Strategies and Considerations for Extending EHR Technology to Affiliated Practices/Community Physicians

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Agenda

- Ochsner Health System Overview
- Healthcare Trends and Considerations For EHR Rollout
- Key Lessons Learned
- EHR Extension Program Design
- Community Physician Offering
- Successful Implementation Tactics

OCHSNER HEALTH SYSTEM

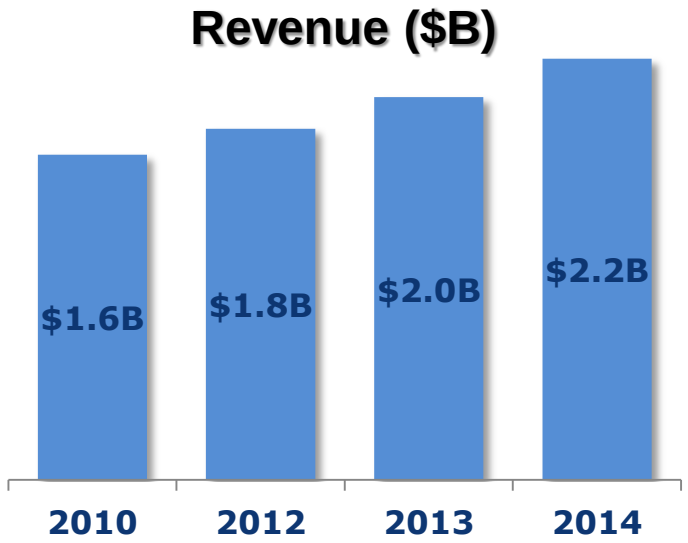

OMC-
Baton
Rouge
North
Shore
Regional
OMC-
Kenner
OMC
OMC-
Baptist
OMC-
Elmwood
OMC-West
Bank
OMC-St.
Anne
Leonard J.
Chabert
Ochsner
Health System

Ochsner Health System

Our Mission is to Serve, Heal, Lead, Educate and Innovate

Largest Health System In Louisiana

- ✓9 hospitals
- ✓40+ Health Centers
- ✓900+ group practice physicians in over 80 subspecialties
- ✓1,600 Community Physicians
- ✓1,100 physicians in clinical integration
- ✓14,000+ employees
- ✓#1 fitness chain in Louisiana with 20,000-member, state-of-the-art wellness facility
- ✓8 of 12 specialties nationally ranked by U.S. News & World Report



2014 Budgeted Patient Activity

- ✓ More than 57,000 discharges
- ✓ More than 1.5 Million clinic visits
- ✓ More than 270,000 ED visits
- ✓ More than 72,000 surgeries
- ✓ More than 6,600 Deliveries

Proven Quality – Top 1% in U.S.

CARECHEX
A Rating Service of The Delta Group

#1 Transplant Of Liver
 # 2Transplant Of Kidney
#2 Trauma Care
#4 Heart Attack Treatment
#6 Overall Surgical Care
#9 Gastrointestinal Care
#9 Interventional Carotid Care
#9 Neurologic Care

