

# Synergizing Medical Groups For Improved Care and Clinical Excellence

David Winter, MD, MSc, MACP

Sarah Gahm, CAO

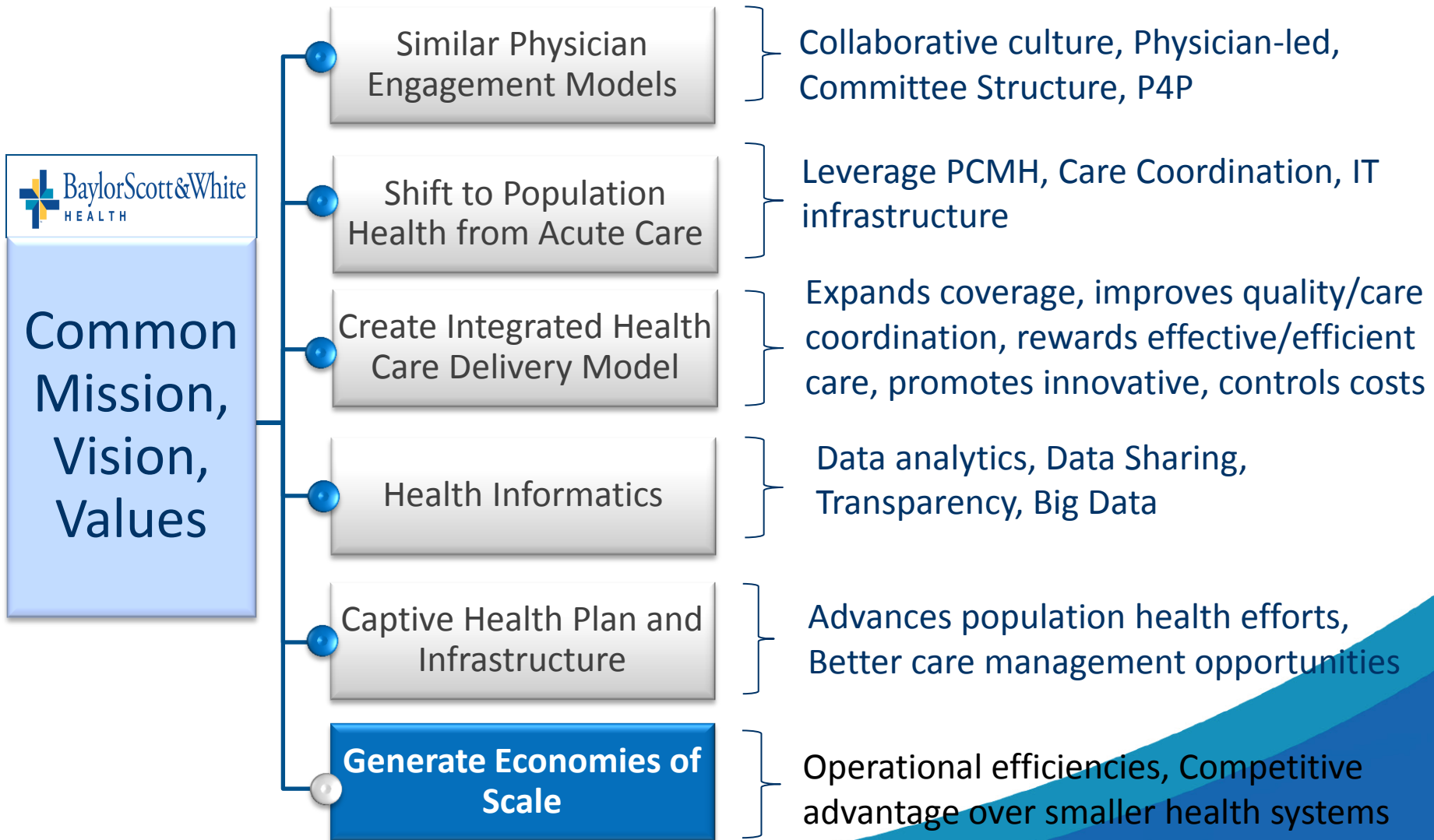
April 3, 2014



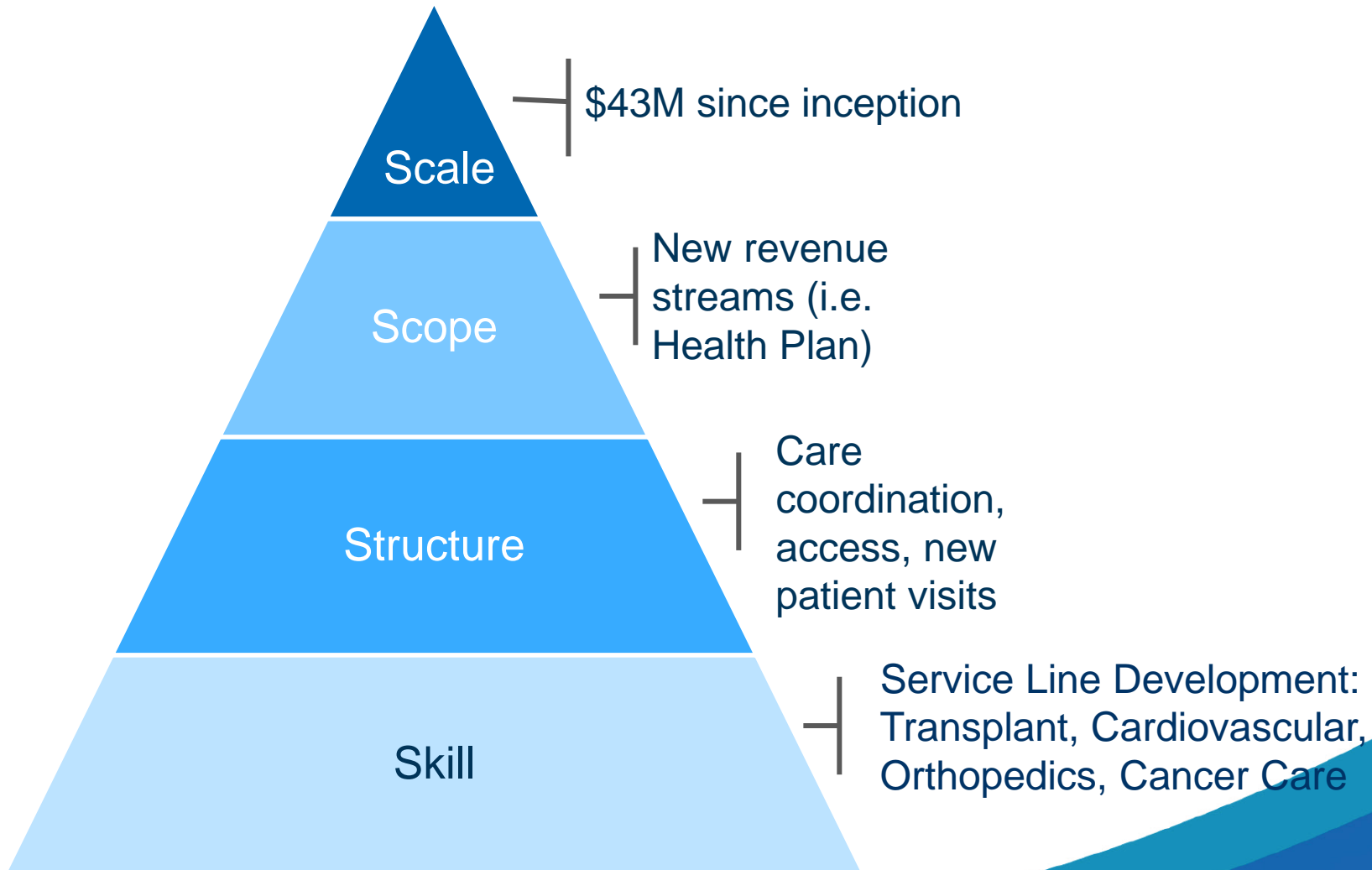
**HEALTH TEXAS**

PROVIDER NETWORK

# Why the Baylor Scott & White Merger?



# Economies of...



# Baylor Scott & White Health Board Retreat



**Thursday, February 6<sup>th</sup>- 9<sup>th</sup>, 2014**  
**Scottsdale, AZ**

## Meeting Highlights

- Committee Reports/Summaries
  - Executive Committee
  - Compensation and Governance
  - Audit and Compliance
  - Finance
- Top Five Trends
- S&W Health Plan Presentation
- Integration Strategy Plan

