



Navigating the Practice Transformation Process

Tips for Practice Success

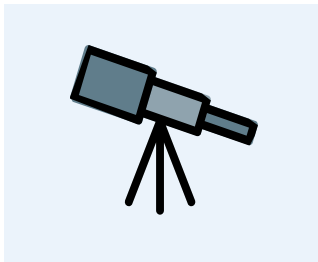


APRIL 2025

Overview

Health care delivery and payment models are increasingly shifting toward value-based care, an approach that supports high-quality care and sustainable spending, benefiting practices, patients, and payers. This evolution is transforming how care is delivered and reimbursed by aligning financial incentives with quality, outcomes, and overall patient value.¹ Interest in alternative payment models is growing.² While moving away from fee-for-service can feel overwhelming, there are steps practices can take to prepare or advance their participation in new commercial and government payment models.

A Closer Look at Practice Transformation



Practice transformation is a multi-faceted process that takes time. It involves goal setting, leadership, workflow changes, measuring quality improvement and outcomes, and adapting organizational tools and processes to support team-based care.³ These changes require rethinking nearly every aspect of care delivery – clinical, financial, and administrative functions.

Six Tips for Practices

1



Document existing processes (a baseline) and prioritize areas for improvement: Identifying practice and patient specific needs informs the redesign of policies and workflows as part of the transformation process. Prioritize changes in workflows based on feasibility and what is most beneficial to the practice and patients.⁴

2



Assess readiness to transform: This helps determine practice preparedness and directs focus on goals (e.g., training) to support transformation. Consider existing roles and processes and identify potential gaps in care coordination, quality measurement, and data collection and analysis.⁵

3



Establish clear responsibilities: A team-based approach with defined roles makes it easier to collaborate effectively and monitor progress on transformation goals. This includes delegating tasks such as pulling data from the electronic health record (EHR) system, tracking quality measures, and monitoring adherence to evidence-based guidelines, regulatory policies, and the terms of payer agreements.⁶

4



Leverage tools to boost patient and family engagement: Patient-centered care is a fundamental strategy in primary care reform efforts nationwide.⁷ Use of health information technology (e.g., telehealth and patient portals) increases access to care and shared decision-making to improve patient health and well-being.^{8, 9}

5



Strengthen referral management (“close the loop”): Effective referral procedures can increase patient satisfaction and practice efficiency¹⁰ and are central to coordinating care and controlling costs.¹¹ Ensure referral protocols adequately monitor referrals and trigger timely follow-up,¹² and consider available resources to address non-clinical needs like food insecurity or lack of transportation.¹³

6



Use data to guide decision-making: A data-driven approach supports continuous improvement and awareness of the unique needs of patient populations.¹⁴ Identify data sources, including the EHR system, and other data needs to enhance patient care (e.g., identify high-risk patients) and operational efficiency (e.g., identify bottlenecks).¹⁵

Moving Forward

While the practice transformation process can be complex, embracing change brings opportunities to improve patient outcomes, enhance team collaboration, and create more sustainable operations. Practices can continuously build on existing strengths guided by a clear vision, committed leadership, and thoughtful planning. Many resources are available to help practices successfully navigate the transformation journey. Consider the resources that follow.

Resources

The Commonwealth Fund, *Value-Based Care: What It Is, and Why It's Needed*, February 2023. Available at: commonwealthfund.org/publications/2023/feb/value-based-care

Center for Medicare & Medicaid Services, *Value-Based Care Spotlight: For Providers*. Available at: cms.gov/priorities/innovation-center/value-based-care-spotlight

American Heart Association, *Better for Patients, Better for Health Care Team Members: Perceptions of Practicing in an ACO*. Available at: heart.org/AHA-HCT-Brief.pdf

¹ Aledade, *Value-Based Contracts: What You Need to Know*, July 2024. Available at: aledade.com/value-based-care-resources/blogs/value-based-contracts-what-you-need-to-know/.

² The Commonwealth Fund, *Value-Based Care: What It Is, and Why It's Needed*, February 2023. Available at: commonwealthfund.org/publications/explainer/2023/feb/value-based-care-what-it-is-why-its-needed.

³ AIDS Education & Training Center, *Practice Transformation*. Available at: aidsetc.org/topic/practice-transformation.

⁴ Flatiron Health, *Value-Based Care Practice Transformation: A Guide to Preparing Your Practice for Success in Value-Based Arrangements*. Available at: page.flatiron.com/hubfs/eBook-Value-based-care-practice-transformation.pdf.

⁵ *Ibid.*

⁶ *Ibid.*

⁷ Sharma AE, Grumbach K. Engaging patients in primary care practice transformation: theory, evidence and practice. *Fam Pract*. 2017 Jun 1;34(3):262-267. doi: 10.1093/fampra/cmz128. PMID: 28034916; PMCID: PMC6080566.

⁸ ImagineSoftware, *Patient Engagement: A Comprehensive Guide*. Available at: www.imagineteam.com/patient-engagement-a-comprehensive-guide.

⁹ Patient-Centered Primary Care Collaborative, *Transforming Clinical Practice Initiative: Patient and Family Voices: Lessons Learned*. Available at: cms.gov/priorities/innovation/files/x/tcpi-san-pp-voices.pdf.

¹⁰ Jarve RK, Dool DW. Simple tools to increase patient satisfaction with the referral process. *Fam Pract Manag*. 2011 Nov-Dec;18(6):9-14. PMID: 22150730.

¹¹ Healthcare Financial Management Association, *6 Actions for Physician Practices on Signing Risk-Based Contracts*, May 2023. Available at: hfma.org/payment-reimbursement-and-managed-care/value-based-payment/6-actions-for-physician-practices-on-signing-risk-based-contracts/.

¹² Dana Bellefountaine Jr., *Taking the Plunge into Risk-Based Contracting*, June 2023. Available at: linkedin.com/pulse/taking-plunge-risk-based-contracting-dana-r-bellefountaine-jr/.

¹³ See n. 9, *Supra*.

¹⁴ Salient Health, *Practice Transformation – Buzz Word or Healthcare's North Star?*, September 2024. Available at: salienthealth.com/practice-transformation-healthcare-north-star/.

¹⁵ James Dom Dera, "How to Succeed in Value-Based Care," *Fam Pract Manag* 28, no. 6 (2021):25-31. Available at: aafp.org/pubs/fpm/issues/2021/1100/p25.html.

