



**In The Trenches: Our ACA
Program Management
Odyssey**

Mike Noonan
Strategic Health Consulting LLC
September 15, 2014

When I started our healthcare IT consulting firm almost six years ago, my strategy was pretty simple: provide consulting services for healthcare clients, deliver demonstrable value, and build a solid client base. When I started out, President Obama's first Inaugural was still being planned and, while just about everybody knew that healthcare reform – in one form or another – was coming, no one knew exactly what would look like or when it would take hold.

Since then, the prevailing winds of change within the healthcare industry have carried our firm, as they have many others, into the uncharted territory of reform. Since January 2009, we've provided strategic consulting, implementation management, process optimization, and planning services in support of organizations engaged in a wide range of HITECH/ACA initiatives.

What we do isn't really 'sexy'. We get into the trenches and help our healthcare clients successfully deliver programs and technology implementations. In doing so, we use best practice methods and processes; we adapt these where needed to maximize value, but, in general, we try to avoid re-inventing the wheel.

Our experience have shown us, however, that planning and program management approaches that work well in mainstream business or clinical settings often need to be adapted to ensure success with reform-related initiatives – projects that come with shifting mandates, extremely complex stakeholder relationships, voluminous policy documents, conflicting objectives, and numerous other challenges.

Along our Affordable Care Act implementation odyssey, we've identified common themes that now inform our strategic and readiness assessments, program plans, execution approaches, and client relationships. These themes are likely to seem familiar to consultants, clinicians, and administrators who have experience with HITECH/ACA initiatives. To those who are 'new to the game' (a good example might be clinical leaders who are just now starting ACA-funded ACOs), I hope this article provides some helpful insights.

One Initiative, Divergent Objectives

Program implementations - of almost any size and in any setting - are inherently complicated endeavors. This is certainly true in healthcare. But when the primary program stakeholder is a state government, or the federal government, new and unique complexities are always part of the equation.

In our experience, this isn't usually a 'people issue'. The state and federal government folks with whom we've worked on ACA-funded programs have consistently defied stereotypes. They've

been bright, talented, highly cooperative, and driven to make a positive impact on healthcare in this country.

But, whether an organization is implementing a state or federally-funded health information exchange (HIE), EHR adoption initiative, Consumer Operated and Oriented (CO-OP) Health Plan, Accountable Care Organization (ACO), or any one of a number of similar initiatives, the government entity is, by definition, the primary 'investor' in the initiative. Government agencies that fall under the ACA 'umbrella' set the policies, goals, and timelines. They're focused on policy development and compliance, and on ensuring that mandated target dates are met - and these imperatives are often reflected in the critical success factors they define and the implementation plans they develop. In many cases, the goal is to get programs 'up and running', so that funds can be dispersed on schedule. While these are certainly valid objectives, they may not align with the more business-focused needs on which administrators, clinicians, and entrepreneurs¹ are focused.

These divergent objectives can have predictable results. An organization might choose an EHR vendor before adequate due diligence can be undertaken, to ensure that it meets a mandated state deadline. CMS might want a CO-OP to focus on building out physical space, while the CO-OP's management team is scrambling to meet a state deadline for submission of rates. A mandated implementation date might seem unattainable and create enormous stresses on a project team, only to be extended at the 11th hour. Anyone who has been part of the massive business/technology/consulting 'ecosystems' that have emerged in response to HIPAA or ICD-10 mandates is well-acquainted with shifting mandates!

The macro-level impacts of these unique dynamics have been well-documented in recent years. Many HITECH/ACA ventures have started successfully, but have faced questions about their longer-term sustainability models in a changing 'landscape', as their initial funding has been exhausted. In other cases, the early success of program implementations has been impacted by their dependencies on other, troubled ACA-funded initiatives. For example, we helped manage a CO-OP implementation that was largely successful, but due to problems with the state-run health insurance exchange, the plan's early enrollment activity was sluggish.

The issues are complex – and effective strategic planning, program management, and operational approaches are just parts of the total equation when it comes to successful health reform-related implementations. But effective approaches, geared to the unique challenges imposed by these projects, ARE critical to success. Based on our experiences, here are some notable ones:

¹ I used the word 'entrepreneurs' advisedly; many ACA initiatives truly are start-up ventures!

Perform A Readiness Assessment. When we suggest that clients perform up-front readiness assessments before embarking on program or technology implementations, they often question the value. They say, “Why should we spend money on an assessment? We already know what we need to do. We need to get started and hit our target dates!” In our experience, these scenarios seldom result in a positive outcome.

The value of thorough planning is clear. The relationship between investments in planning and downstream reductions in risk and cost, as well as faster project completion, have been repeatedly demonstrated. It’s far easier to make adjustments before execution starts than it is to change course when many decisions have been made, expectations have been set, and resources have been engaged.