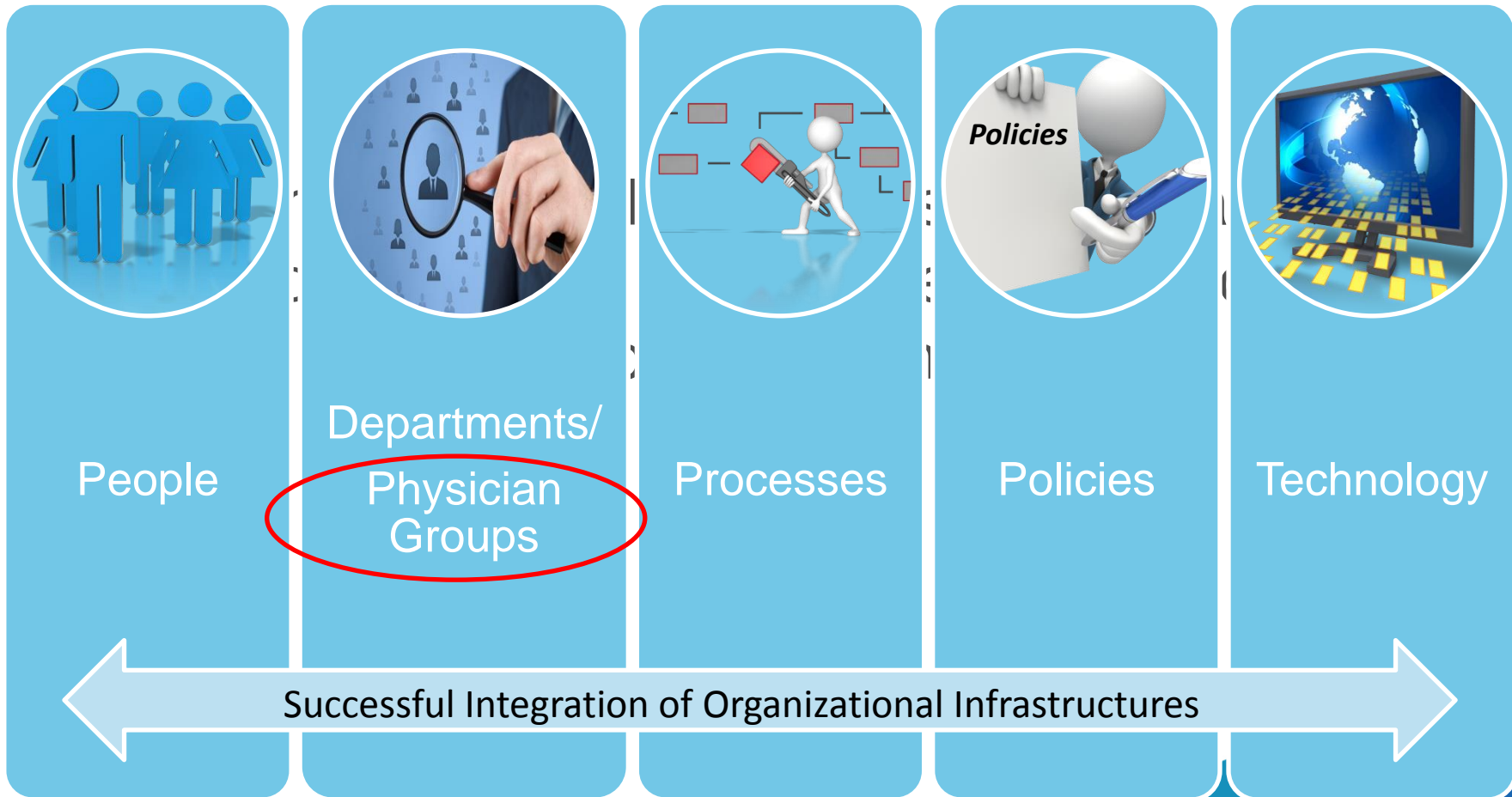


# Top 5 Trends in Healthcare



- Reimbursement compression
- Shift in financial accountability for medical risk
- Change in care venue
- Health care financing
- New forms of competition

# Becoming One is Successful Integration of...



# Resulting in Broadening our Reach to Improve Patient Care



## Hospitals



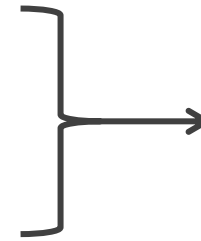
## Payers



## Physicians



## Employers



## Improving Patient Care

**BHCS:**  
27 Hospitals,  
6 Short Stay  
Hospitals  
34,000 employees

**Scott & White:**  
12 Acute Care  
Hospitals  
1 Emergency  
Hospital Site  
14,000 employees

**BQA:**  
43 Hospitals  
Post-Acute Care/  
Skilled Nursing  
Facilities

**Cigna**  
**Mercer**  
**Medicare**  
**Advantage:**  
Aetna, Humana,  
Vital Traditions









**HTPN:**  
610 Primary/  
Specialty care  
physicians  
130 Mid-levels  
230 Care Sites  
**Scott & White:**  
1,200 Primary/  
Specialty care  
physicians and  
scientists  
140 Care Sites

**BQA:**  
2,500+ Primary/  
Specialty Care  
physicians

**BHCS Employee  
Health Plan:**  
34,000 lives  
**Scott & White  
Health Plan:**  
220,000+ lives



