



Demonstrating value

Articulating and defending your value proposition to drive growth



Are you able to clearly articulate the value you deliver to health plans, employers, and patients?
And are you able to back it up with clear, reliable data?

As healthcare providers across the country struggle with the shift towards alternative payment models and consumerism, many are starting to recognize the advantages of being able to clearly articulate—and defend—their value proposition to the market.

Now, more than ever, providers need to structure themselves (and then create marketplace positions) that will help them bridge the transition from volume to value while also creating stickiness with patients.

Understanding your value in the market from the consumer perspective

Developing and articulating a strong and clear value proposition allows healthcare providers to identify current market growth and service expansion opportunities. But first, it requires organizations to understand their relative position in the market from a consumer perspective in order to effectively plan for and navigate the transition path to value-based care and alternative payment mechanisms.

Those providers that are able to use data to track patients across the care continuum will have a clear business advantage.

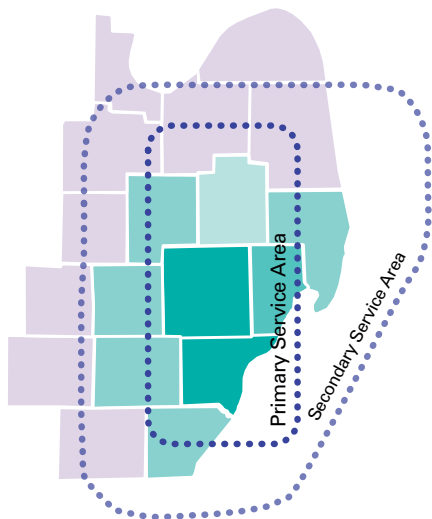
Historically, providers have struggled to combine business knowledge and data analytics, particularly when it required leveraging large complex datasets to achieve insights such as the “Total Cost of Care”. Our experience suggests that few organizations were able to achieve patient-level visibility outside of their organization and across the care continuum in order to accurately quantify the “net” value they delivered to plans and patients—until now.

We believe that by leveraging new analytics approaches and historical claims data, providers can finally start to articulate and defend their value to the market with clear and reliable data.

Using data-driven analysis to deliver a growth advantage:

- Understand patient total cost of care for your population at a patient level, across the continuum of care in comparison to the rest of the market
- Identify opportunities to develop consumer-focused strategies at a service-line level, to retain and grow your patient base including the ability to attract out-market patients
- Develop and leverage your value proposition through existing relationships, new partnerships, improved operations, and messaging that elaborates on:
 - Market share growth and expansion including new geographies
 - Health plan relations, e.g., contracting, at-risk opportunities
 - Consumer relations, retention, and marketing
 - Insights into operational performance and improvement initiatives
 - Price/Quality transparency

Analyzing your market at the service-line level



Discover reasons for in-market leakage, i.e., patients in a primary service area seek services elsewhere

- Quantify the dollar value of “lost” activity and potential revenue gained from capturing this activity
- Analyze referral patterns to identify sources of lost activity and specific opportunities to recapture

Uncover opportunities to improve in-migration, i.e., patients outside the provider’s expected service area travel to the provider for services

- Understand drivers of patient behavior and referral patterns
- Develop opportunities to build on this knowledge to grow market share in other service lines

What is total cost of care?

Total cost of care (TCoC) analysis enables providers to apply a different lens to view their comparative position and the opportunities available to them. Generally speaking, TCoC represents the inclusive payments for the comprehensive basket of healthcare services utilized by a patient or a population. It spans the entire care pathway from diagnosis and evaluation through to treatment, follow-up and outpatient drugs.

Ultimately, TCoC analysis allows providers to compare their cost of care to the market—for individual episodes and across the entire care continuum—which, in turn, provides them with leverage to drive market share in conversations with health plans and physicians.

Why KPMG?

At KPMG, we know that working with claims data to extract valuable insights is not a simple task. That is why our clients rely on our professionals to combine deep industry experience with keen insight into the nuance and technical details of TCoC analytics to drive real and sustainable action and opportunities.

- 1 Deep access to data:** With access to CMS and Commercial Claims Data Sets representing more than 150 million unique individuals nationwide at a patient claim line detail level (diagnosis, procedure, CPT, UB code, etc), KPMG provides access to the information you need to achieve reliable insight into your TCoC and your value proposition.
- 2 Broad-based experience:** KPMG professionals understand the wide range of organizational models and care pathways involved in patient care, which allows our people to draw more insightful conclusions from data.
- 3 Deep industry insight:** Our professionals work with many of the country's leading providers, health systems, health plans and physician groups, and our people apply that knowledge and insight to help clients remain competitive in their markets.
- 4 Tailored approaches:** KPMG professionals know that no two patients or service lines are alike, so we take an analytical approach to understanding patient cohorts that is tailored to tell the organization's unique clinical story.
- 5 A view to growth:** Our professionals are business-minded, data-driven professionals who understand the need to align investment to growth opportunity and know what it takes to operationalize our clients' business objectives.



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