The Birth of the NCA Multi-Service Market Office

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Introduction

Now that health care has become almost 20% of the gross national product, anxiety about increasing costs and expenditures is a central, driving force in purchasing, paying for, and delivering health care services for the Military Health Care System (MHS). The advent of "managed care," a term which encompasses a wide variety of techniques, compensation systems, and corporate structures, has been paramount in the reordering of health care in the last ten years. With an increased emphasis on cost control has come a related emphasis on more businesslike approaches to organizing health care delivery. Taft (1999) emphasizes using the organization's core values as the force for the direction, stabilization, and leverage needed to be successful in the new environment.

Managed Care Organizations

At the top of this pyramid and an element that is one of the principal anxieties of the American public today is the managed care organization. Many people are concerned that bean counters have taken over the way their care will be provided rather than leaving decisions in the hands of medical professionals. Boland (1999) states that a quality-sensitive clinical culture will enhance strategic positioning of these organizations when they elect to be accountable for the fundamental business in which they are engaged.

As in organizational culture, contemporary management theorists believe in altering perspectives of the business environment and becoming more customer-oriented, but there is ample proof to the contrary, or at least the continued reliance on the traditional internal approach to organization. One example is the mission statement of the National Capital Area (NCA) Multi-Service Market Office (MSMO): *To employ a consensus-driven process/ methodology to assist*

the Senior NCA-Multi-Market Manager, TRICARE Regional Office (TRO) North, Military Treatment Facility (MTF) commanders, and Health Net Federal Services to streamline and improve beneficiary access to care.

The National Capital Area MSMO at Walter Reed Army Medical Center was established as an entity to facilitate organizational change through restructuring of operations, major collaborations, mergers, "right sizing," and new programs. The MSMO created a conduit to enable a successful transition to the next generation of TRICARE contracts.

While this new mindset has imported the principles of efficiency, competition, and product lines from manufacturing, it has also led to the introduction of continuous quality improvement and customer satisfaction as key management initiatives. This blending of practices will be accomplished by organization decision-making support for integrated health care delivery of major MTFs in the National Capital Area (NCA), allowing the organization and its subordinates to form a unified health system under a single plan.

Why Culturally Competent Health Care Is Needed

According to Berlowitz et al. (2001), health care organizations must continue to undergo reorganization to remain competitive and responsive to market pressures. These reorganizations should be associated with many positive outcomes. For example, the MSMO will develop business initiatives and provide tools to help MTFs and civilian agencies to provide world-class federal health benefits at a reasonable cost. According to the North Atlantic Regional Commander, Major General Kenneth L. Farmer, Jr., the Multi-Service Market (MSM) focus is an optimal health care delivery vehicle for all beneficiaries. "Our charge and our mission are to create facilities and military systems that will take the best possible care of those beneficiaries through organization-wide change."

Health care organizations influence the quality of health care in four general ways. First, organizations directly determine the nature and capabilities of their providers, including which resources are devoted to each type of provider. One of these ways is for health plans to selectively contract with physicians and hospitals to define referral resources within their networks of providers or physician groups. Second, organizations can influence care by direct contact with

enrollees such as patient education about flu shots, screening mammograms, and co-payments. Third, organizations can adopt a broader population-focused mission characterized by public health and educational programs aimed at the larger community. Finally, health care organizations can directly influence physician behavior. The most important influences of managed care will be those mediated by physicians.

The organizational culture of the 1990s is often thought of as the “re” decade because the driving organizational metaphors were **re**engineering, **re**organizing, and **re**inventing. At the heart of these efforts were attempts to better define and balance the organization’s core competencies while outsourcing or privatizing non-core activities. Examples might include a change in mission, restructuring of operations, new technologies, major collaborations, mergers, "rightsizing," and new programs such as the NCA-MSM.