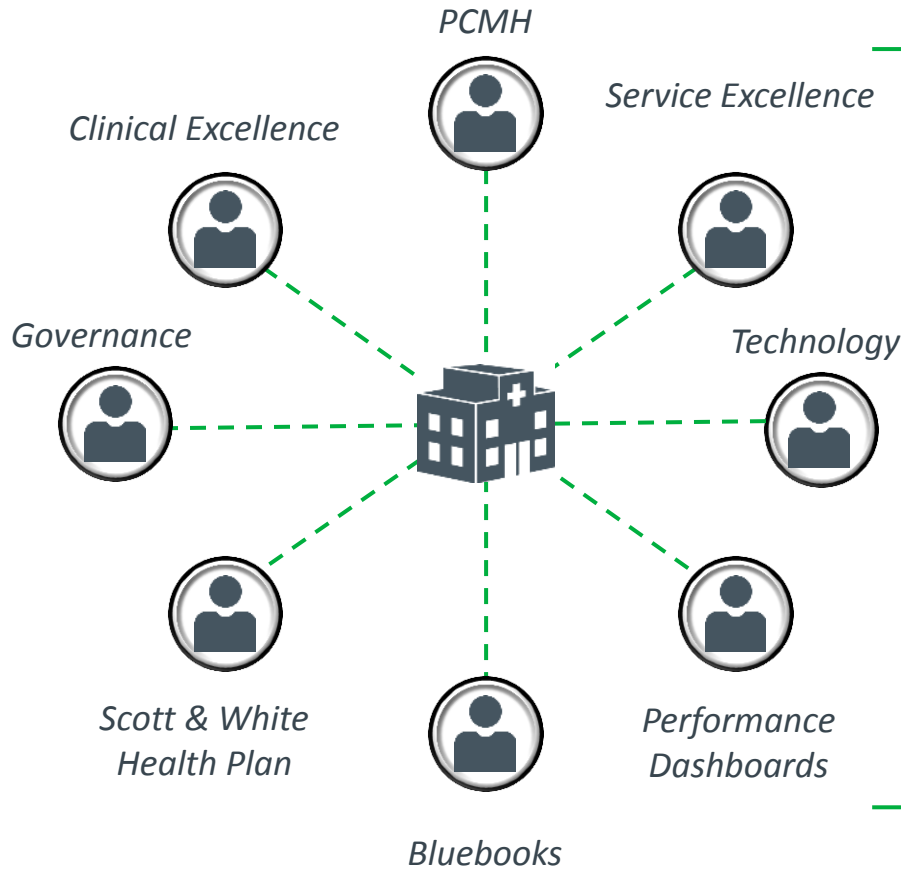
# Identifying Areas of Physician Group Synergies/Variability's

Areas		HealthTexas Provider Network	Scott & White Health
Size		Over 700 employed providers (610 physicians, 128 Mid-levels)	1,200 plus employed physicians and scientists
Location		Serve 10 county area of Dallas/Fort Worth	Central and South Texas Region
History		Long history of success in Quality Patient Satisfaction, Adult Preventive Health Services, Disease Management	Risk Management experience
Market Type		Located in rural, urban, and suburban markets	Located in rural and suburban markets
Organizational Structure		501 (a) organization – physician-led board of directors and committee structure	Physician-led enterprise
Physician Alignment	 	Full employment with salary guarantee for 1-2 years before moving to production model.	Full employment with salary guarantee for term of employment. Productivity bonus incentives.
EMR		Centricity	Epic



# Leveraging Physician Group Resources to Advance Integration

## Existing Infrastructure/Resources



Physician Group Integration efforts focus on overall strategy of new Baylor Scott & White Health system



