



Valuable Opportunities

An interview with AMGA Consulting's Kevin McCune, M.D.



Kevin McCune, M.D., is chief physician executive, AMGA Consulting, and a principal in AMGA's High-Performing Physician Enterprise (HPPE) Program. In this role, Dr. McCune uses his physician leadership perspective and skill set to support the firm's compensation, performance management, and operational and care model improvement services. He also supports AMGA's overall focus on expanding value-based care.

Dr. McCune has more than 20 years of clinical experience, including extensive experience in hospice and palliative care. Prior to his role with AMGA Consulting, Dr. McCune was system vice president for Advocate Aurora Health and chief medical officer at Advocate Medical Group, as well as senior medical director for Advocate Aurora Health at Home. He has served in both governance and administrative roles and has provided guidance and change management assistance to physicians and advanced practice clinicians.

Group Practice Journal interviewed Dr. McCune about value-based care and how to be successful in those models.

GPJ: *What is the current state of progress in value-based care programs in the U.S.?*

McCune: The environment tends to be a bit mixed in relation to organizations' experience in shifting their focus from volume to value. The reason is that the payor relationships tend to be variable across the marketplace, with markets having payers who embrace sharing risk typically resulting in much better opportunities for organizations to partner and move into value. There is, however, a lot of positive movement toward value in the market. Medicare Advantage

(MA) being first and foremost, with many organizations experiencing great success participating in this program. Additionally, literally every organization has seen some degree of value added to their payer agreements. While this may not be full risk sharing, the move to value is alive and well and included in some form for most plans.

GPJ: *What are the major barriers for groups that want to move to value-based arrangements?*

McCune: I like to think of "barriers" as opportunities, and for that, I would say there are both internal

and external barriers in the move to value.

Externally, the biggest opportunity is developing relationships with payers who embrace the desire to share risk with medical groups. Additionally, investing in a value-based platform and changing of care models—although challenging and, at times, costly—provide the opportunity to enhance quality and reduce cost of care in fee-for-service contracts with value-based incentives.

Internally, organizations must develop a roadmap for moving into a value environment, as such a strategy and direction may conflict with a largely fee-for-service market. The age-old "foot in two boats" adage is a real phenomenon and makes it challenging to work in two diametrically opposed models.

GPJ: *Are federal programs the best on-ramp to taking on risk? Which ones should AMGA members be looking at?*

McCune: Yes, MA is a phenomenal program, not simply from an economic perspective, but in relation to the product and its ability to enhance the way a participant's healthcare needs can be met, and the focus on preventative services and chronic care. MA is a wonderful platform to evolve understanding and experience in full or partial risk relationships with payers. The

experience gained in MA can be scaled for other payer contracts.

GPJ: *How can AMGA members work with payers to obtain value-based contracts? What should they be looking at in terms of contract elements/deliverables when taking on risk?*

McCune: At the end of the day, the commitment to value-based outcomes, ability to execute a value-based care model, and simply possessing a value-based culture are determinants to being able to expand into value-based programs. AMGA members are uniquely positioned and represent the best and brightest groups in the country. Our members' care models are extremely conducive to moving to value. As an example, AMGA members work to identify medically underserved patient populations for needed intervention.

The example I like to share: 3% of the Medicare population is presently homebound. In traditional Medicare, the only time the healthcare system "sees" these patients is with unplanned visits to the emergency department or hospital stays. The home-bound patients are readily identified in a value-based world, and when assessed in the home and needs addressed, visits to the emergency room, days in the hospital, and cost of care are reduced by over 30%. Nearly 1 in 5 may be hospice or palliative appropriate. Value contracts have us focus on what matters, with our patients living their very best life anywhere but at the office or in the hospital!

GPJ: *What are the key components provider organizations will need to succeed in a value-based contract?*

McCune: All the above are extremely important and they all

start with an organization's strategy and culture. In many ways, investing in these areas to prepare for value takes great vision, as the investment occurs many times prior to an influx of value-based contracts. The organizations who invest have the vision, insight, and belief that a change in direction can, in fact, lead to high-quality, low-cost care.

Simply, it begins with leaders committing to the strategy; providers understanding "the why"; administrative and clinical teams supporting workflows that enable patients to receive necessary care, both health prevention and chronic care; and operations and finance providing a structure with metrics that assess and confirm the improved outcomes, both clinical and financial, from that investment.

GPJ: *What kind of effect will value-based care have on an organization's operational structure?*

McCune: To move into value, much of an organization's support and operational structure must change. The focus must be on providing all—and only—the care necessary. This is a significant mindset shift, and most organizations, while having been set up to be effective in fee-for-service care, are not prepared to provide the "all and only" paradigm. The "hybrid world" is very confusing but can be managed. The resources necessary to manage patients in risk contracts must be developed from the revenue stream. These resources are necessarily focused on patients choosing that health plan. An example is MA; those resources are then scaled in support of shared savings contracts.

GPJ: *Does movement into value-based care require compensation model changes? What value-based compensation model is best for*



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provider organizations?

McCune: Yes, instead of primarily rewarding volume (via a wRVU plan), a compensation plan that is aligned to the provision of value-based care tends to be more sophisticated to incentivize the right behaviors. Value-based plans tend to focus on panel size in primary care and access, cost, satisfaction, and team-based care across all specialties. While this is a very simplistic answer to the differences between the two environments, there are numerous changes necessary to align the reward model. Having shared that, one final note: All of this begins with culture. You can

have the right payer relationships, a team-based care model, and a value-based compensation plan, but if your culture is not aligned with value-based care, your organization will be unable to perform well in a value-based world. At the end of the day, culture is king!

GPJ: How does AMGA support members' journey in value?

McCune: Ask not what AMGA can do for you, but what you can do for AMGA. By that I mean, get engaged and involved! Join the AMGA Advocacy team on Capitol Hill Day each June, or support legislative action throughout the year. Tremendous

resources are available through AMGA member networking on the Community listservs, at regional meetings, and at the IQL and annual conferences. Many of the learnings from AMGA member organizations can be found in the Solutions Library at amga.org/solutions-library. Finally, a more intensive approach that ensures speed to execution with reduced forced errors can be leveraged through AMGA programs such as the HPPE Program. The opportunity awaits you and your organization to achieve greater resilience when partnered with AMGA and our 400+ member groups! [GRU](#)

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