BEST HOSPITALS U.S.News & WORLD REPORT NATIONAL RANKED IN 8 SPECIALTIES 2013-14

BECKER'S Hospital Review

THE JOINT COMMISSION NATIONAL QUALITY APPROVAL

TRUVEN HEALTH ANALYTICS 100 TOP HOSPITALS

AMERICA'S 100 BEST HOSPITALS 2014 healthgrades

2014 ANNUAL CONFERENCE AVIGA GRAPEVINE TEXAS

THE LEAPFROG GROUP

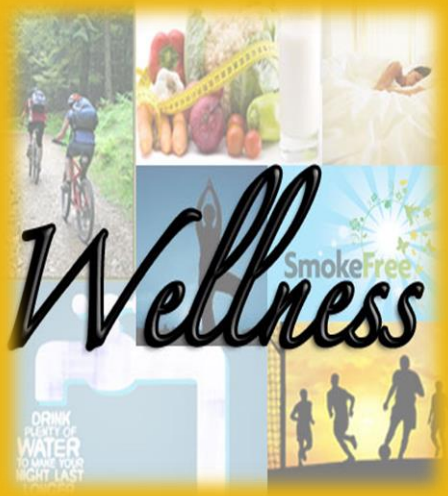
Ochsner's Dual Strategy

Center of Excellence Strategy

Being The Place People Want To Come To

Population Health Strategy

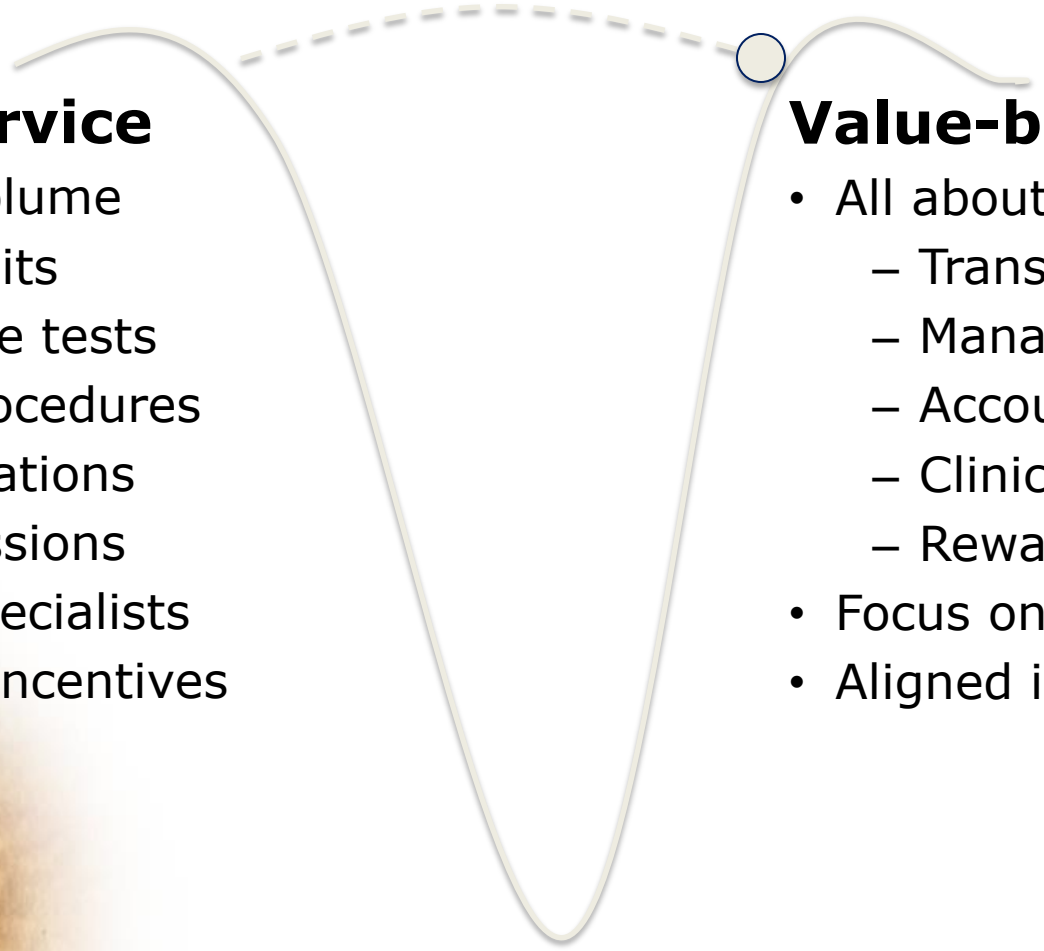
Focus on Wellness and Effective Management of Chronic Disease



Fee For Service ⟷ **Global Payments**

Ochsner is Leading the Transition to Value-Based Healthcare

Crossing the Crevasse



Fee for service

- All about volume
  - More visits
  - Duplicate tests
  - More procedures
  - Complications
  - Readmissions
- Focus on specialists
- The wrong incentives

Value-based payment

- All about quality & cost
  - Transparent data
  - Managing populations
  - Accountable care
  - Clinical variation
  - Reward quality
- Focus on primary care
- Aligned incentives

Ochsner Risk Populations

Full risk

- 30,000 Medicare Advantage seniors (Humana)
- 16,000 employees + dependents (self-insured)

Shared Savings

- 22,000 Medicare (ACO-MSSP)
- 8,500 Medicare Advantage (PHN)
- 47,000 BCBSLA commercial
- 7,500 CIGNA commercial
- 15,000 United commercial

Total risk

- 137,500 out of 385,000 (>1/3)