Transforming physician group infrastructures for optimum alignment






Best practices for care delivery models and clinical excellence shared between both physician groups for future roll out



Synergizing to gain momentum and broaden our reach for population health management

# Survey to Measure How Employees are Adapting to Change

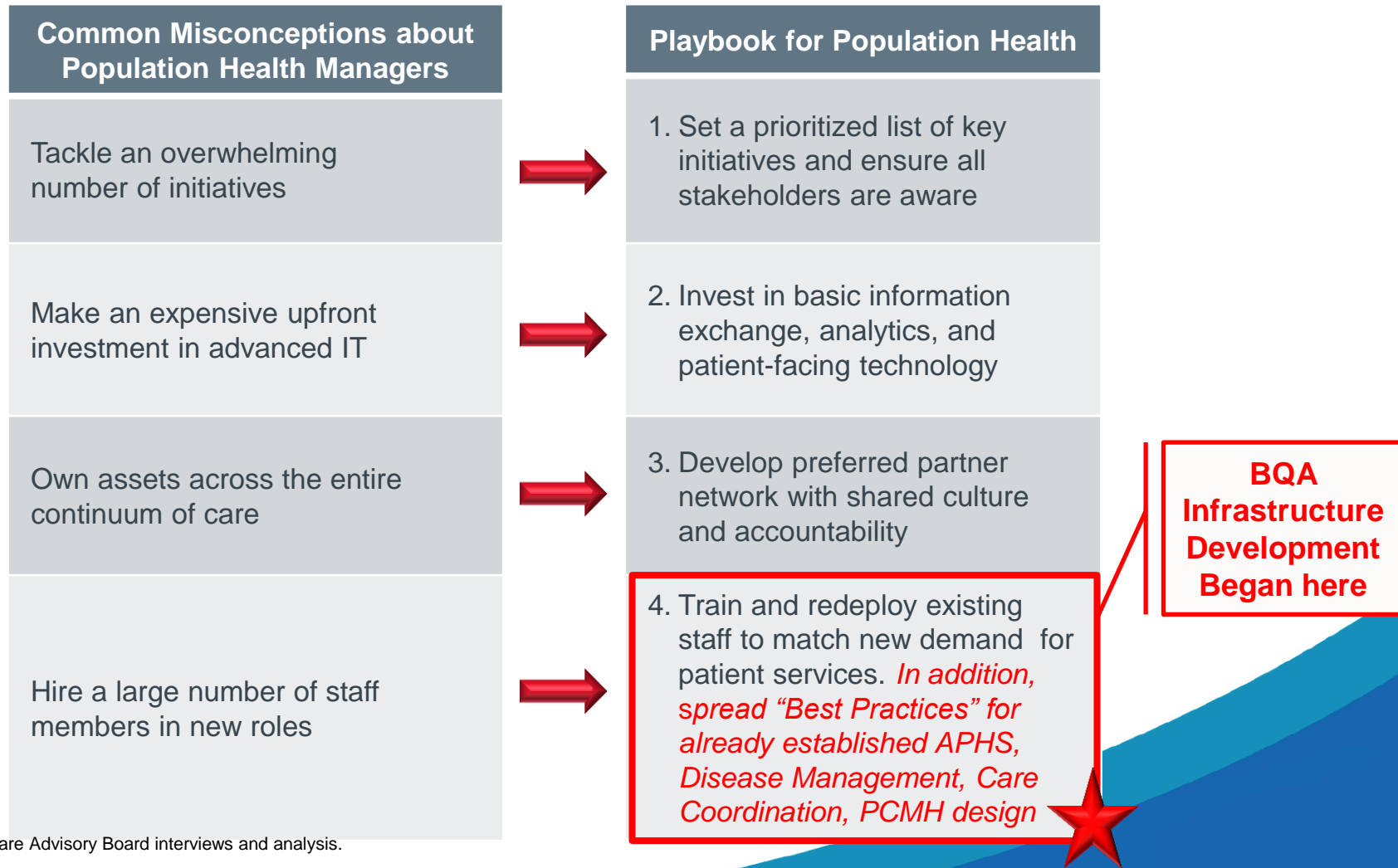
## Survey

-  Survey results will be used to improve communications, accelerate our integration efforts and better support each other as we synergize.
-  Quarterly surveys will be sent out over the next year with the goal of providing everyone at least one opportunity to take the survey.
-  Each survey will be sent to a randomly selected percentage of the newly merged Baylor Scott & White Health organization.

