

# Five Reasons Why You Should Develop Ambulatory Care Satellites

Craig E. Holm, Director, Veralon



Despite the attention being given to potential repeal of the Accountable Care Act, we can be reasonably certain that some aspects of health care reform are unlikely to be overhauled anytime soon—or possibly, at all. Among these is the shift to and emphasis on value-based payment, with its focus on providing high quality care in the lowest cost setting appropriate. Many commercial insurance plans have taken the fundamental tenets of the ACA (the shift from fee-for-service to value-based payment) and leapfrogged Medicare initiatives. Among commercial payors the value payment train has left the station.

Health systems and hospitals responding to value-based payment and population health management should be looking at the potential for development of ambulatory care satellites. Here are five ways that satellites can help you in addressing market forces:

- 1. Ambulatory care satellites are an excellent way to attract new patient populations.** They can offer convenience and services oriented to the specific population being served. To quote Kaiser CEO Bernard J. Tyson, "...health care should be delivered on patients' terms, which means bringing it into the communities where they live."

Hospital outpatient care is often the antithesis of convenient. Patients usually must pay to park, find their way through complicated routes within the hospital, register in multiple places and receive services in others, and deal with long waiting times. Ambulatory care satellites can and should match the standards for service of most community-based physician's offices: free parking; ground floor access; and courteous, prompt and personal care.

With increased patient participation in co-payment for care, due to high deductible health plans, patients who are not acutely ill are giving increased attention to where and how they get care. The availability of app-based shopping for healthcare has

made it easier for knowledgeable consumers to shop for high value service settings. The elderly, working parents with sick children, workers with unpredictable or inflexible hours, and those with chronic conditions will also be attracted to satellites that offer convenient locations and schedules.

Ambulatory care satellites are also suited to provide services that are oriented to the culture and unique health care needs of the population where the satellite is located: Staff who speak patient languages, wayfinding in those languages, and clinicians who are familiar with how good health and illnesses are perceived and expressed in the culture.

## **2. Ambulatory care satellites are a lower cost setting in which to provide care.**

They usually allow lower and more flexible staffing ratios, e.g., medical assistants can perform multiple patient and data-related tasks, rather than responsibilities being divided among RNs, nursing aides, administrative assistants, etc. In addition, the real estate for satellite offices can be easily leased (at lower costs) rather than constructed, eliminating capital costs.

## **3. Satellites allow health systems and hospitals to experiment with innovative models of care delivery**

that help foster care management and coordination, and health promotion, not just the provision of care. It is easier to initiate these models in a new environment with appropriately designed facilities, than to retrofit staffing models and the culture of care within one unit of a hospital setting. Among the models and features that are easier to establish in satellites than in hospital outpatient care are:

- Patient-centered medical homes and medical neighborhoods, team-based care, and other forms of care coordination and management
- Episode of care management, including tracking patients from hospital admission through post-acute care, and back into the community
- Management of chronic illness, e.g., group visits for management of patients with the same chronic condition
- Care enabled by technology, such as virtual consultations, with equipment at the satellite location and the consultant located at another location
- Measurement and demonstration of value
- Complementary services, such as fitness services (trainers, exercise physiologists), complementary medicine, yoga, meditation, and health-related retail

Ambulatory satellites can also be used as pilot sites to see if more expansive services whether by type or location—are feasible.

- 4. Satellite services can be planned to provide market differentiation.** Anchor services can be organized around a theme, such as women’s health, cardiac services, or musculoskeletal services, that will be attractive to the population to be served. Patient-centric design, such as easy wayfinding and parking/mass transit access, and ease of registration, reduces stress and improves patient satisfaction, improving market perception.
- 5. Ambulatory care satellites provide one way to partner with remaining independent physicians.** For example, satellites can provide office space for physicians who are not interested in employment but who are participating in hospital-sponsored Clinically Integrated Networks or are independent. In addition, physicians looking for a “safe” partnership opportunity may want to own real estate and get reliable lease payments from the health system, rather than having an equity stake in the operations of the venture.

No matter what the future holds for healthcare reform, having a strong ambulatory market position will be a plus for healthcare organizations. Ambulatory care satellites will help in creating that position. ●