Economies of Scale: Spread Costs Across Multiple Organizations

• **How it might be done:**
  – A health system seeks independent physician practices, stand-alone hospitals, and other providers to form an ACO or clinically integrated network (CIN)
  – Adoption of a common IT platform is a condition of joining the ACO or CIN

• **How it benefits the health system and its partners:**
  – Costs of developing a population health management infrastructure are shared across participants
  – Greater IT compatibility means better data quality and communication across the network
  – Partners can share costs of a flexible IT team that can work on issues across the network

Source: HFMA Value Project, Reconfiguring Cost Structure Toolkit