# Leveraging HTPN Strengths to Build BQA Infrastructure

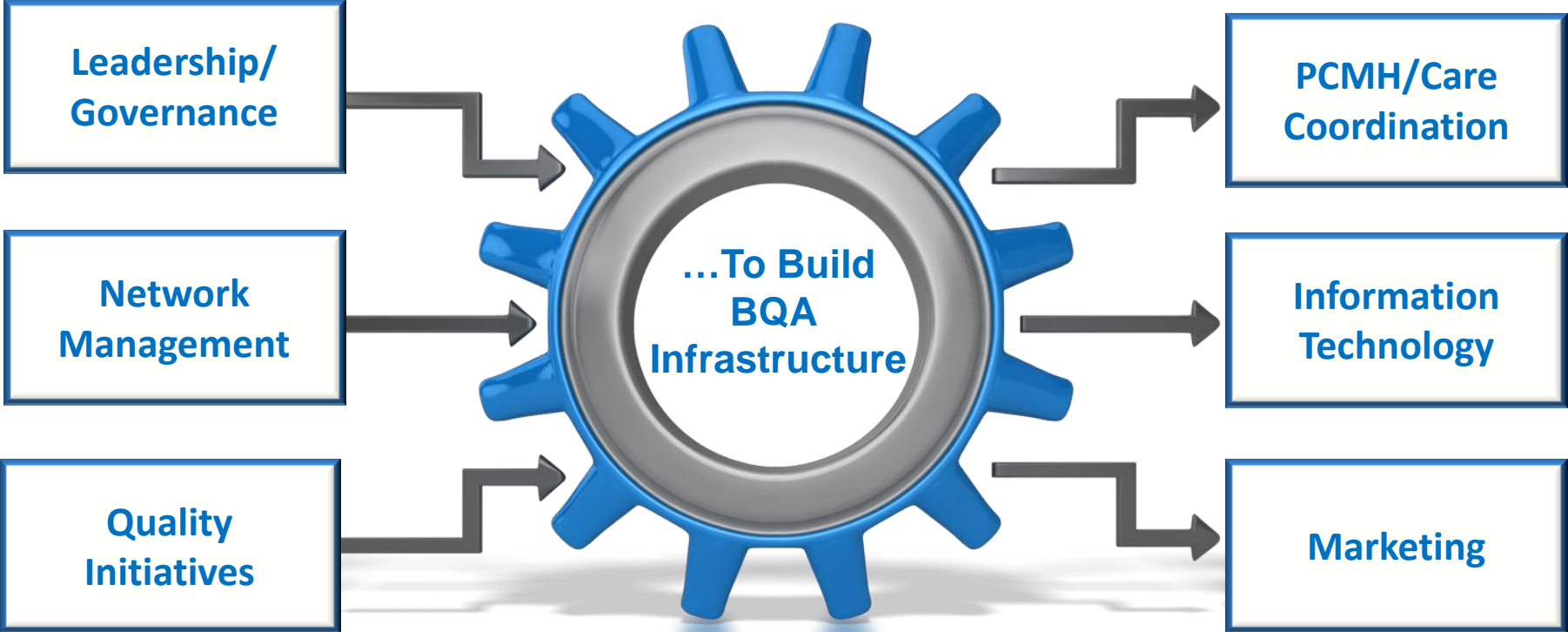


# Building the Population Health Infrastructure

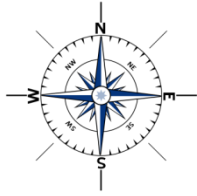


Source: Health Care Advisory Board interviews and analysis.

# Leveraging HTPN Resources/Expertise...

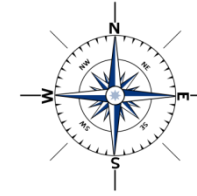


# Governance



## HealthTexas

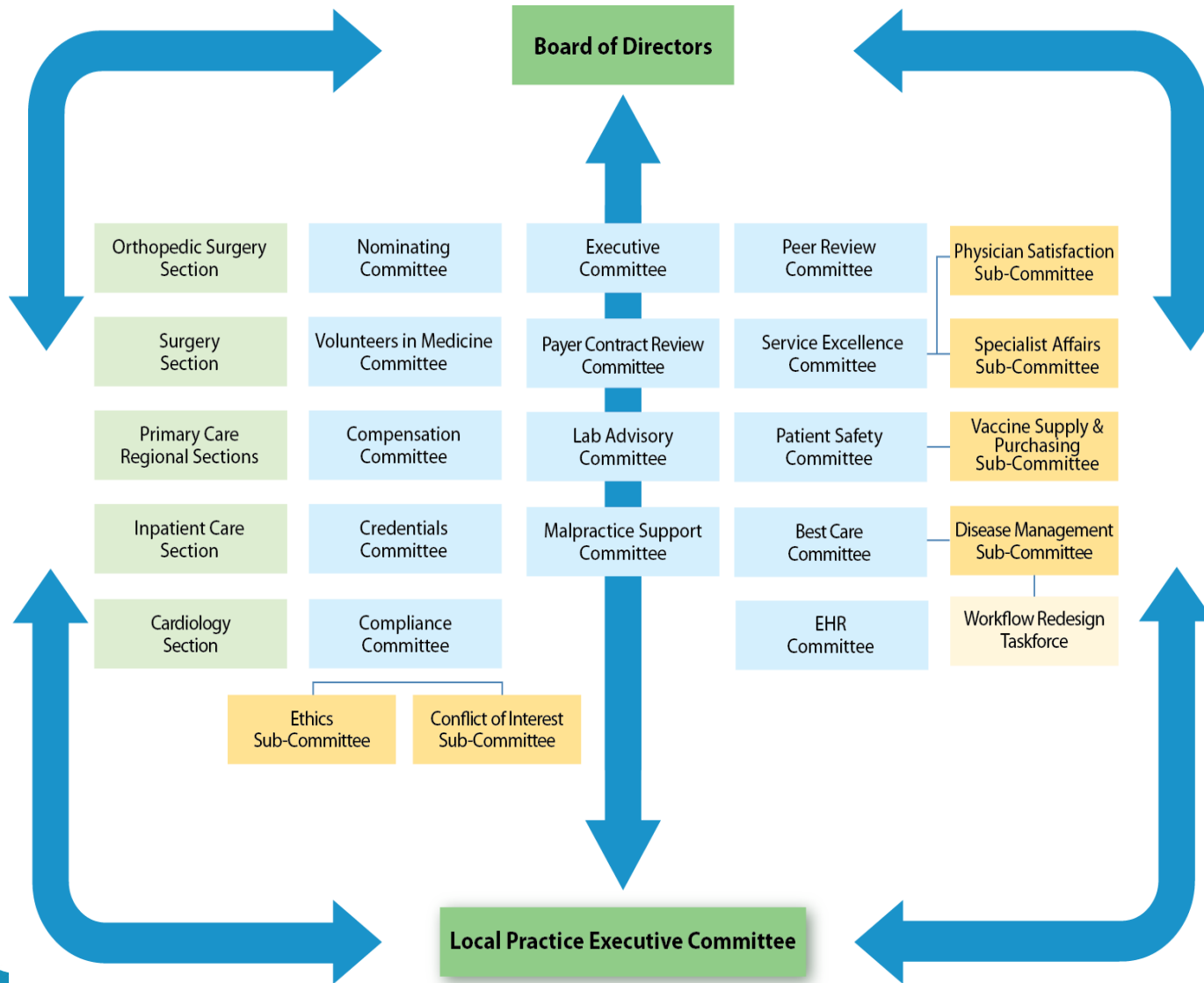
- » **19 member Physician Board** guides initiative development
- » **By laws:** 40% specialist and 60% primary care representation
- » **Board Committee Structure** facilitates strong group identity and physician participation in network management
- » **Board and Committee chairs** enroll in SMU Advanced Leadership program in preparation for leadership role



