

Why Hospitals Must Address Complex Patient Needs. And, Why They Currently Don't

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There are estimates that as little as 5% of patients account for greater than 50% of total healthcare costs, but finding solutions to care for complex, co-morbid patients with changing needs remains a challenge for US healthcare delivery organizations. In a recent research study in which I was involved, a physician reflected on current practice, stating,

“The 50 to 60-year old who's coming in for just a single disease issue that just needs a surgery and gets better, those are not our patient populations anymore. They've become people who have socioeconomic barriers to care...who don't necessarily have regular access to food, housing, nutrition, and physicians.”

As the physician recognizes, it is the social determinants and other needs that exacerbate chronic conditions and add to the complexity for organizations to find viable strategies to improve individual and overall population health. Yet, finding solutions for complex, co-morbid patients remains critical to the long-term sustainability of the US healthcare system.

Limited Policy Solutions for Complex Patients

To date, there have been few, if any, policies directly related to complex patients. The Affordable Care Act introduced several alternative payment models (APM) such as episode-based payment models (i.e., bundles) or population-based models (i.e., accountable care organizations). However, given the complexity of high-need patient populations, many hospitals focused on “easier” initiatives to generate cost savings. Understanding how hospitals and other healthcare organizations respond to policy incentives can help us to better design interventions that will have more direct effects on high-need patient populations.

Hospitals Focus on Care Transitions, but Not the Highest Need Patients

One area where hospitals have focused their efforts is in care transitions. Again, though, the efforts have not necessarily been targeted at the frailest and most complex patients. Many hospitals have paid particular attention to patients discharged home, despite the fact patients sent to skilled nursing facilities (SNF) are at higher risk of readmission. This is partially due to the lack of a clear evidence base as it relates to patients discharged to SNF as compared to patients discharged home.

Research Focusing on How Organizations Respond to Complex Patients

Due to this gap in knowledge, I focus my research on the ways in which organizations respond to the changing needs of complex, co-morbid patients and the incentives and policy initiatives that have the greatest effect. This has led to two inter-related tracks of work. The first track considers questions about post-acute network development and its effect on patient outcomes. While transaction cost economic theory would suggest certain policy changes (e.g., readmission penalties) would stimulate greater post-acute network development, in practice, we have not witnessed widespread adoption of networks, despite [evidence](#) suggesting its efficacy. I am also looking at how network development may actually create greater disparities as post-acute providers may be “selecting” less complex patients.

My second track of work directly studies high-performing hospitals as it relates to their care of high-need patients. In a recent study funded by the [Peterson Center on Healthcare](#), our research team identified 92 high-performing hospitals across the country and conducted site visits to 6 organizations, interviewing 136 individuals. In this work, we concluded that it is the combination of organizational support, patient identification and community-based program adoption that has helped hospitals succeed. However, we have also found that high-performing hospitals face many of the same alignment and measurement challenges that all hospitals face. Our next phase of work will consider longitudinal studies of our high-performing cohort and/or better understanding the dissemination of best practices to hospitals that were not identified as high-performing.

The needs of complex, co-morbid patients remain a critical area to address in our healthcare system. The work we are doing to identify best practices, study effective solutions and better understand dissemination of the evidence-base will hopefully accelerate the translation of solutions into practice and help to generate greater value in our system.