Vision for improvement: Institute of Medicine Sept. 2012 report

- Real-time access to knowledge
- Digital capture of the care experience
- Incentives aligned for value
- Full transparency
- Engaged, empowered patients
- Leadership-instilled culture of learning
- Continuous learning and system improvement

Multiple factors making change difficult …

- Fragmented system of healthcare leading to:
  - Over-utilization and waste
  - Gaps in care due to miscommunication
- Rising complexity of modern healthcare
- Economic uncertainty for physicians due to changing payment models
- Unsustainable cost increases year-over-year

Issues are compounded as most providers lack the resources and/or infrastructure to handle these issues

Uncoordinated & highly complex …

- Fragmented system of care
  - Low levels of coordination of care / poor efficiency
  - Poor quality of care / outcomes below potential
- Rising complexities
  - Physicians in private practice interact with as many as 229 other physicians in 117 different practices just for their Medicare patient population (IOM, Sept. 2012)

Key Questions

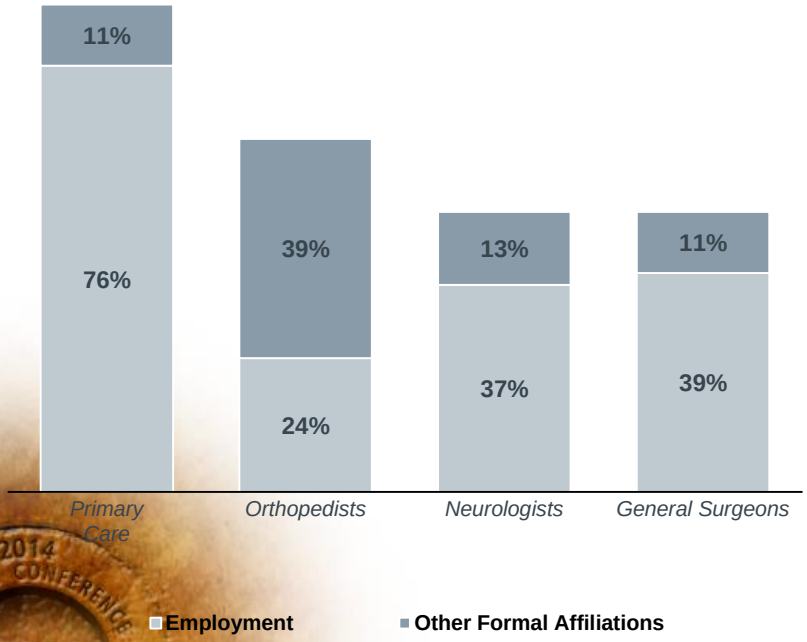
- How does aligning physicians fit into a population strategy and why is it so important?
- What are the needs of physicians and what solutions does a system have to help them?
- What is clinical integration and how does it function?
- What are the benefits for both independent physicians and system?
- What progress has our system made to date and what are our future plans?
- What incentive structures are effective?

National Trends in Physician Alignment

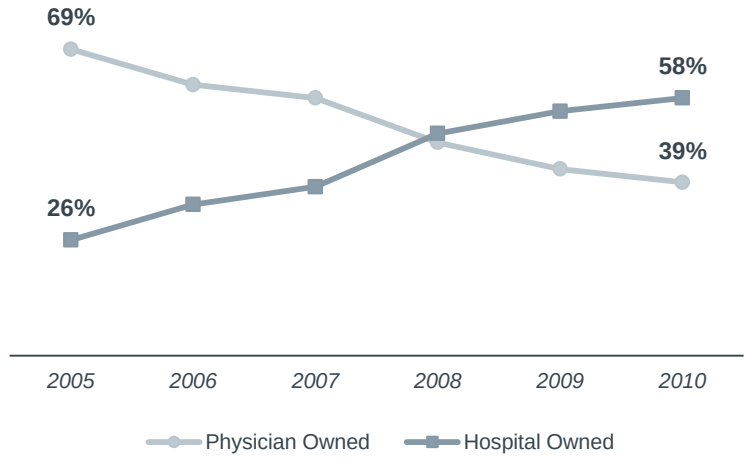
Physician employment, medical group ownership continue to rise