## BQA

- » **Physician-led Board of Managers** guides initiative development, clinical integration and population health
- » **Board Committee Structure** facilitates strong group identity and physician participation in network management
- » **Five main committees** (*Best Care/Clinical Integration, Finance/ Contracting, Membership & Standards, Compliance, Information Technology*)
- » **Subcommittees:** 25 Best Care/ Clinical Integration Subcommittees

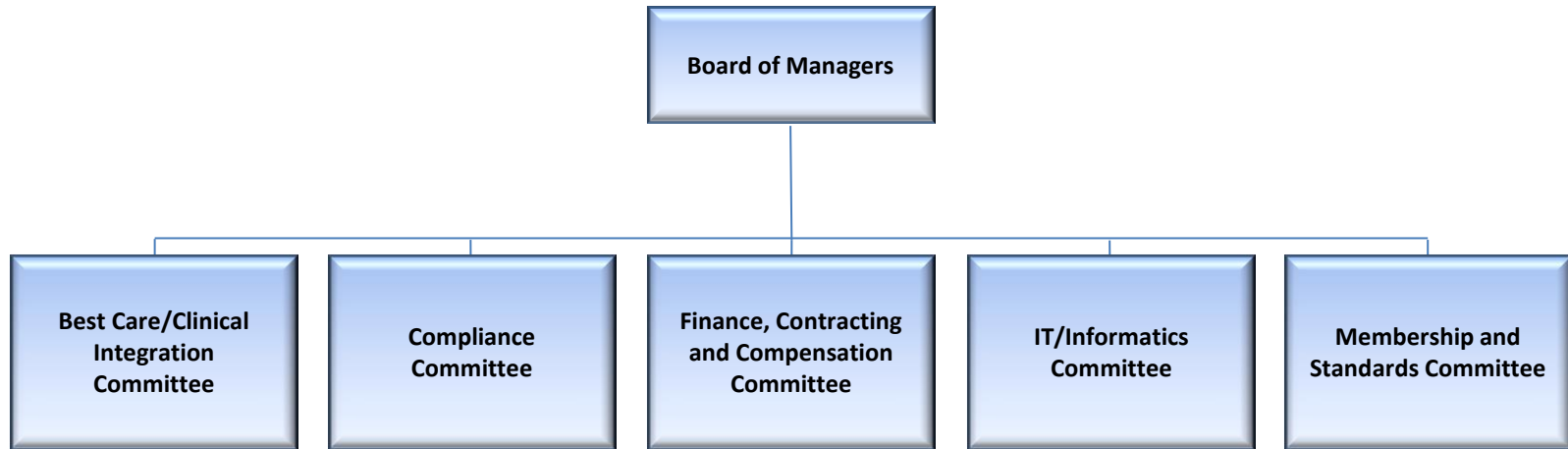
# HTPN Committee Structure



**Key to HTPN Success:  
Promoting teamwork and  
physician participation**

- 25 committees/sub-committees
- 5 Physician Sections
- 68% of physicians participate as leader or member

# BQA Committee Structure









<b>Sub-Committees:</b>	ENT	Pediatrics
Anesthesia	Gastroenterology	Population Management
Behavioral Health/ Psychiatry	General Surgery	Primary Care
Cardiology	Inpatient/Hospitalists	Pulmonary/Critical Care
Cardiothoracic Surgery	Medical Oncology	Surgical Oncology
Colorectal Surgery	Musculoskeletal	Transplant
Emergency Medicine	Neurosciences	Urology
Endocrinology	Ophthalmology	Vascular Surgery
	Palliative Care	Women's Health
	Pathology	

- HTPN Leadership Serving Dual Roles:**
- Sarah Gahm, CAO, HTPN/BQA
  - Michael Massey, MD Chairman Best Care, HTPN/BQA
  - Phil Aponte, MD, VP Informatics, HTPN/BQA
  - Ellen Fourton, VP Network Management, HTPN/BQA
  - Pam Zippi, Director of Marketing, HTPN/BQA
  - John Beurkert, Jr., VP and Assistant General Counsel, BHCS



# Population Health Infrastructure

<p><b>Access</b></p>		<p>Complete network of over 2,400 providers made up of physicians (employed and independent), hospitals, post-acute care and other members of the care continuum.</p>
<p><b>Patient-Centered Medical Homes</b></p>		<p>Second largest number of NCQA recognized PCMH practices in the United States</p>
<p><b>Care Coordination</b></p>		<p>Experienced team of certified RN Health Coaches and one Social Worker. Augment PCMH care coordination for High Risk patients. Supports transitions of care and chronic disease management</p>
<p><b>Data Analytics/Reporting</b></p>		<p>Significant investment made in clinical solutions offering longitudinal view of individual patients and patient populations (automated patient identification, workflow analysis, risk-stratification, predictive modeling)</p>
<p><b>Evidence-based Medicine</b></p>		<p>Approximately 80 board approved care protocols/metrics for which improvements in care can be compared against and monitored. Standardize care and ultimately reduce unnecessary health care costs</p>
<p><b>Disease Management/Adult Preventative Health Services</b></p>		<p>long history of tracking and monitoring the health status of patient populations through our chronic disease management program promoting evidence-based care management adult preventative Health Services</p>