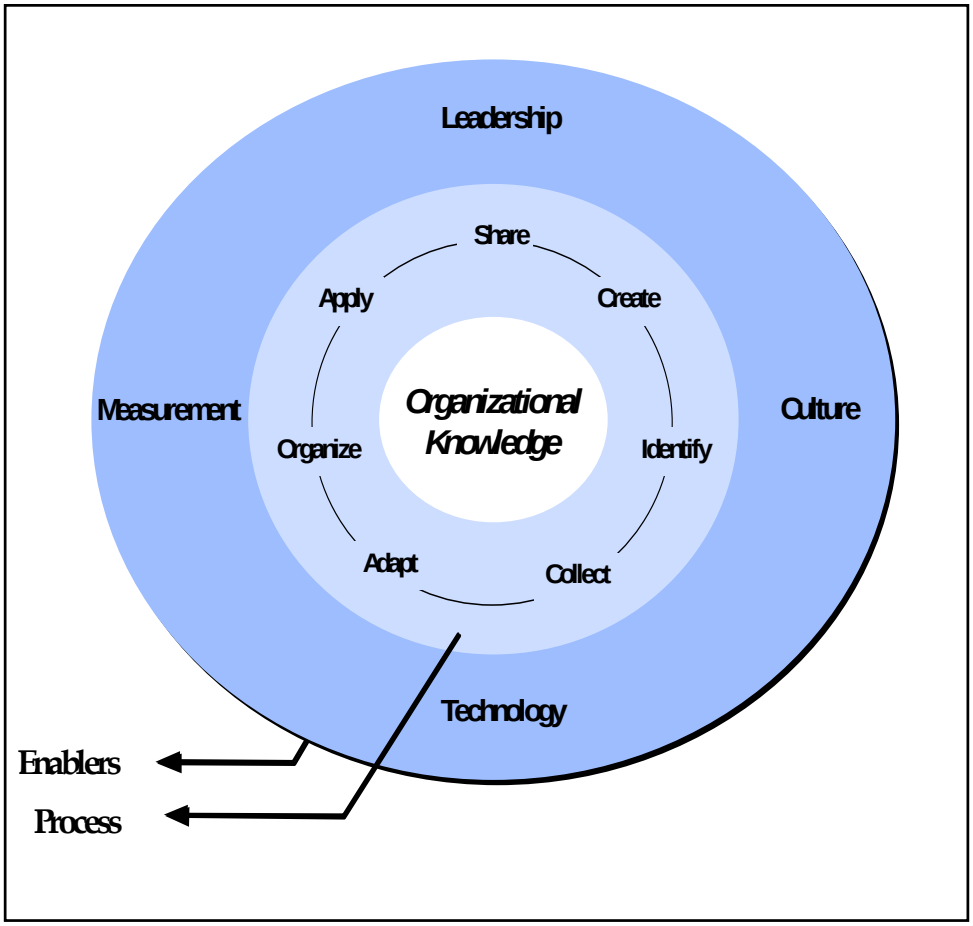
How Culture has Affected the Military Health Care System

Cultural competence is a set of behaviors, attitudes, and policies that enables a system, agency, or group of professionals to work effectively in cross-cultural situations. The term *culture* is not limited to patients and consumers. Just as in contemporary organizational culture, the culture of the organization is the amalgamating concept that creates a synthesis of the best methods, efficiently applied through the most appropriate delivery system. While the added new dimensions of quality and health care are ripening, technical quality remains a core concern. Technical quality is a judgment of what is the right treatment or process for the patient’s clinical condition, whether services were provided correctly and appropriately, whether there were opportunities for process improvement, and how improvement might be achieved. Campina-Bacote (1999) stated that the many ways technical quality is assured and supported--or neglected and undermined--defines the clinical culture of health care organization.

NCA-Multi-Service Market Office at Walter Reed

This agency has as its primary purpose the creation of integrated health care initiatives to optimize and improve the delivery of health care through business planning and approval processes. This is essential in view of the present contingency operation of the military, including soldier readiness, processing, casualty care, professional filler (PROFIS), and the demands of homeland security.

Planning



In accordance with the TRICARE next generation governance plan, the Assistant Secretary of Defense for Health Affairs provided guidance to restructure the organization and mold TRICARE into an integrated health care system. In the areas where markets overlap, the

Surgeon General designated Multi-Service Managers to develop consensus performance business plans to efficiently manage the total market.

To make TRICARE more administratively efficient and to simplify administrative procedures for beneficiaries, 10 regions were geographically consolidated into three areas, each serving about 2.5 million beneficiaries. The initiatives include

- Improving and helping facilitate customer, provider, and MTF outcomes.
- Working with MTF commanders to help them optimize MTF capacity and MHS performance measures and priorities.
- Where feasible, promoting cross leveling of personnel to improve access for beneficiaries and maximize use of resources.

Implementation Methods

Chin (2000) states that to proceed without intimate involvement in creating the clinical culture for the business will stand is foolhardy. Just like the activities of the NCA-MSMO, MTFs are a joint venture of all services and the civilian sector as well as a derivative of the practice of medicine.