Hospitals Employing or Affiliating with Physicians

n=46 Hospitals and Health Systems



Medical Group Ownership



44.8%

Physicians currently employed or under contract

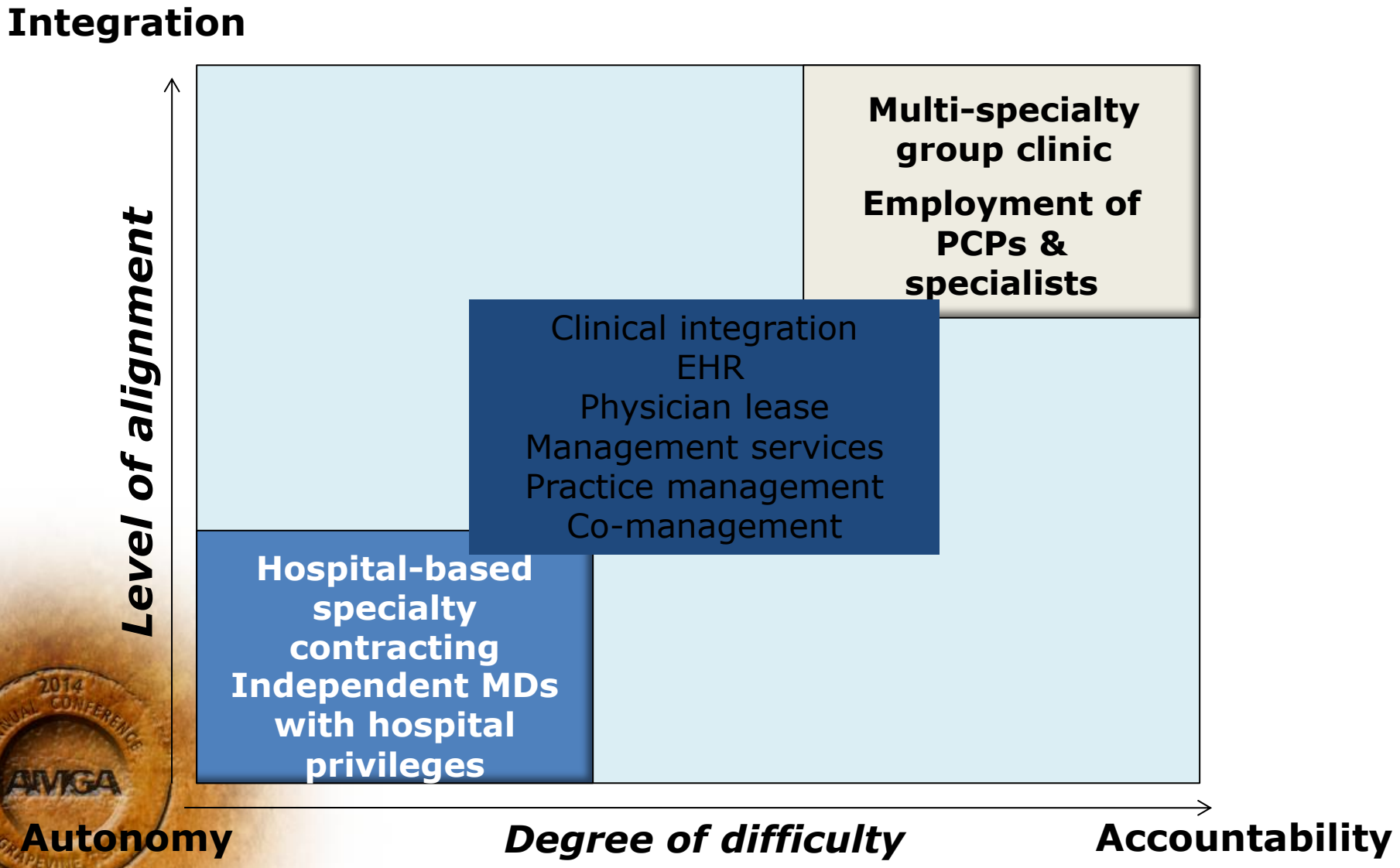
70%

Hospitals reporting increase in physician employment requests

Source: Advisory Board Survey on Physician Employment Trends; MGMA Physician Compensation and Production Survey, available at: mgma.com; Advisory Board interviews and analysis.

