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The transformation of healthcare is on the minds and agendas of healthcare executives across the country. It is universally accepted that the current healthcare delivery system is 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. 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.

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 how important strategic communication is to their success?
- If so, do they have the communication resources to manage the change?
- Which stakeholder group do these organizations expect to be the most difficult to manage during the change?
- What will be 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 the members of the American Medical Group Association during July and August of 2012.
A total of 62 AMGA members completed the survey, although not all respondents answered every question. Most of the survey respondents represented larger organizations, with 45% representing organizations with 1,000 or more employees. Thirty-eight percent described themselves as integrated delivery systems and 40% as multispecialty medical groups.

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

Most respondents described their organizations’ attitude about the initiative as cautiously optimistic, and anticipated the greatest resistance among doctors and staff, both within their own organization and their partnering organization. Respondents attributed this resistance to fear about loss of autonomy, control and revenue.

The majority believed that communication is “very important” or “extremely important” to the overall success of any ACO initiative, but only 43% felt adequately prepared to communicate about the initiative to both internal and external audiences. Concerns in this area include perceived resistance due to political polarization related to the Patient Protection and Affordable Care Act; general inability to explain the ACO 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.

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 to assess the impact of the change on their organization and marketplace. This support will foster the development of plans and strategies to manage change and 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: Achieve the goals of health reform—reduced costs, improved care experiences and improved population health—or 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 had experienced and survived the managed care backlash of the 1990s and are now in the forefront of the current accountable care movement. Understanding the need for physician and patient engagement in healthcare reform, they charged their own healthcare marketers and communicators with finding the best way to educate the public about the benefits of organized accountable care.

The CAPP communications workgroup is comprised of healthcare communicators from these organizations. This workgroup had already researched and implemented an accountable care public-education initiative (www.5RealAnswers.org) in 2011, which

The transformation of healthcare organizations to deliver accountable care (i.e., the Triple Aim of providing better patient experience and improved population health while reducing costs) is increasing and gaining traction.
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 led to a realization that change management strategies had not yet been investigated as part of the CAPP work. The workgroup, however, was interested in understanding more about what to expect when transitioning their organizations into a more accountable, shared-savings model of care.

In order for organizational change to be successful, proactive communications strategies need to be put in place. To do this, we believe that healthcare communicators might be well served to reflect on some core issues: Do the organizations implementing or considering implementing an accountable care initiative understand the importance of strategic communications to their success? If so, do they have the resources to manage the 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 relevant to accountable care communications, Maricich and CAPP partnered with Gomez Research and the American Medical Group Association (AMGA) to conduct a web-based survey of AMGA member organizations. AMGA represents the nation’s largest, most prestigious medical practices, integrated healthcare delivery systems, independent practice associations, and accountable care organizations. More than 125,000 physicians practice in AMGA member organizations, providing healthcare services for 130 million patients (nearly one in three Americans). Headquartered in Alexandria, Virginia, AMGA is the strategic partner for these organizations, providing a comprehensive package of benefits, including political advocacy, educational and networking programs, publications, benchmarking data services, and financial and operations assistance.

A total of 62 AMGA members completed the survey, although not all respondents answered every question. 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. 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 respondents tended to represent mid-sized and larger organizations, with 89% representing organizations with 250 or more employees and 74% with 100 or more employed or contracted physicians. Three-fourths of respondents represented multispecialty 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 all survey respondents identified themselves as marketing officers.

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

The survey addressed four major areas: (1) the prevalence of ACO ventures among AMGA 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 organizations are pursuing an accountable care venture. A total of 90% of AMGA organizations surveyed reported that they are participating in or are considering an ACO venture. Of those organizations currently participating in an ACO venture, more than half (52%) are enhancing their primary care services to allow them to become a medical home, the most frequently cited type of accountable care initiative. More than two-thirds (71%) of those organizations pursuing an ACO venture anticipate that the effect on their market position will be positive.