In the integrated delivery system, the difficulties in managing the borders between and among multiple hospitals, facilities providing other levels of care, multiple physicians' networks, independent physicians, and subsidiary and ancillary business activities are daunting. If the lawyers and financial managers who design these systems create settings without a strong physician presence along the continuum of involvement articulated here, the clinical culture will be diluted to the boxes and arrows on an organizational chart. One of the fundamental challenges for integrated delivery systems is true integration. According to Boland (1999), many systems today reflect corporate and organizational re-orientations without adequate infrastructure. The purpose of creating these entities has purportedly been to achieve--through concentrated effort and collaboration around a central organizing principle--more efficient, better-functioning operations which otherwise would be redundant and increase costs.

To implement the consensus-driven process within the market, the NCA- MSMO undertook the following tasks:

- Designed a charter to align the nine NCA-MTF commanders around a single goal of enhanced market performance and development of a single market business plan.
- Established a process for the nine NCA MTF commanders to meet regularly, at minimum quarterly, to discuss strategies to increase organizational efficiency and productivity.
- Created functional work groups in the NCA market to create systematic, standardized measurements to make clinical and management decisions about facilities and beneficiaries.

Results

- Chartered senior level personnel from MTFs to develop an integrated business planning team (BPT) for the NCA market. This business planning team meets monthly to develop a market plan.
- Established MTF Commanders' Executive Board, which meets monthly to discuss MTF and other issues that affect market performance and success. An example of these changes was relocating WRAMC dermatology staff and residents to Bethesda Naval Hospital. This shift in assets is projected to improve productivity across the NCA by 30% and increase availability of appointments by 19%.
- Chartered a referral and authorization work group that standardized business rules across the NCA and provided training at the provider and appointment clerk level through the NCA market. The work group also created a database of referral information and patient demographics to provide market reports for analyzing referral patterns available via Internet.
- Chartered an appointment work group that implemented a toll-free appointment number and developed a service level agreement among the nine market MTFs to transfer funds to the market manager.

The concept for the NCA 800 number was developed to capture the beneficiary population that accessed the appointing services through Sierra Military Health Services, then the managed care support contractor. The next generation of TRICARE contracts, Heath Net, will

not make appointments. The MTFs will handle this function. The toll-free number routing beneficiaries to a local MTF is now used monthly by over 15,000 beneficiaries.

There is no question that the medical community during the last four years has been oriented around the need to change clinical behavior away from what happened in the world of unquestioned charges which, at its extreme, motivates increased utilization of services without regard to their clinical necessity. As the need for more business-like approaches has been fulfilled, though, widespread demands for uncompromised quality have been expressed.

> Health care organizations [must] continue to undergo reorganization to remain competitive and responsive to market pressures. These reorganizations may be associated with many positive outcomes. This suggests that an important challenge for clinicians, researchers, and managers will be to ensure that quality of care is sustained throughout these reorganizations (Berlowitz et al., 2001, p. 146).

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Workgroup Charter Example

National Capital Area (NCA) Multi-Service Market (MSM)
Clinical Care Advisory Board (CCAB)
(Draft)

1. Purpose: The Clinical Care Advisory Board's (CCAB) mission is to review, advise, recommend and improve upon the full scope of clinical services delivered to military personnel, their dependents, retires and their dependents, and all other TRICARE eligible beneficiaries who depend of state-of-the-art health care delivery in the NCA. The CCAB is responsible for helping to facilitate the integration of clinical and business practices between MTFs that keeps the patient and military family in the center, while the various missions of each MTF and Service are achieved. In this manner an interdisciplinary, inter-Service Board is charged to make effective, efficient use of current and future tri-service MTF resources within the NCA. The CCAB is responsible for clinical NCA market policy recommendations and clinical care practices consistent with guidance from higher authority from multiple sources. In addition, the potential gains for the market between inter-Agency (i.e., DoD-VA) and public-private cooperation are also considerations. In the execution of its duties, the CCAB will balance the missions and outstanding accomplishments of peacetime and wartime health care, readiness, graduate medical education (GME), and clinical research. As such, this Committee serves as a key advisor to the NCA MSM Manager and Board of Directors (BOD).

2. Scope of activity and extended deliverables of the CCAB are to:

a. Identify practice standards enabling the provision of one standard of care regardless of where a member is treated with emphasis on referral standards between primary care and specialty care services,
b. Ensuring that beneficiaries have access to care via "one-stop shopping" when at all possible,
c. Ensuring that beneficiaries care is coordinated seamlessly across care settings (including external contracted sites with our new managed care support contractor, Health Net Federal Services® *www.healthnetfederalservices.com* (HNFS)),
d. Ensuring episodes of care can be tracked, and outcomes of care determined, across settings,
e. Assessing that at any one time, systems are in place and effective such that one team or person (such as a Primary Care Manager, Specialist or Case Manager) has overall responsibility for coordinating each member's care, and the member knows who the responsible party is, and how to access care or health information,
f. Maintaining wellness and primary prevention of the population is an active part of the delivery system in conjunction with secondary and tertiary preventive care that is state-of-the-art,
g. Advise and recommend improvements and modification to referral management and appointing business rules, consult tracking and resulting in CHCS and other information systems, and the continuum of care between outpatient, ambulatory, inpatient care, rehabilitative service and long-term care for eligible beneficiaries,
h. Advise and recommend educational needs of clinical health care providers, nurses and other support staff,
i. Provide a forum for voicing NCA market clinician and nursing challenges and assist with conflict resolution,
j. Discuss and resolve barriers to and conflict involving coordination of clinical care between a variety of clinical providers,
k. Promote annual patient safety goals and integrate measurement and best practices,