We’ve encountered too many situations in which a client thinks it has all of the questions answered and decides to bypass a readiness assessment – only to pay the price later, in the forms of wasted effort, major delays, or worse, a failed implementation. A sound assessment can ensure that these (and other) critical questions are addressed:

- Is there are shared understanding with regard to objectives and scope?
- What are the business or regulatory implications if dates are not met?
- Is the project governance clearly defined?
- Are requirements fully defined? Do we have a sound framework for vendor selection?
- Can the selected vendor(s) deliver? Where are the gaps?
- Is there a shared understanding with regard to key milestones? Is even a high-level schedule in place?

I could go on, but you get the idea. Unfortunately, when most clients decide to engage our firm, execution has started - and critical questions/issues haven’t been addressed.

It’s important to note that a sound, thorough assessment doesn’t have to be a lengthy, effort-intensive, or costly undertaking! What it does need to do is provide an organization with a sound implementation ‘roadmap’.

Be Prepared To Execute. In the last few years, we’ve heard the following sentence from more than one prospective client:

“We’ve chosen a vendor, and they’re saying we need to find a project manager.”

It’s certainly true that organizations that are undertaking complex, risky health reform initiatives – efforts that, in many cases, are pivotal to their overall sustainability and success – DO need effective project management. But, a vendor suggestion, or request, should not be the driver for

such an important decision! Ideally, organizations should ensure that a project management capability is in place – either in-house or with outside consulting help – *before* vendor selection happens.

For many smaller, clinically-oriented organizations (the ACO example comes to mind again), these projects can represent uncharted territory. A competent project manager (or consulting firm) can ask the right questions, ensure that the appropriate plans and controls are in place, and manage execution (and that includes managing the vendors).

Balance ACA Requirements With Internal Priorities. As I've noted, ACA-funded initiatives come with mandates, priorities, and milestone dates that are the creation of analysts in Washington, or in a state capital near you. On more than one occasion, we've been asked by CMS to create a project plan that is intended to meet *their* mandates and requirements, but that may not fully align with our clients' priorities.

For example, CMS may require a CO-OP to develop a Disaster Recovery Plan for submission by September 30th, while the CO-OP is still finalizing its IT infrastructure. In a case like this, where the CMS deadline won't change, the CO-OP might need to develop a DRP that reflects the current state, but can be updated later once the IT infrastructure is fully built out and tested. Active management – from both relationship and project perspectives – is critical. In the past, our clients have relied on us to manage these CMS relationships and ensure that CMS-specific deliverables are completed, so that they can focus on implementing their programs and building their businesses.

In the same vein, we've found that (to their credit), government entities often strive to be solicitous and accommodating in working with states on their ACA initiatives. But this 'light touch' can mean a lack of clear templates, guidelines, or processes for the creation of required plan documents and other artifacts. ACA entities such as ONC or CMS often use vehicles such as a national conference calls and web sites to communicate information to state-level program managers, but these approaches can only provide limited guidance. We've found that iterative approaches (e.g. developing multiple plan drafts and submitting to CMS coordinators quickly, so that the feedback loop is initiated as early as possible) can mitigate the risks associated with waiting to submit a deliverable, only to find that major changes are needed.

Don't Lose Sight Of Sustainability & Operational Efficiency. The issues of sustainability and operational efficiency extend beyond the scope of a discussion focused on program planning and implementation management. But, our clients – whether they've been Regional Extension Centers (RECs), HIEs, CO-OPs, Exchanges, or more recently, ACOs - have all grappled with the issue of sustainable revenue and/or delivery models once initial funding has been exhausted.

While ACA-funded organizations do need to focus their efforts on ‘hitting the dates’ and ‘getting the funding’, the best time to build operational efficiencies and sound delivery/support functions is in the early stages of an implementation or new venture.

Many ACA initiatives explicitly include provisions to encourage organizations to optimize their ongoing financial and operational models, but the impetus for these efforts should really come from within organizations!

The Bottom Line

Health reform initiatives present healthcare organizations with both great promise and unique challenges, spanning policy, clinical delivery, finance, technology, and other domains. One key to success, however, is to understand the unique challenges these initiatives present from program and implementation management perspectives, and make the needed adjustments. A sound plan and strong program management capabilities will maximize the likelihood of success.

As Albert Einstein once said, “We can’t solve problems by using the same kind of thinking we used when we created them.” Health reform is intended to apply new solutions to the many problems facing the American healthcare system. Success in these endeavors, in turn, depends on flexibility and creativity in how health reform initiatives are planned and implemented.

Our health reform ‘odyssey’ continues, and we certainly expect to encounter new program/implementation management ‘twists’ along the way!