Successful Practices in Accountable Care: 

Alliance Chicago

HCCN Profile

Name: AllianceChicago

Founding Members: Erie Family Health Center, Heartland Alliance Health, Howard Brown Health, Near North Health Service Corporation

Current engagement: More than 50 health centers, 1.2 million patients, 20 funders, 20 research affiliations

Year Established: 1997

Services Provided: Health care collaboration focused on quality improvement, health information technology and data warehouse to support a common electronic health record, and health research and education

Driving Towards Integration

Since its founding in 1997, AllianceChicago has embraced the idea that health centers working together as a network could leverage partnerships to improve the health of their communities. As health centers contemplate how to get ahead of the change from volume to value that is beginning in the health care delivery world, network-like deep collaborations are an essential strategy. AllianceChicago had developed a strong foundation in data and developed a nuanced understanding of how the different centers performed individually and began to evaluate how they could perform together as a health center controlled network. The leadership of AllianceChicago realized in late 2015/early 2016 that based on their work to date and the marketplace, they had an opportunity to create lasting change by bringing the health centers together into a clinically integrated network.

Key to this decision to integrate was the recognition that together the health centers presented a stronger negotiating force and significant efficiencies Clinical integration, which required organizing their physicians into an interdependent system, would allow the health centers to address population health: for example, integrated health centers could negotiate and participate in value-based contracts to improve upon the quality of care provided. Building on the health centers’ work in practice transformation, quality improvement, and clinical collaboration, they created relationships among the health centers, developing an extensive network of service delivery sites, uniform clinical protocols/standards, a shared clinical information system, and collaborative partnerships, all of which were assets as they embarked on accountable care efforts. This pre-existing work, guided by AllianceChicago, created the opportunity for potential financial incentives through clinical integration, such as negotiating more favorable contracts, establishing better rates, and accessing new sources of revenue. These potential financial incentives are in line with the mission of the health center program because these additional fund could then be invested back into the health centers to support the care they deliver, thus creating a positive feedback loop for the Network and participating health centers.
Perhaps more important than the financial incentive, though, was the opportunity to improve patient quality of care, access to care, and patient satisfaction. The health center leaders noted that while cost-based fee for service payments had provided them with financial stability in order to deliver services, it also limited their ability to impact the care they were able to provide. Transitioning to new forms of payment would allow health centers to fundamentally alter the way they provide care by allowing them to participate in driving and shaping the full spectrum of care. The health center and network leadership soon realized that there were five key factors driving them toward clinical integration. Several themes and challenges emerged from those drivers including inefficiency, conflicting priorities, increased demands on workforce, and the inability to innovate, all of which were opposite of the quadruple aim and the mission of the health centers. The leadership decided that clinical integration would allow them to utilize their assets to overcome the challenges they were facing.

The Process of Integration

Once the leadership of AllianceChicago and its member organizations decided to consider clinical integration, AllianceChicago explored what others - including health centers, PCAs, HCCNs, and private practices - were doing in the space. They received recommendations from consultants, learned about the legal and clinical requirements, and then put together an application to participate in the Medicare Shared Savings Program (MSSP). AllianceChicago saw the MSSP ACO application as a foundational opportunity to prototype governance and infrastructure, as well as practice consensus building. Today they still view it as a tremendous learning opportunity. Specifically, they learned that health centers struggle with receiving data about and understanding the patients that are attributed to them, despite having a good amount of data on the care they provide. The health centers did not fully understand what occurs once a patient leaves the office; most significantly, AllianceChicago discovered that primary care management, specifically controlling costs while the patient is within the health center, is crucial. This application process made the health centers eager to get access to full claims data in order to better understand the total cost of care for the patients they serve.

When the MSSP did not proceed because of attribution challenges, the network looked towards the private investment world to evaluate other potential business models. They wanted to emulate the private sector’s ability to move nimbly while still meeting the federal requirements.
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The Seven Key Prerequisites

- Characterization of the existing clinical delivery system
- Regulatory compliance
- Decision making control
- Board of manager buy-in
- Clinical partnerships
- Data collection and analysis
- Resources

for health center program grantees. They put together a rough plan that included several key prerequisites. Since then AllianceChicago defined a legal pathway that allows them to remain in compliance with 330 statutory and other regulatory as well as anti-trust concerns. The legal pathway consisted of a separate legal entity to engage in single point contracting, enter into agreements with investors, and hire expertise as needed. They have streamlined the decision-making process and secured trusted legal counsel. AllianceChicago's board affirms their commitment through resolutions reflecting their practice in consensus building. Additionally, they have begun the process of engaging clinical leadership by meeting with providers to discuss the need for collaborative relationships. Since this change will also require a change of workflows and culture, AllianceChicago prioritized meeting with and gaining buy-in from clinical leaders in the health centers. Finally, after borrowing core staff time from AllianceChicago to support planning efforts, they invested in full-time, dedicated staff to the development of the integration and resulting payment model. These achievements have led to an infrastructure that the Network’s health centers can leverage in many different ways. It has also had an impact at the health center level by exposing the centers to new types of contract review and analysis. As the delivery of and payment for health care continue to change, health centers will increasingly see new forms of contracts. Exposure to and education about contracting allows health centers to stay ahead of the curve and ensure that they are making sound decisions that best serve their patients.

Roadmap Towards Integration

In securing trusted legal counsel, AllianceChicago also gained additional expertise on the steps necessary to form a clinically integrated network and confidence in their planning. Working together with their attorney, they put together an internal worksheet of key considerations. The legal considerations were clinical practice standards, clinical information systems, participation criteria, utilization control mechanisms, employing centralized staff, patient satisfaction, financial incentives, branding with payors, and demonstrating efficiencies. The worksheet they developed allows them to track their progress internally and better understand associated operational, financial, and legal considerations. This document provides the network with both an educational tool in bringing partners on board and a measure for what the next steps are.

While AllianceChicago has not yet achieved full clinical integration yet, their motivation, achievements, and future are clear. As a network, they continue to work incrementally to improve their quality and cost of care because it allows the network health centers to better serve their patients and communities. AllianceChicago recognized early on that working together could create achievable, positive change for all sides of the health care equation. Clinically integrated networks simply represent the next way in which the health centers can work together to increase efficiencies and quality, reduce cost, strengthen their financial position, and ultimately, better provide for their population.