l. Clinical service recommendations: Reviewing and validating the baseline prior year FY data per clinical service in the areas of clinical access to care and demand for services in demographic and various beneficiary categories, quality measures and marketing of clinical outcomes, utilization, space, equipment, policy, GME, readiness and contingency demands, productivity in FTE terms and workload for the direct care and purchased care segments. Potential for increased DoD integration and cooperation, opportunities for increased VA/DoD cooperation and public-private joint ventures should be sought and purchased care opportunities demonstrate potential in terms of business case analysis and opportunities to differently apportion resources. Group Process: Consensus recommendations should be sought. For recommendations not achieving consensus, all documents and presentations should note which MTF CST members agree with the proposal and which do not. Those agreeing will compile a list of perceived advantages while those disagreeing will compile a list of perceived disadvantages. All pros and cons should be freely discussed and shared among all team members along with supporting data where possible.

3. Membership: Each NCA MTF will be asked to submit at least one representative to the CCAB from the medical and nursing disciplines. The Committee will have sufficient scope and empowerment to look to the future and define improved processes for the specific goal and objective they are supporting. In the even that a principal member is unable to attend, an alternate representative with equivalent talents and expertise will be identified from the outset in order to meet and execute the Chartered Committee's timeline for action.

Workgroup Charter Example

NCA MSM Chief Medical Officer	Co-Chairperson
NCA MSM Nursing	Co-Chairperson
Person A	Member
Person B	Member
Person C	Member
Person D	Member
Person E	Member
Person F	Consultant
Person G	Consultant
Person H	Consultant
Person I	Health Net® Federal Services
Person J (MSM Administrative Staff)	Recorder

Other ad hoc members as required and nominated by the Chair

4. Chartering Body: NCA MSM Manager Office (MSMMO).

5. Subcommittees: The CCAB shall have the authority to establish work groups to functions as subcommittees for the purpose of researching specific issues and making recommendations to the CCAB, the Board of Directors (BOD) and the NCA MSM Manager. Such subcommittees shall include at lease one representative from each Service that is a member of this CCAB and approval shall come from the NCA MSM Manager.

6. Reporting Requirements: Periodic briefs are scheduled in advance and given to the NCA MSM Executive Board of Commanders through the MSMMO. Decisional and informational briefs will be staffed with the appropriate personnel and Service representation as needed.

7. Meetings: Meetings will be held at the MSMMO bimonthly, every Wednesday at 10:30 – 12:00 hours or at the call of the Chair. To ensure attendance, scheduling greater than six weeks in advance is required. Change in schedule will be agreed upon by consensus. Minutes will be prepared by the Recorder, approved by the Chair, and distributed in a timely manner for Members to review. A recording of minutes, briefings, and other important reference material will be held and categorized at the MSMMO for future use.

8. Resources: Individuals appointed to the Committee must have the approval of their appropriate Chain of Command.

9. Estimate participation time as Member is 2-3 hours per week, but variability in this commitment is anticipated as the productivity of the CCAB is recognized.

10. The MSMMO is responsible for coordinating meetings and conference room space. Stationary supplies and computer access are available through the MSMMO. Requests for additional resources should be made to the Chair.

11. Copies of the Charter will be forwarded to nominated individual through their respective MTF Commander along with appointment letters from the MSMMO.

12. Deliverables:
    a. Develop a prioritized list of current activities (with timelines and resources) and include link them significant challenges faced by the MTFs in executing and optimizing their missions as TNEX is implemented,

b. Conduct periodic review of funded and unfunded initiatives within the MSM and coordinate initiatives with Service-specific points of contact,
c. Recommend or expand upon specific responsibilities and possible deliverables as outlined in paragraph 2.