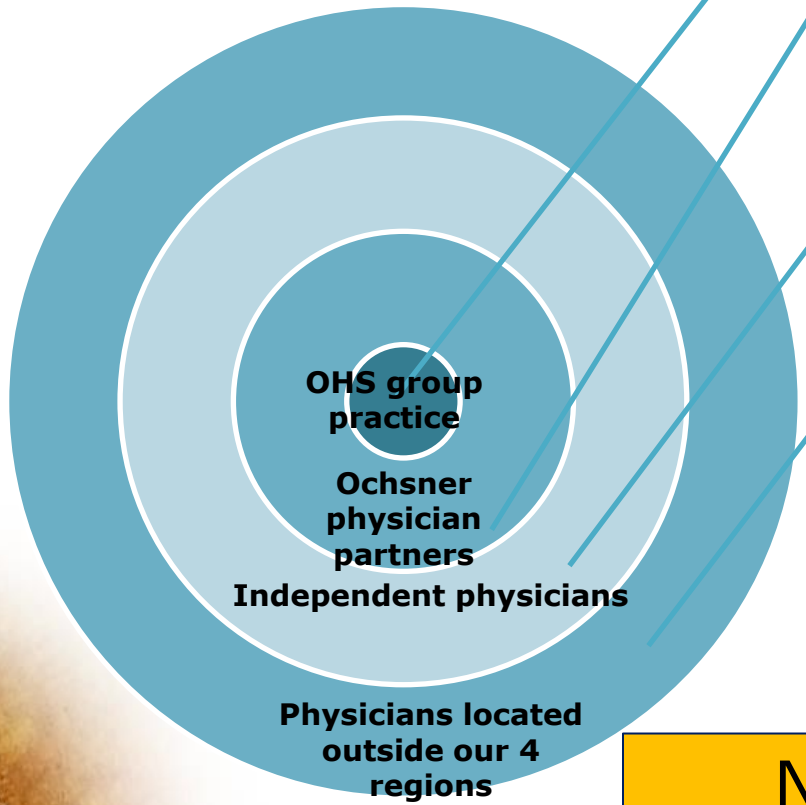

It’s About Aligning Around Value…
One Patient
One Team
One Network

The Landscape of Alignment Options



Our Current Physician Landscape

3,500 total MDs in our four regions*



900 Ochsner group practice MDs

192 aligned Ochsner physician partners

- **81 primary care**
- **111 specialists**

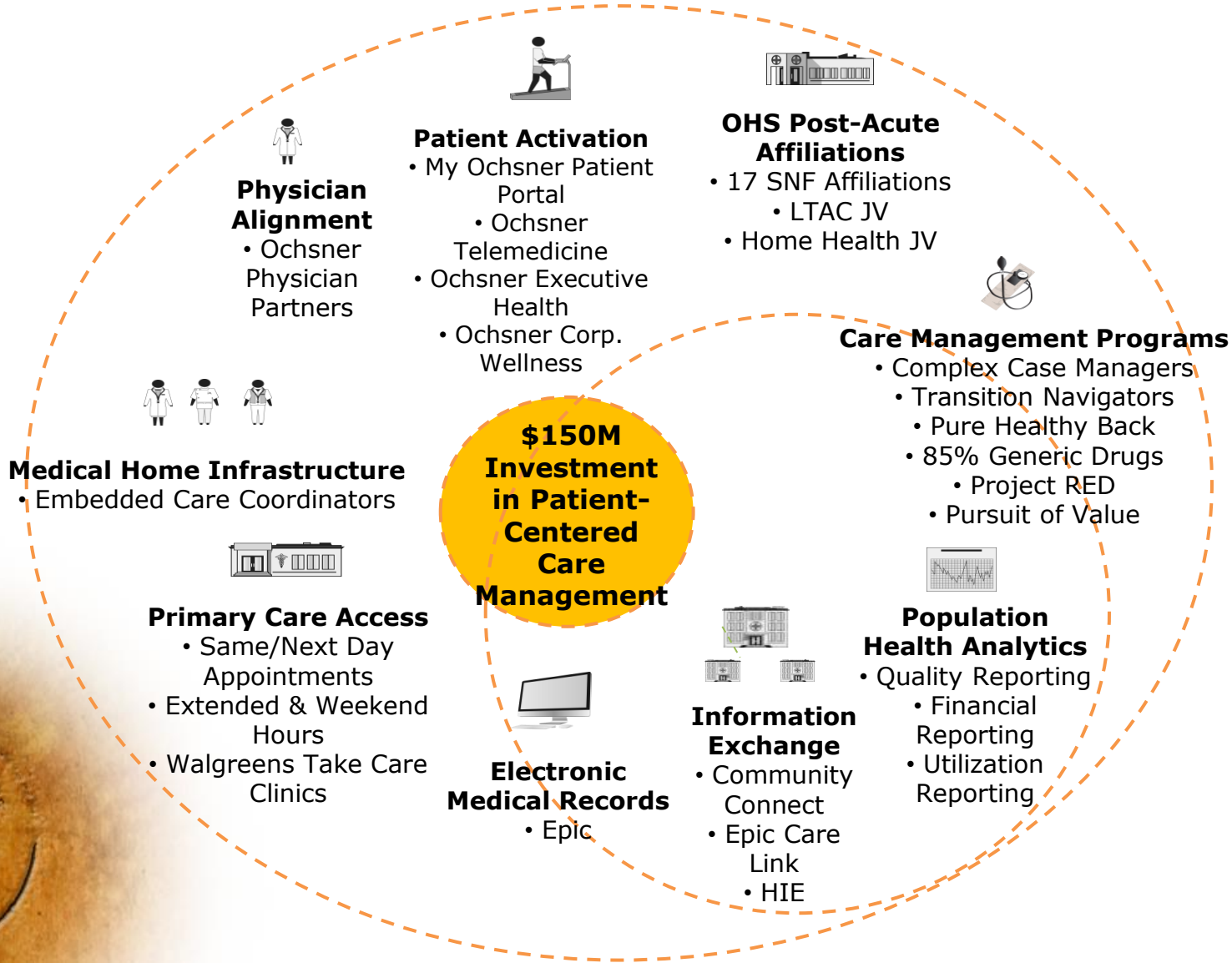
2,400 independent physicians

High-acuity referral opportunity

Nearly 1,100 MDs in clinical integration network

* ***Includes 900 physicians employed by other hospitals***

Ochsner Infrastructure Investment ready to Deliver Value under Healthcare Reform



IT Elements for Population Management

- Enterprise data warehouse
- EHR platform
- Population registry
- Population analytics
- Predictive modeling
- Interoperability across the continuum of care

Ochsner IT Platforms for Population Management

IT platform	OHS group practice (900 MDs)	OPP groups (195 MDs)	Other (2,400 MDs)
EHR	Live 12/11 (900 MDs)	N/A	N/A
EHR Community Connect	N/A	Live 12/11 (48 MDs)	TBD
Other EHR	N/A	Non group (115 MDs on 24 EHR platforms)	Unknown
No EHR		(32 MD)	Unknown
EHR access	N/A	Live (407 MDs in 85 practices)	Live (407 MDs in 85 practices)
Patient registry	Live 8/13 (900 MDs)	Go live 4/14	
Patient analytics	Go live 3/14 (900 MDs)	Go live 7/14	