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

<table>
<thead>
<tr>
<th>Business Venture</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhancing primary care services to become a medical home</td>
<td>52%</td>
</tr>
<tr>
<td>Partnering with a commercial insurer and/or hospital on a medical home or accountable care project</td>
<td>50%</td>
</tr>
<tr>
<td>Partnering with a hospital on an initiative to reduce avoidable readmissions</td>
<td>36%</td>
</tr>
<tr>
<td>Merging with or acquiring other medical groups, IPAs or hospitals (accountable care related M&amp;A)</td>
<td>34%</td>
</tr>
<tr>
<td>Partnering in other care coordination programs or with care coordination partners</td>
<td>32%</td>
</tr>
<tr>
<td>Medicare Shared Savings ACO Program</td>
<td>27%</td>
</tr>
<tr>
<td>Medicare’s Pioneer ACO program</td>
<td>10%</td>
</tr>
<tr>
<td>Don’t know / None of the above</td>
<td>10%</td>
</tr>
<tr>
<td>Other (please specify in the box below)</td>
<td>3%</td>
</tr>
<tr>
<td>Advance Payment ACO Model</td>
<td>2%</td>
</tr>
</tbody>
</table>

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

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

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

(n=61) Does not add to 100% since respondents chose all that applied.
2. ACO PARTNERS

Of those organizations pursuing an ACO venture, the majority are partnering with at least one other organization. Nearly six out of ten respondents (59%) reported that their organizations were partnering with another entity, most frequently a health plan, hospital, or a medical group or other provider organization (80% combined). Thirty-seven percent reported that their organization was participating in a Medicare accountable care project, and 28% were considering participating in a Medicare project. There is active consolidation going on in this population as well, with 34% merging with or acquiring other groups, IPAs or hospitals. Nearly 10% 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.
If your organization is participating in or considering an accountable care business venture, are you partnering with another organization?

- Yes: 59%
- No: 23%
- Don’t Know: 18%

What type of organization is your organization partnering with?
(Check all that apply)

<table>
<thead>
<tr>
<th>Organization</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Plan</td>
<td>36%</td>
</tr>
<tr>
<td>Hospital</td>
<td>22%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>18%</td>
</tr>
<tr>
<td>Other provider organization</td>
<td>13%</td>
</tr>
<tr>
<td>Medical group</td>
<td>9%</td>
</tr>
<tr>
<td>State or local government</td>
<td>2%</td>
</tr>
</tbody>
</table>

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

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.”

HEALTHCARE LEADERS’ PERCEPTIONS OF CHALLENGES

“Physicians do not yet understand what an ACO is and how it may impact their clinical practice.”

“[It is a challenge] living in a value-based world and a fee-for-service world simultaneously.”

“Dealing with change and new care processes and models; moving from hospital-focused care to value-based and community-oriented ambulatory care models.”
Among organizations that are currently participating in or considering an ACO venture, the greatest resistance is anticipated among doctors and staff (both within their own organization and their partnering organization). Loss of revenue or profit, loss of autonomy and control, and concerns about the impact on their work life and practice patterns were the most cited concerns. Survey respondents were least concerned about reactions from patients; however, more than three-quarters (79%) reported that they still believe there is a need to communicate business changes to patients.

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:

- 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
- Bullish; strongly in favor of the change
- Resistant; we are adopting a wait-and-see approach

(n=54)
4. READINESS TO COMMUNICATE CHANGE

Ninety-four percent of respondents surveyed reported that they believe communications is “very important” or “extremely important” to the overall success of any ACO initiative.

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

![Pie chart showing the distribution of responses to the importance of communication.](image)

Despite the expressed importance placed on communication by 100% of the respondents, only 43% felt adequately prepared to communicate about the initiative to both internal and external audiences. Twenty-six percent did not feel prepared at all. More than half the organizations surveyed (62%) reported that they did not have or did not know if they had a crisis communication plan in place to address a negative reaction to the launch of their initiative.