# Established Administration



## Strategic Development

- Mission
- Vision
- Culture
- Strategic financial plan and operating budget developed



## Governance

- Physician-led Board of Managers
- Five primary committees activated
- Twenty-five specialty subcommittees



## Network Development

- Network adequacy
- Credentials verification
- Regional care needs assessment
- PAC network
- Rehab, Dialysis, JV ASCs



## Information Technology

- Informatics infrastructure
- Data analytics implementation
- Physician dashboard
- Member website deployment
- EMR subsidy program
- HIE



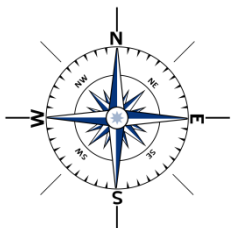
## Care Management

- RN Health Coaches
- Care Coordinators
- PCMH Design
  - To 5% focus
- Clear Population Health Strategy



## Contracting/ Compensation

- BHCS Employee Health Plan
- Aetna MA
- Humedica MA
- Scott & White Health Plan
- Shared Savings Distribution Model w/ positive results



# Preliminary Success in Managing BHCS Employee Health Plan

## Readmissions

(Covered lives with an inpatient admission resulting in 7 day readmission)

- Average admissions per 1,000: **Decreased 20%** (from 26.7 to 21.4)
- *\*based on comparison of first three quarters of data from 2012 and 2013*

## Attribution

- **BHCS Employee Utilization** of the HTPN/BQA Primary Care Network **increased 9.4%** during plan year 2013

## Financial

- **BHCS Health Insurance expense decreased** approximately **3%** Per Employee Per Month (PEPM) actual vs. budgeted expense PEPM
- **BHCS Health Plan Total Medical Costs decreased** approximately **6.7%** Per Member Per Month (PMPM) actual vs. target PMPM)

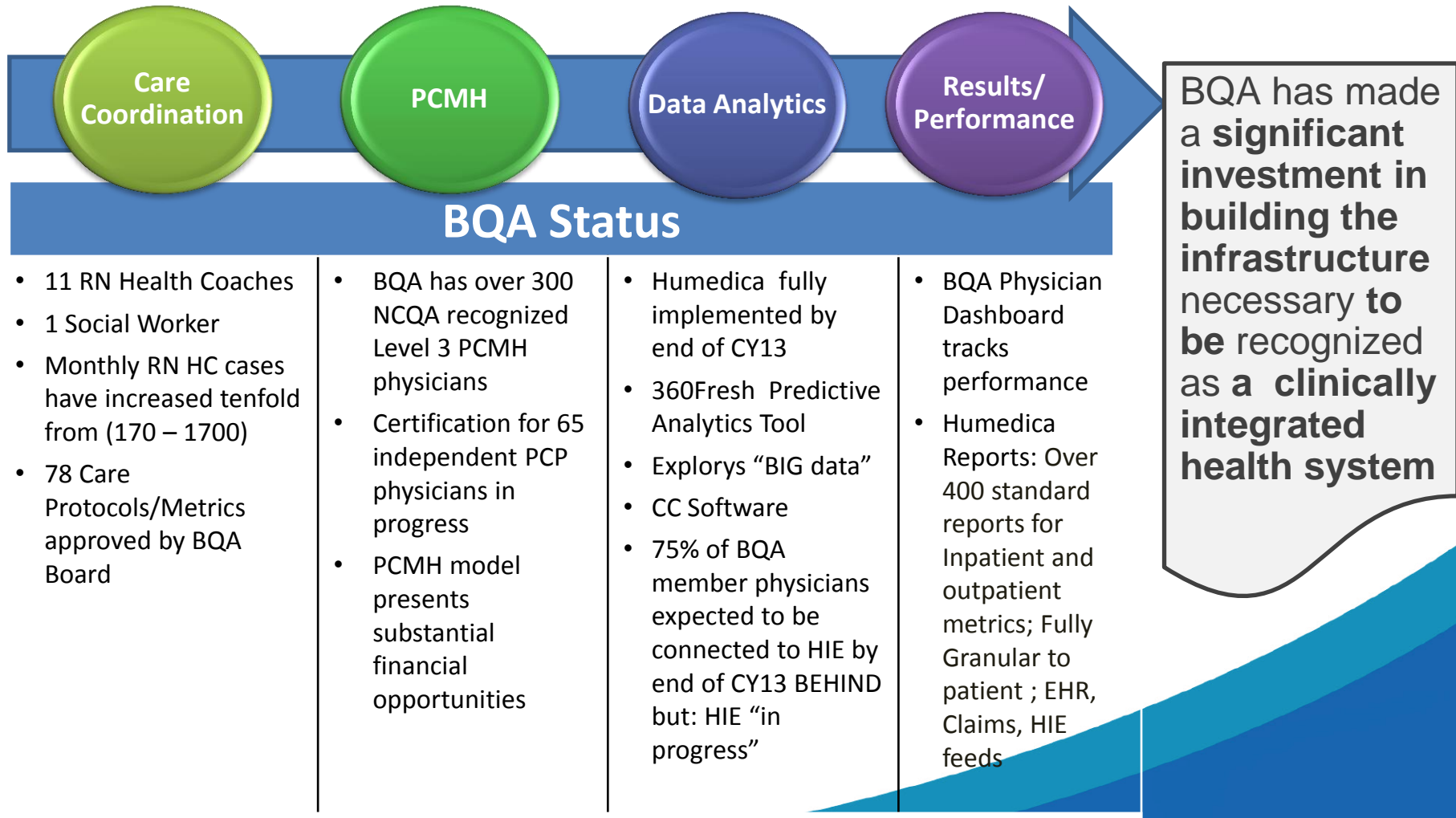
## Quality Metrics

- **Successfully met or exceeded thirteen** of the **fifteen** Quality Metrics set forth in managed care contracts.