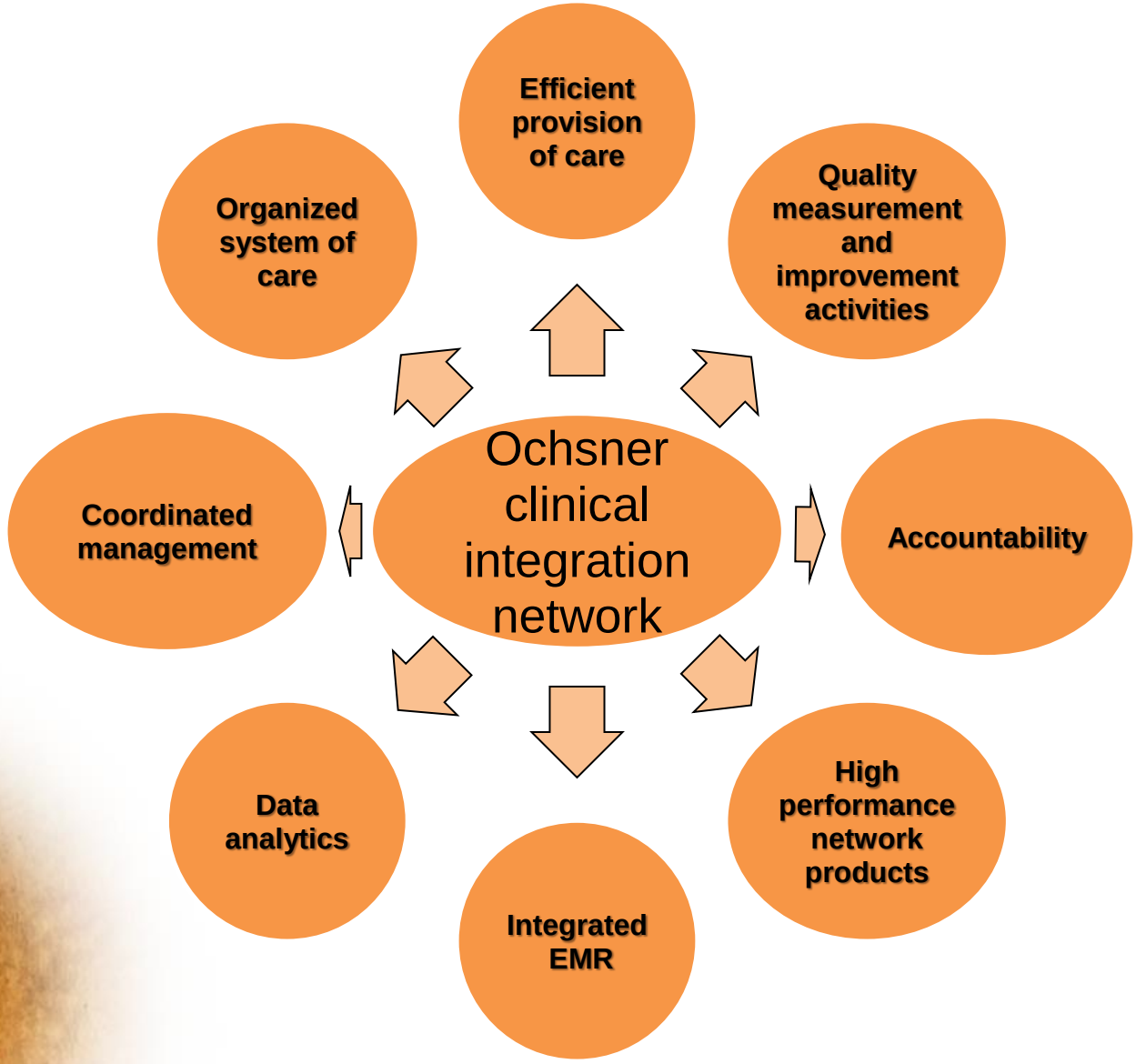
Considerations in EHR Rollout

- Physician leadership and engagement
  - Autonomy, lack understanding, willingness to change, cost
- Information technology
  - Competition for resources across platforms
- Care coordination / patient experience
  - Office support, current workflows
- Quality / efficiency performance
  - Branding, on-going support, ownership

Value-based Incentive Structures

- Physician leadership and engagement
  - Committees, POV, website
- Information technology
  - High-speed internet, EHR, registry (carrots)
- Care coordination / patient experience
  - Practice coordinator, performance improvement
- Quality / efficiency performance
  - HEDIS, hospital quality metrics

Our Network Future …



Key Lessons Learned

- The transformation to population management is evolutionary
- Prioritize IT investments to insure effective use of limited capital and resources
- Don’t forget practice level operational workflows; build systems around the physician
- Work in conjunction with physician leadership to create optimal conditions for change
- Plan for interoperability (break down silos)

Where Do You Start?

- Develop short and long term system strategy for population management
- Identify target populations for value-based management (self-insured, commercial insurance)
- Work with payers to receive reports and/or claims data (P4P)
- Develop practice level resources to begin the journey

The Path to the Future

- First, understand we have to change and lead by example
- Build stronger collaboration – hospitals, physicians, post-acute care, insurers, and ACOs
- Embrace population management and global payments by creating entities together to manage populations of people
- Be proactive to change incentives internally and with insurers and physicians
- Fight fragmentation of the delivery system and build strong connectivity with information systems – don't build islands of data

Execution: Program Design

- Define Offering: Technology, Implementation Services, Support, & MSO Opportunities (ex. Rev Cycle)
  - Clearly define scope of implementation & support
- Governance & Operational Structure to support practices
  - Application & operational support
  - Policies & procedures (ex. Registration – shared database)
  - Service level agreements
- Sales & Marketing Strategy
  - Rules of engagement
  - Establish clear expectations & requirements for program inclusion