13. Duration: This Charter is effective the date of signature and will be reevaluated for continuation in 12 months.

Source: 2003 NCA-MSMO Business Plan Appendix, pp. 10-14

Table I: CTS Review Status For MTF Users

CTS Review Status	MTF Users	Review Comment	CHCS Administrative Closure of CON Order
Advice Only	Providers	Required	90 days if no “results”
Information Needed	Do Not Use	NA	30 days if no “appt” status
Refer to Subspecialty	All	Required	30 days if no “appt” status
No Appointment Required	All	Required	Immediately upon entry
Appoint to MTF	All	Optional	45 days if no “kept” appt
Space Available	Do Not Use	NA	45 days if no “kept” appt
Defer to Network	Reserved (MTF Referral Manager Only)	Required	90 days if no “results”

Source: NCA-MSMO Business Plan Appendix, p. 36.

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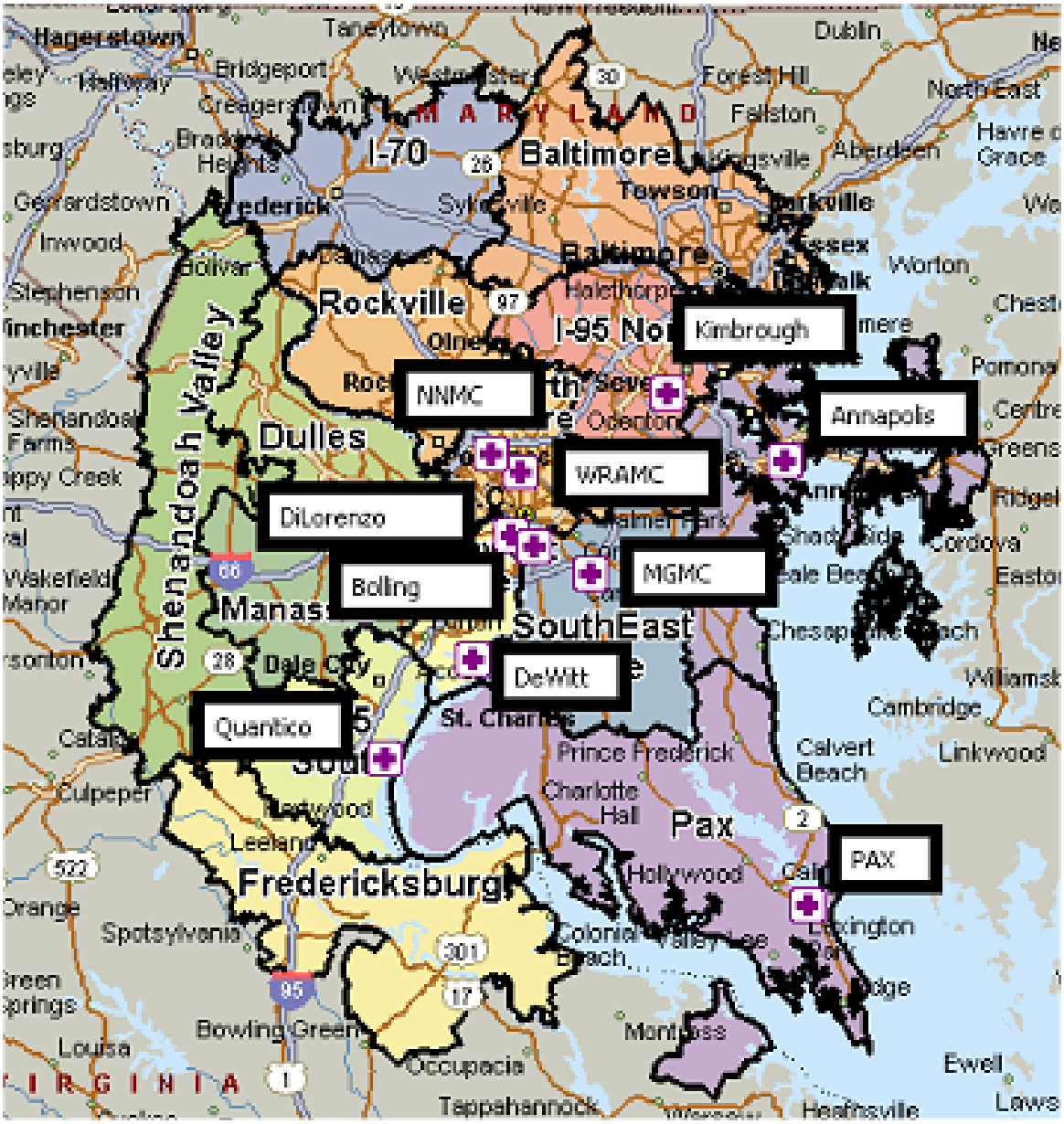

Figure 1. NCA MSM Map