HEALTHCARE LEADERS’ CONCERNS ABOUT READINESS

“Lack of time available to do this appropriately with reduced staff.”
“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.”
Do you feel your organization is adequately prepared to communicate the impact of your accountable care initiative with your internal and external audiences?

Despite the expressed importance placed on communication by 100% of the respondents, only 43% felt adequately prepared to communicate about this initiative to both internal and external audiences.

- We are adequately prepared to communicate this to both our internal and external audiences
- We are not adequately prepared to communicate about this initiative
- We are adequately prepared to communicate this to our internal audiences only
- Don’t know
- We are adequately prepared to communicate this to our external audiences only

(n=54)
Several of those who felt unprepared to communicate stated that they were not yet sure what to communicate because they are still planning and reviewing the impact of the 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?

![Pie chart showing the distribution of responses](chart.png)

- Yes: 39%
- No: 52%
- Don’t know: 10%

(n=52)

Those who felt unprepared to communicate felt that they were: still in the planning phases and uncertain about what to communicate; trying to figure out how to package the services; limited partnership agreements as to what they can communicate by; or felt they had not adequately prepared their internal audiences for the changes.

Those who felt prepared to communicate about their venture cited these reasons: they are very familiar 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; have strong culture of transparency.
DISCUSSION

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

• The majority of respondents represented multispecialty medical groups or integrated delivery systems who are involved or are considering becoming involved in an accountable care initiative. Of those, 50% are partnering with a health plan or hospital and 34% are merging with or acquiring other groups. When different organizations come together, culture clashes and trust issues are possible even if strategies and financial incentives are in alignment. These kinds of issues can undermine the best of plans in ways that the leadership may not be able to anticipate. 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 analyze and address internal barriers to acceptance and change. 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 timely and effective communications plans.

• Based on the responses, the greatest resistance is anticipated among doctors and staff (both within the respondent’s own organization and the partnering organization). Loss of revenue, loss of autonomy and control over the practice, and the general fear of change were the most cited concerns. If physicians and staff are resistant to the change, they may express their discontent directly to patients. Likewise, if patients receive confusing communications from partner organizations (such as Medicare, health plans or hospitals), they may seek out their doctors for advice and information. It is imperative, therefore, for leaders of accountable care initiatives to carefully manage the change among staff and physicians to create informed care teams who can also mitigate patient confusion and discontent, and ensure patient loyalty.

When different organizations come together, culture clashes and trust issues are possible even if strategies and financial incentives are in alignment. These kinds of issues can undermine the best of plans.
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. But other strategies to get the resistant stakeholder to better understand the change may be as necessary as good messaging and leadership. Tactics that allow a person to witness the change, for example, from a safe distance may break down barriers, so stories from other people who have successfully navigated the process 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 but couple that with other approaches designed to build trust and address organizational cultural issues.

While 100% of the respondents expressed that communications is “important,” “very important” or “extremely important” to the overall success of any ACO initiative, only 43% felt adequately prepared to communicate the change to both internal and external audiences, and 26% did not feel prepared at all. This gap between importance and readiness is disconcerting. 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. It is critical to educate the communications team and arm them with the support and resources they need to develop appropriate proactive strategies based on scientifically valid research and related assessments.

CONCLUSION

The healthcare industry is in the midst of a major transformation borne by necessity. Physician practices are ground zero for the changes required in accountable care delivery system models (i.e., that have the goals of being rewarded for improvement in the cost and quality of care). 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.

Medical group leaders are aware of the need to support and manage this shift with effective communications, and it is clear, based on the results of this study, 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 and opinions, develop strategies and deploy well-planned communications to stakeholders.
ABOUT THE AUTHORS

THANK YOU TO THE AMERICAN MEDICAL GROUP ASSOCIATION FOR SPONSORING THIS SURVEY.
ABOUT MARICICH HEALTHCARE COMMUNICATIONS

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.

We offer insight on how to communicate with medical professionals and consumers to manage organizational change and influence choices about care. By turning complex information into compelling and understandable creative content based on sound strategy, we consistently evoke the desired response from target audiences.

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