Beyond Infographics: Contextual Factors in Healthcare MR

Thomas M. Richardson PhD, MBA, PA-C
Sr. Vice President Consulting, KJT Group, Inc.
Agenda

03
Market Research
Level Set

14
Define Contextual
Factors

17
The Changing
Healthcare
Landscape

30
Pt Engagement-
Behavior Models

35
Clinical Decision
Making Models

40
Practice Change
Models

50
Summary and
Questions
The Goal of Marketing

• Right product
• Right message
• Right target market
The Goal of Market Research

- Target audience’s wants, needs, beliefs and what they value the most
- Factors influencing the clinical decision making process and purchasing decisions
We focus on…

- Pills
- Devices
- Medical Products/Supplies
- Services
We conduct many different types of studies…

- Trackers (ATUs)
- Product Concept and Message Testing
- Market Landscape
- Segmentation and Positioning
- Pricing and Forecasting
- New Product Development and Product Design
- Product and Services Innovation
“So how does that make you feel?”
Quantitative Research
Designing and Conducting MR is a Simple Process
Healthcare Market Research

PROBLEM
• Market research projects
  • Scope: Wider
  • Timeline: Shorter
  • Budget: Tighter
  • Focus on “Key Takeaways” and infographics
  • INSIGHTS come from a deep understanding of the issues at hand

SOLUTION
• Focus on your Research Design
• Consider Contextual Factors
• Leverage Existing Theoretical Frameworks
T-Shaped Employees

Generalist/Broad Knowledge

Specialist

Healthcare Ecosystem

Market Research
CONTEXTUAL FACTORS
What do we mean by context?

• Context: *noun.* the set of circumstances or facts that surround a particular event, situation, etc.

http://www.dictionary.com/browse/context
Why does context increasingly matter in market research?

- Because we are trying to understand how to change behaviors, get people to adopt new practices, prescribe new drugs, perform new procedures.
- Increasingly our clients are developing and researching more complex healthcare “solutions” to address the needs of healthcare delivery system.
- Decision making is moving from the individual level to group, committee, unit, practice, department, hospital, health system levels.
- The issues of costs, reimbursement and the interpretation of “value” varies among the key stakeholders.
THE CHANGING HEALTHCARE LANDSCAPE
Healthcare Delivery is Dynamic and Heterogeneous
Moving Toward Integrated Delivery Systems

[Diagram showing various healthcare services such as Community Health, Extended Care, Ambulatory Care, Acute Care, and Integrated Delivery System/Medical Home Hub.]

20
Pay for and Reimbursement for Healthcare Services

- Patient visits doctor and pays copay.
- Provider sends EOB* to secondary insurer.
- Secondary insurer pays for service and sends EOB*.
- Employer contracts for coverage and pays premium.
- Primary insurer submits claim and pays for service.
- Patient pays premium.

# The Spectrum of Value-based Reimbursement

<table>
<thead>
<tr>
<th>Fee for Service</th>
<th>Pay for Coordination</th>
<th>Pay for Performance</th>
<th>Bundled Payment</th>
<th>Shared Savings Programs (Upside and Downside)</th>
<th>Capitation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Risk</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>High Risk</td>
</tr>
</tbody>
</table>

## Focus on Quality Reporting and Outcome Metrics

<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome</td>
<td>Evaluates patient health as a result of the care received.</td>
</tr>
<tr>
<td>Process</td>
<td>Determines if the services provided to patients are consistent with routine clinical care.</td>
</tr>
<tr>
<td>Structure</td>
<td>Assesses the characteristics of a care setting, including facilities, personnel, and/or policies related to care deliver.</td>
</tr>
<tr>
<td>Patient Experience</td>
<td>Provides feedback on patients’ experiences of care.</td>
</tr>
</tbody>
</table>
Health outcomes and distribution in a population (dependent variables)

Patterns of health determinants over the life course (independent variables)

Policies and interventions at the individual and social levels

FIGURE 1—A schematic definition of the field of population health.
What is Precision Medicine?

- According to the National Institutes of Health (NIH), precision medicine is "an emerging approach for disease treatment and prevention that takes into account individual variability in genes, environment, and lifestyle for each person."

https://ghr.nlm.nih.gov/primer/precisionmedicine/definition
Personalized or Patient Centered Medicine
Drug Distribution System

1. Wholesaler
   - WAC-based payment
   - Chargeback

2. Pharmacy Benefit Manager
   - Payment
   - Share of rebates from manufacturer

3. Provider (hospital, physician)
   - Cost sharing/payment
   - Drugs

4. Beneficiary
   - Cost sharing/payment

Flow of Funds
- Payment from Pharmacy Benefit Manager to Provider (hospital, physician)
- Cost sharing/payment from Beneficiary to Provider (hospital, physician)

Flow of Prescription Drugs
- Drugs from Wholesaler to Pharmacy
- Drugs from Pharmacy to Provider (hospital, physician)
- Drugs from Provider (hospital, physician) to Beneficiary

- Negotiated discount/rebate for drugs (volume, market share)
- Negotiated discount/rebate for drugs (volume, market share, formulary placement)
- AWP- or WAC-based, negotiated payment
- ASP-AWP- or WAC-based, negotiated payment
- WAC-based payment subject to prompt pay/other terms
- WAC-based payment
- Cost sharing/payment
- Premium
- Chargeback

Healthcare Trends

• Pharma moving “beyond the pill”
• Medical device manufactures looking to develop full “solutions” across the care continuum