\*All results above are based on preliminary data and is subject to change

# BQA's Journey toward Clinical Integration

# Key Strategies for Achieving Clinical Integration



# Journey to Clinical Integration

## *Legally and Culturally*

### Legally

- There are **16 requirements** released by the FTC/DOJ classifying an organization as “clinically integrated.”
  - *If not, joint contracting on behalf of “non-clinically integrated” physicians is an antitrust violation*
  - *SS contracts, and MSSP are acceptable*
  - **All 16 requirements have been met to participate in joint contracting except “single signature authority”**

### Culturally

- BQA aims to provide high quality, low cost care in a clinically integrated fashion.
  - *Considered fully operational in January 2013, BQA has successfully created a network of over 2,400 physicians (both independent and employed), hospitals, post-acute care providers, and other members of the care continuum working collaboratively to assume joint responsibility for patient access and care delivery*

# Clinical Integration Status

**Goal:**

Is for BQA to obtain legal clinical integration status



## Clinical Integration

Several meetings held with internal/external legal counsel



CI status dependent on joint contracting ability/single signature authority

Interim financial integration strategy mobilized



Communication with payers in progress



# BQA Prepared to Flex its Organizational Design to Serve as BS&WQA



# BS&WQA Strategy



Role of Population Health integrator across both regions



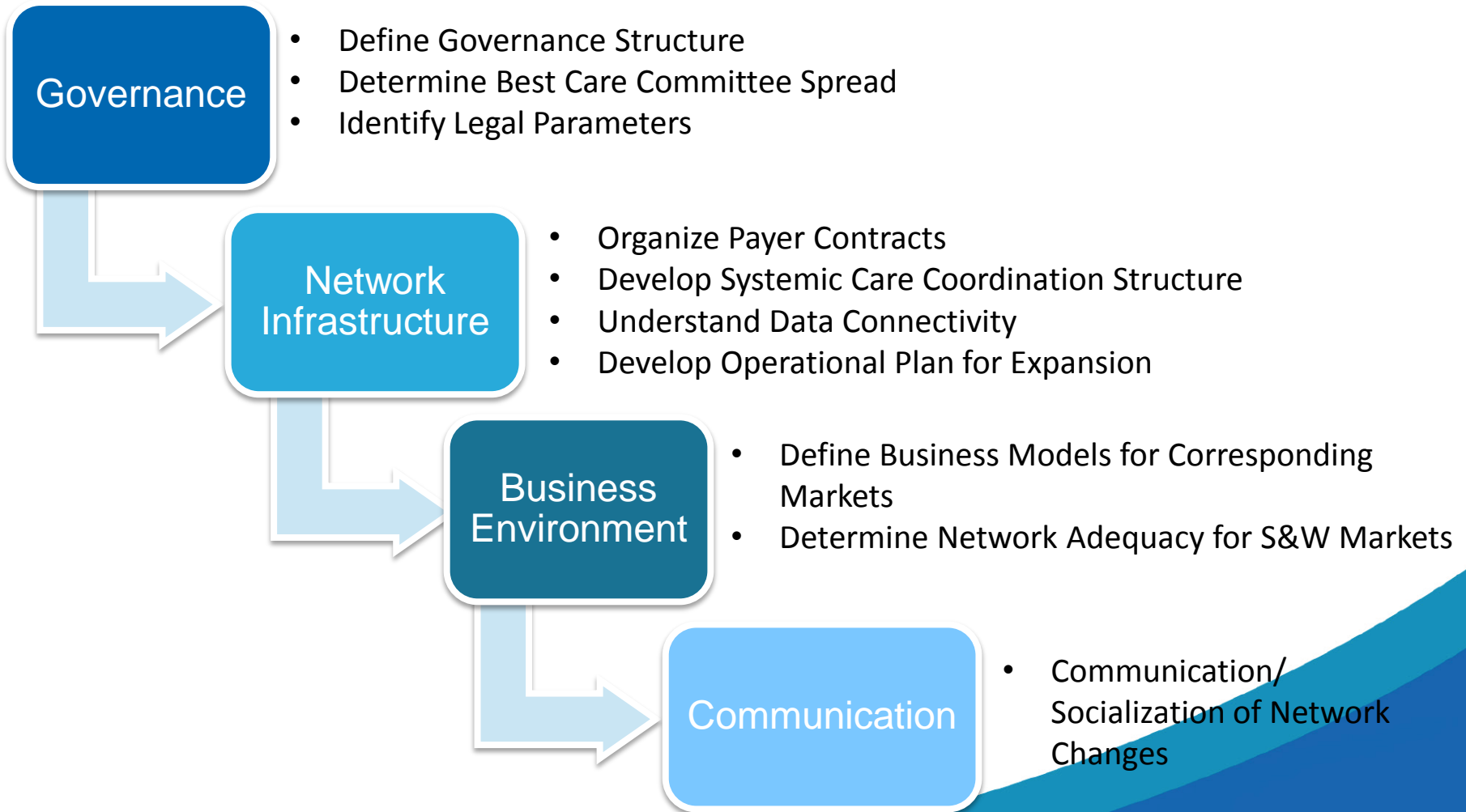
“Provider Driven” ACO



Create capacity for value-based payment mechanisms from P4P to Capitation



# BS&WQA Work Plan



# BS&WQA Contracts: What we can offer payers

## Complete ACO Network

With value-based reward contract structure



## Care Coordination/ Disease Mgmt

**Redirection** of Care Coordination/Disease Management **Costs from payer to ACO**



## Plan Design

Incentivizing network patient retention and attribution



## Texas Care Alliance Network

Consistent, high-quality, statewide service delivery



## Migration to Risk



## Wellness



Integrated Wellness