have access to medical records when they need it. Seek out options that allow for real-time, secure exchanges of medical records and information.<sup>2</sup> Push your clinical organizations and governmental representatives to create a system of information technology that is as easy and secure as your ATM card is for your finances. If your patients carried a complete history with them at all times universally accessible, imagine the reduction in costs that could be achieved, and having a complete medical history with all patients would invariably allow for better and more timely medical treatments to take place. Resist the idea that your medical records are a “tying mechanism” to your patients. It is rare that a patient will whimsically change providers because their medical records are easily available.

Now is the time for innovation, creativity, increased patient responsibility, partnership, and real-time flow of information to achieve significant cost reductions in our health care with no reduction in quality.

<sup>1</sup>Learn about the National Kidney Foundation of Michigan’s Diabetes Prevention Program here: “Diabetes Prevention Program,” National Kidney Foundation of Michigan, March 11, 2018 <https://www.nkfm.org/communities-families/diabetes-prevention-program>. See CMS’s proposed expansion of the Medicare DPP: <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2017-Fact-Sheet-items/2017-07-13-3.html>.

<sup>2</sup>For example, the Michigan Health Information Network Shared Services (MiHIN) lets unaffiliated groups exchange records in real time. See Michigan Health Information Network Shared Services, 2017, <https://mihin.org/>.

## **About the Authors:**

Mark Wilson is a Member at Dickinson Wright and chairs the firm's Health Care Practice Group. He has represented a variety of medical practices in the acquisition, development, construction, or operation of medical offices, free standing dialysis centers, vascular access facilities, urgent cares, laboratories and surgical centers. He works closely with the practices on their internal operations including all aspects of compliance, management and governance. To learn more about Dickinson Wright's Health Care Practice please contact Mark in the Troy office at 248-433-7581 or [mwilson@dickinson-wright.com](mailto:mwilson@dickinson-wright.com) or you can visit his bio [here](#).

Erica Morris is an Associate in Dickinson Wright's Health Care Practice Group. Her practice areas include healthcare, behavioral healthcare, appellate, and general litigation law. Prior to joining Dickinson Wright, Erica graduated cum laude from the James E. Rogers College of Law at the University of Arizona, and served as a Judicial Law Clerk to the Honorable Robert M. Brutinel of the Arizona Supreme Court. Erica can be reached at 602-889-5342 or [emorris@dickinson-wright.com](mailto:emorris@dickinson-wright.com) and you can visit her bio [here](#).

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