

Clinically Integrated Networks:

A source of good and bad opportunities

- Clinically integrated networks are a source of good and bad opportunities
- Benefits to patients, clinicians, and business must be balanced against risk of antitrust claims
- Inclusion of these six key elements set the foundation for a successful CIN while reducing legal risk (*but please consult your lawyer!*)



• **Significant capital investment**



• **Mechanisms to measure utilization and quality**



• **Practice protocols designed to improve care**



• **Information systems**



• **Disciplinary procedures for physicians**



• **Selectively choosing physician membership**

Key references- Clinically Integrated Networks

- Legal
 - Department of Justice & Federal Trade Commission, “Statements of Antitrust Enforcement Policy in Health Care” (Aug 1996)
 - Department of Justice & Federal Trade Commission, “Statement of Antitrust Enforcement Policy Regarding Accountable Care Organizations Participating in the Medicare Shared Savings Program” (Oct 2011)
- Operational
 - New England Journal of Medicine, “The Good Merger” (May 2015)
 - American Medical Association, “Competing in the Marketplace: How physicians may increase their value in the health care market through medical practice integration” (2015)

Comparison of integration options

	Independent	Messenger	Financial	Clinical
Patient Volume	<ul style="list-style-type: none"> Declines due to out-of-network status 	<ul style="list-style-type: none"> As a network you may help acquire new patients/referrals 	<ul style="list-style-type: none"> As a network you may help acquire new patients/referrals 	<ul style="list-style-type: none"> Steady/growing volume of patients/referrals
Practice Finances	<ul style="list-style-type: none"> Bear full capital expense Bear full purchasing Not attractive to payers 	<ul style="list-style-type: none"> Not as attractive to payers who need financially or clinically integrated networks for their payment models Increased antitrust scrutiny 	<ul style="list-style-type: none"> Antitrust compliance issues as to whether substantial risk being shared Shared capital expense Purchasing power Increased risk with alternative payments due to the lack of clinical integration 	<ul style="list-style-type: none"> Antitrust compliance issues are minimized Shared capital expense Purchasing power Less risk with alternative payments Mapped processes streamline & coordinate care to lower costs
Care Quality	<ul style="list-style-type: none"> No control over the quality of care received by your patients when you refer them or they are seen elsewhere 	<ul style="list-style-type: none"> No demonstrable effect on quality 	<ul style="list-style-type: none"> No demonstrable effect on quality 	<ul style="list-style-type: none"> You measure your quality Protocols developed and modified to improve outcomes Mapped processes streamline and coordinate care