Preface

Some might think it more than a little presumptuous to write a book describing how to build something that has never been built before. Indeed, to some extent, we include ourselves among those critics. The accountable care organization (ACO) today is more a *concept* than a *construct*, and as such there is no blueprint, road map, instruction manual, or recipe. What is clear at this time is that the ACO is a healthcare delivery system that will be capable of providing consistently high-quality care and service to a population of patients, satisfying them so that they prefer to obtain care from their "system," reducing the resources required to provide the care and achieve those outcomes, and operating within different delivery and reimbursement models to achieve the outcomes.

And that seems like a pretty good idea.

Those outcomes represent, in engineering terms, performance specifications. More important, they are the very sets of outcomes that the authors of this book have devoted their clinical practice and consulting careers helping organizations achieve through more effective organizational design and improved delivery. So while an ACO has technically never been designed and built before, many departments, programs, clinical service lines, organizations, and systems have been designed and built to achieve the *outcomes* intended within

the accountable care organization. That experience and knowledge along with rational and bounded optimism compelled the authors to write this book.

A great deal is written about ACOs every week. Most of what has been written to date has focused on definitions, descriptions, predictions, and policy. Those are logical starting points. The goal of this book is to turn policy into pragmatics, answering the following set of crucial questions:

- What will it take to produce the outcomes necessary for success within an ACO model?
- What trade-offs must be evaluated by a healthcare provider considering an ACO strategy?
- What are the potential benefits to the stakeholders, most importantly the patients?
- What steps and actions should an organization take, and how should it accomplish them?
- What should leaders be doing to make all this happen?

Answering these questions will enable healthcare executives to bring the debate into their own organization and replaces "its" with "our."

Our primary goal, then, is to help healthcare executives consider whether the pursuit of this strategy is right for them, their organizations, and their patients. Our secondary goal is to help leaders start or advance the necessary conversations with others in their organizations and their communities: Do we have the capabilities, capacity, and commitment to make the trade-offs necessary in an ACO delivery and reimbursement system? What will it take to build the capabilities necessary for *our* success? To be sure, the ACO is *not* for every organization, every healthcare executive, every physician, or every patient. For those who believe in this model, there is reason to believe that it can work. It will be a more rational model for healthcare delivery, and represent one of many noble experiments designed to improve America's irrational healthcare ecosystem, in which organisms and entities fight

for survival in a hostile environment. It is that singular hope and belief of improving healthcare delivery and outcomes that drove the authors to manage their hubris and write this book.

The book is divided into three broad sections. The first focuses on the external environmental forces that have set the stage for accountable care. The first section also describes how the ACO is currently envisioned by those setting policy and initiating design. The second section describes the design features required for success in this model, using a medical analogy of "anatomy" (structures, systems, programs, and relationships), "physiology," (functionality and processes), "sociology" (leadership and culture), economy (the economics associated with payment reform and the restructuring of the delivery of care), and information technology. Finally, the third section is devoted to an assessment process and a road map that will enable delivery system leaders to decide whether the destination is worth the journey, and for those who consider themselves ready, to begin the journey.

How to Use This Book

Starting with Chapter 2, each chapter of this book ends the same way. First is a set of questions the chapter should have provoked in the reader and that can be used to facilitate critical conversations within the organization. Second is a table organized according to the three categories of readers: (1) those *interested* in exploring ACOs, (2) those *engaged* in planning their journey, and (3) those already *committed* and on their way. For each category of readers, we supply a brief summary of the points within the chapter that are germane to that group's perspectives, along with a set of recommended actions that can be considered to advance the chapter's concepts within their own organizations.

Most important, we—and all our fellow citizens—wish you great success on that journey.

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