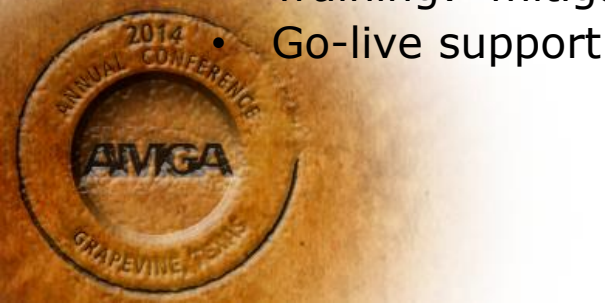
Execution: Program Design

- Subsidization Strategy
  - Align incentive to requirements of practice
- Capital & Operating Budget
  - Tracking mechanism to record, track & collect billable activities (claims/remits, billable services)
- Legal Components
  - Satisfy legal, medical affairs, compliance requirements

Community Physician Offering

1. Technology
   - Applications (EHR/PM)
   - Hardware
   - Connectivity
   - Orders / Results Interfaces
   - Electronic Claims / Remits

2. Implementation Services
   - Pre-implementation practice readiness assessment
   - Practice build out
   - Defining roles
   - Pre-defined workflows & application build (“Ochsner Model”)
   - Chart abstraction
   - Training: mitigate risks of lost productivity
   - Go-live support



Community Physician Offering

3. Support
   - Define standard support/SLAs & additional capabilities and related fees
   - Revenue Cycle Advisory Services – mitigate possibilities of negative PR
   - Prioritization of enhancement requests

4. MSO Opportunities
   - Credentialing
   - Revenue cycle
   - Customer service
   - Patient access (ex. Scheduling)

Successful Implementation Tactics

Sales & Marketing

Goals

1. Establish Affiliate recruiting process to advertise the PM/EHR solution
2. Maintain ability to support initial and ongoing communications with Affiliate
3. Establish expectations of offering & practice responsibilities

- Physician led: key focus is on EHR, major problems are often in area of revenue cycle
- Leverage "Model" & use specialty focused content as competitive advantage of your solution
- Identify practices which may not be "ideal" users, which may require alternative implementation and/or support services

Successful Implementation Tactics

Practice Readiness Assessment

Goals

1. Prepare the practice on what to expect
2. Equip the implementation team with insight into possible challenges
3. Establish baseline measures to monitor practice performance

- Identify risk areas: practice management, revenue cycle, technology skills, staff
- Establish baseline metrics: access & revenue cycle measures
- Observe & document workflows: what they do and why
- Identify any changes to Ochsner Model (content & workflows)
- Establish implementation timeline & expectations when time off not permitted

Successful Implementation Tactics

Define a standard EHR/PM "Model"

Goals

1. Standard design by specialty
2. Workflows & application design driven by best practices
3. Enable efficient and effective implementation & maintenance
4. Ensures focus on enterprise-wide quality metrics (ex. MU & Core Measures)

   - Scheduling
   - Clinical workflows & specialty focused clinical content
   - Revenue cycle: work queues for claims processing, A/R & denial management, self-pay follow up
   - Reporting

Successful Implementation Tactics

Cumulative Learning Training Program

Goals

1. Drive physician adoption to EHR and new workflows
2. Maintain physician productivity throughout implementation process

- Online learning complimented by limited medical record abstraction
- Synchronize formal training and go-live
  - In practice setting
  - Workflows and application
- Use physician preceptor at go-live model if possible
- 2 weeks of onsite support

Successful Implementation Tactics

Revenue Cycle Considerations

- Cash flow challenges have major PR ripple effect throughout community practices
- Majority of implementation focus is on EHR, however cash flow creates the most risk

- Consider offering RCM solution to community practices
- Consider offering 3rd party RCM solution to manage billing on the EHR/PM platform
- Absolutely include Revenue Cycle Advisory services, preferably at a cost
- Informatics: include overview of reporting into the implementation process, analysis with baseline measures

Successful Implementation Tactics

Operational Considerations

1. Separate Implementation Teams & Support Teams
2. Formal transition from Implementation to Support 2 weeks after go-live
3. Don’t leave practices hanging out there …
   - Monitor performance metrics
   - Pro-actively walk practice through reports, implications and how to remediate issues 30, 60 & 90 days post go-live
   - On-going remedial training capabilities
   - Training program for upgrades
   - Clearly defined SLAs and escalation path for practice managers

Questions?

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