Creating an Effective Physician Governance Within a Health System

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Mercy East Region
Where We Are Today

Headquartered in St. Louis with a multi-state footprint.

Outreach ministries in Louisiana, Mississippi and Texas.

Opening the first of its kind virtual care center in June 2015.

Serving more than 3 million people each year.

187 year legacy

33 hospitals

300 outpatient facilities

2,900 integrated providers*

40,000 co-workers

5th largest Catholic system

* Includes physicians and advanced practice clinicians

2015 Annual Conference
Performance: Dimensions of Excellence

Our journey to becoming a high-performing health ministry continues with focus on achieving excellence in these areas.

**Clinical**

- Uphold national leadership for quality and safety by making evidence-based decisions through a highly-integrated, patient/community centered system of care

**Service**

- Deliver a best-in-class patient and customer experience

**Cultural**

- Create and maintain a Mercy culture grounded in our mission, values and charism, that enriches the experience of our co-workers and physicians, and is reflected in the exceptional service they provide our patients

**Community**

- Demonstrate commitment to our communities

**Stewardship**

- Ensure our long-term viability by achieving our specific financial goals

**GOALS**

- Top Decile
- Top Quartile
- Alignment and Co-worker Engagement
- Meaningful Impact
- AA Balance Sheet
- 10% of Cash Flow Margin

2015 Annual Conference
Why Create a Physician Governance?
Pressures

• Economic

• Health Expenditure per Capita

• Funding

• Transforming Payment Model
AMGA High-Performing Health System Traits

**Accountability**
- Shared financial & regulatory responsibility & accountability for efficient provision of services

**Care Coordination**
- Team-based approach with team members working at the top of their field
- Single plan of care across settings & providers
- Shared decision making

**Compensation Practices**
- Incentive improved health & outcomes of populations
- Affiliate with patient experience or quality metrics

**Efficient Provision of Services**
- Manage per capita cost of care
- Improve patient care experience
- Improve health of populations

**Organized System of Care**
- Continuum of care provided for populations
- Integrated or has partnerships
- Physicians as principal leaders of medical care
- Shared responsibility for non-clinical activities
- Accountable for care transitions

**Quality Measurement & Improvement Activities**
- Preventive care & chronic disease management
- Patient outreach programs
- Continuous learning & benchmarking
- Research to validate clinical processes & outcomes
- External & transparent internal reporting
- Patient experience surveys

**Use of Information Technology & Evidence-based Medicine**
- Meaningfully use IT, scientific evidence, & comparative analytics
- Aid in clinical decision making
- Improve patient safety
- Aid in the prescribing of Rx
How Physician Governance Enables the Health System

• Caregiver’s perspective on clinical quality and safety
• Alignment of strategies to leverage a higher level of performance
• Support development and engagement of physicians and staff
• Use a matrix structure model with shared accountability
How Physician Governance Enables the Health System...Continued

- Patient’s interest is the highest priority
- Values transparency and fairness
- Improved strategic, financial, and operational direction
- Communication
How Physician Governance Enables the Health System...Continued

• Physicians feel the organization is governed by like-minded, quality-focused professionals.

• Helps promote trust and teamwork among physicians.

• Promotes culture around “value” related to quality and efficiency.
Physician Participation

• Selection Based on:
  – Clinical Quality
  – Vision
  – Engagement
  – Reputation

• Balance Representation
  – Specialty
  – Age
  – Race
  – Sex
Mercy’s Governance Structure

Health System

Multispecialty Clinic

Hospital
Mercy Health System
Governance Board Composition

- 1 Ex Officio Members
  - East Region President
- 4 Physician Members
- 4 Community Members
- 4 Religious Sisters

Goal: Provide High Level Organizational Governance with a Patient-Centered culture
Tenure: Staggered Terms with 1/3 elected each year
Meetings: Quarterly
Mercy Health System
Task Force/Committee Structure

• Quality Committee
  – Evaluates trends from quality reports, adverse event analysis and other sources, and recommends appropriate actions

• Community Outreach Committee
  – Evaluate communities and improve the quality of life for the communities they serve

• Finance Committee
  – Oversee management of finances to ensure that the health system will be financially sustainable
Mercy’s Governance Structure

Health System

Multispecialty Clinic

Hospital
Mercy Clinic
Governance Board Composition

5 Ex officio Members
- East Region President
- East Region CAO
- Mercy Clinic President
- Mercy Clinic COO
- Four Rivers Clinic President

12 Physician Members
- 4 Primary Care Physicians
- 4 Specialty Physicians
- 3 Hospital-based Physicians
- 1 At-large seat

1-2 Religious Sisters
Mercy Clinic
Task Force/Committee Structure

• Physician Satisfaction and Engagement Committee
  – Create an environment in Mercy Clinic where we are the practice of choice for physicians.

• Patient Satisfaction Committee
  – Develop a culture of service excellence among our physicians, managers, and co-workers.
Mercy Clinic
Task Force/Committee Structure, cont.

- Co-Worker Satisfaction Committee
  - Create an environment where Mercy Clinic is the employer of choice, attracting and retaining the best people in the region we serve.

- EHR Utilization Task Force
  - Ensure attainment of Meaningful Use criteria and EHR optimization.

- Quality, Safety, Value Committee
  - Create a forum for discussion, collaboration, and coordination of the quality, safety, and value of the medical care provided to patients.
Mercy’s Governance Structure

Health System

Multispecialty Clinic

Hospital
Mercy Hospital
Governance Board Composition

3 Ex Officio Members
- Hospital President
- Hospital CMO
- East Region CAO

2-4 Physician Members

3-6 Community Members

1-2 Religious Sisters

Members: Up to 15 individuals
Tenure: Staggered Terms with 1/3 elected each year
Meetings: Quarterly
Mercy Hospital
Task Force/Committee Structure

• Executive Committee
  – Nominating committee of the Board

• Medical Staff Committee
  – Management of matters relative to the Medical Staff including staff membership and clinical privileges
Challenges In Developing Effective Physician Governance

• Governance vs. Management
• Physicians governing Physicians
• Norms of board decision-making
• Time struggle – practicing Physician vs. leadership role
• Conflict of interest
• Conducting effective board meetings
Governance Core Functions

- Fiduciary duties:
  - Obedience, Care, and Loyalty
- Financial Oversight
- Quality Oversight
- Setting Strategic Direction
- Management Oversight
- Board Self-Assessment and Development
In Summary

• External Pressures

• Need for High Performing Health System

• Caregivers Perspective

• Alignment

• Expertise
Questions