• Evidence-based practice and more personalized and patient-centered care
  • Monitoring and early detection
  • Patient engagement, adherence and compliance
  • Patient support programs
  • Care management
  • Integrated technologies
PATIENT ENGAGEMENT-BEHAVIORAL MODELS
Health Belief Model

Wagner’s Chronic Care Model

http://www.improvingchroniccare.org/index.php?p=The_Chronic_CareModel&s=2
CLINICAL DECISION MAKING MODELS
Best available research evidence

Population characteristics, needs, values, preferences

Resources, including practitioner expertise

Environment and organizational context

Clinical Decision Making
Roger’s Innovation-Decision Process

Figure 5-1. A model of stages in the innovation-decision process.
Roger’s Innovation-Decision Process

Figure 5-6. Innovators have shorter innovation-decision periods than laggards.

Source: Beal and Rogers (1960, p. 14), used by permission.
MODELS EXAMINING PRACTICE CHANGE
Context Matters: The Experience of 14 Research Teams in Systematically Reporting Contextual Factors Important for Practice Change

Andrada Tomoaia-Cotisel, MPH, MHA, Debra L. Scammon, PhD, Norman J. Waitzman, PhD, Peter F. Cronholm, MD, MSCE, FAAFP, Jacqueline R. Halladay, MD, MPH, David L. Driscoll, MA, PhD, MPH, Leif I. Solberg, MD, Clarissa Hsu PhD, Ming Tai-Seale, PhD, MPH, Vanessa Hiratsuka, MPH, Sarah C. Shih, MPH, Michael D. Fetter, MD, PMH, MA, Christopher G. Wise, MHA, PhD, Jeffrey A. Alexander, PhD, Diane Hauser, MPA, Carmit K. McMullen, PhD, Sarah Hudson Scholle, MPH, DrPH, Manasi A. Tirodkar, PhD, MS, Laura Schmidt, PhD, Katrina E. Donahue, MD, MPH, Michael L. Parchman, MD, and Kurt C. Stange, MD, PhD
Understanding an Intervention’s Context

Level 3: External Environment
- Market Environment
- Community characteristics
- Political authority
- Grant or other external financial support
- Level of coordination/ involvement with community
- Payment model(s) available

Level 2: Larger Organization
- Competing priorities
- Degree of intervention integration
- Contractual arrangements
- Ownership
- Leadership style
- Structural capabilities
- Financial incentives

Level 1: Practice
- Employee mix
- Clinician demographics, attitude and training
- Patient panel size and characteristics
- Ownership
- Leadership style
- Structural capabilities

Patient-centered innovation in health care organizations: A conceptual framework and case study application

Susan E. Hernandez
Douglas A. Conrad
Miriam S. Marcus-Smith
Peter Reed
Carolyn Watts
Hernandez SE1, Conrad DA, Marcus-Smith MS, Reed P, Watts C. Patient-centered innovation in health care organizations: a conceptual framework and case study application. Health Care Manage Rev, 2013, 38(2),
Contextual Factors:
The Importance of Considering and Reporting on Context in Research on the Patient-Centered Medical Home

https://pcmh.ahrq.gov/sites/default/files/attachments/ContextualFactors.pdf
Contextual Factors that Influence PCMHs & Outcomes

- National, State, local organizational policies
- Community norms and resources
- Healthcare system organization
- Payment and incentive systems
- Practice culture, history, and staffing

- Characteristics of patient populations and subgroups
- Historical factors and recent events
- The culture and motivations surrounding monitoring and evaluation
- Changes in these factors over time
EVALUATION OF HHS DELIVERY SYSTEM REFORM EFFORTS AND AFFORDABLE CARE ACT PROVISIONS: CONSOLIDATED EVALUATION DESIGN RECOMMENDATIONS

08/01/2012

By: Robert Mechanic, MBA, Jennifer Perloff PhD, Darren Zinner PhD, Mozaven Razavi PhD, Michael J. Keane Dr. P.H.
Health System Environment
- Market size, structure, capacity
- Population characteristics
- Provider & payer concentrations
- Competitive dynamics
- State & local policy environment
- Local culture

Organization Characteristics
- Leadership
- Structure & service capacity
- Financial & operating characteristics
- Data management & analytic capacity
- Performance improvement infrastructure
- Payer relationships & contracting structures
- Physician & staff engagement

Outcomes
- Spending
- Service use & mix
- Patient experience
- Quality
- Access
The Mathematical Model

\[ \Delta \text{Outcome}_{1..n} = A + bI_{1..n} + c\Delta I_{1..n} + dO_{1..n} + e\Delta O_{1..n} + fE_{1..n} + g\Delta E_{1..n} + \text{INT} + \text{Err} \]

- \( I \) = Intervention
- \( O \) = Organization
- \( E \) = Environment
- \( \text{INT} \) = Interaction Among Interventions
- \( A \) = Constant
- \( \text{Err} \) = Error Term
SUMMARY
Think in Terms of Linking Goals

- Right Treatment
- Right Patient
- Right Time
- Right Setting
- Right Provider

- Right Product
- Right Message
- Right Target Market
Key Takeaways

1. Focus on research design
2. Leverage theoretical models
3. Embrace the relevant contextual factors
Thank You

Thomas M. Richardson PhD, MBA, PA-C
Sr. Vice President Consulting, KJT Group, Inc.
tomr@kjtgroup.com
1.585.624.8050 x344