# The Reality of Becoming a High-Performing Health System™

## Part 1: A Patient's Perspective of Care Redesign 2020 at Sharp Rees-Stealy Medical Group

BY DONALD BALFOUR, M.D., AND PARAG AGNIHOTRI, M.D.

*In September 2014, Sharp Rees-Stealy Medical Group was named the recipient of the American Medical Group Foundation's 2014 Acclaim Award for its initiative, "The Reality of Becoming a High-Performing Health System™." Here, they share their journey and its impact on patients, physicians, and staff.*

Our path to winning this year's American Medical Group Foundation (AMGF) Acclaim Award is a monumental step on our journey to becoming the best place to receive care, the best place to work, and the best place to practice medicine. Along the way, we have received many accolades, but this experience is special because of our relationship with the American Medical Group Association (AMGA). Dr. Stealy, one of Sharp Rees-Stealy's founding physicians, was the third President of AMGA, and our current President, Dr. Donald Balfour, served as President of AMGA 1995-1996. We have always been very involved as a member and value AMGA's contributions to all of their medical group members. This external recognition of how far we have come is valued by every member of our team. We have stayed true to our roots of being a group practice, and we value its effectiveness. It is exciting to see how our approach has continued to serve us as an organization as we focus on population health.

Our history reflects not only the expansion of medical technology, but also our ongoing mission—*To improve the health of the community through a caring partnership of patients, physicians, and employees*. As part of San Diego region's largest healthcare delivery network, we are known for innovations in the areas of patient care, medical research, and technology and for pioneering advances in cardiac care, women's health, organ transplantation, and cancer research as part of an integrated healthcare system. We also participate in significant collaboratives in our community to help others replicate our successes in many areas, including improving care transitions and cardiovascular care. Perhaps the best way to demonstrate our approach is through the eyes of our patients and their families.

This is the story of Mrs. Ruiz, 82, and her daughter Maria.* Mrs. Ruiz lives alone at home, managing with occasional help from her daughter, Maria. Recently they experienced our system and process enhancements firsthand.

Mrs. Ruiz started having shortness of breath. Her daughter remembered a TV spot by our group and convinced her mother to call for an appointment, expecting a week to get in. Instead, the phone was answered with care, and she received an appointment for the next day. Her daughter shared an e-mail address for access to the online web portal.

At the clinic, the new LED screen directed them to the new patient check-in kiosk. Maria documented current symptoms and answered questions about medication refills, immunizations, mood, falling, and memory problems. Mrs. Ruiz started reading, but was pleased when she was called quickly by a friendly employee.

Dr. Yang promptly arrived with her complete medical history. While typing, he talked directly to her, using simple terms to explain the needed tests and plan of care, and he arranged a cardiologist e-consult. She was reassured by his thoroughness, and, although the encounter was brief, her concerns were addressed. A friendly smile from the doctor helped.

Next …

- Her diagnostic tests were available the next day on the web portal.
- The cardiologist gave his opinion within two days, ordered more tests, and set an appointment.
- Within two weeks, she had a treatment regime.

As she started feeling better, Mrs. Ruiz forgot some medications and her health declined. Unfortunately, she was re-admitted to the cardiac unit. After a procedure and 24-hour/7-days-a-week hospitalist service, she improved. The Case Manager coordinated a care plan and recommended a skilled nursing facility (SNF).

The dedicated SNF team—an embedded physician, an NP, and an RN Case Manager—met her needs using access to her EHR. Soon she was discharged with a home plan for PT and OT. The Coordination of Care unit called to check on her, and with therapy, she improved.

The population health triage nurse identified Mrs. Ruiz at high risk for re-hospitalization. The CHF Disease Manager recommended a wireless scale to manage her progress.

- E-mail reminders of appointments were sent.
- The Chronic Care Nurse reviewed progress and medications and developed a 30-day plan.
- The "Care at Home" Nurse Practitioner did home visits and discussed advance directives.
- The pharmacist reconciled prescriptions virtually with Maria.
- The PCP and specialist were kept in the loop with the care team.
- Ongoing home visits, coordinated care, and medication monitoring continued.

After six months, Mrs. Ruiz's condition stabilized, and she is now home. The medical group received top ratings, and the team knew that they were appreciated.

From the group's perspective:

- Chronic disease care prevented additional hospitalizations.

- The population health group demonstrated effectiveness of the team's intervention to payers under the value-based contracts.

Another success story of a High-Performing Health System™.

As outlined in this story, using a team-based approach to effective care management and coordination has helped Sharp Rees-Stealy become a leader in population health, with a strong culture of internal accountability, and world-class expectations. We serve our patients, physicians, and staff in a way that attracts and retains the best-in-class at all levels. We work together to achieve our quantifiable successes. Our best-in-class health information technology systems provide us with the iterative feedback we need to constantly adjust our services seamlessly and transparently, even across a multi-functional team. We have enhanced our ability to serve our patients with vision, tools, strategies, technology, and innovation to integrate methods and processes that serve our population's needs while providing great value. We now accept the constant need for change and growth.

Our Care Redesign 2020 model redefines the future in improving population health by exemplifying value-based care. It includes specific goals and measurements in each of these areas:

- Clinical practice redesign
- Dedicated care coordination staff
- Physician and staff communication skills
- Health IT linkage including telehealth
- Clinical community linkage

As we continue to implement our Care Redesign 2020 model, we are excited to share our experiences, successes, failures, processes, and our approach with other members of AMGA to help them serve their patients, staff, and physicians.

**This story is a compilation of real patient experiences with our medical group. Names are changed.*

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# The Reality of Becoming a High-Performing Health System™

Part 2: Care Redesign 2020 at Sharp Rees-Stealy Medical Group, 2014 Acclaim Award Recipient

***Editor's Note:*** *In September 2014, Sharp Rees-Stealy Medical Group was named the recipient of the American Medical Group Foundation's 2014 Acclaim Award for its initiative, "The Reality of Becoming a High-Performing Health System™." This article is excerpted from their application.*

The Sharp Rees-Stealy Medical Group needed to change from being a supply-driven healthcare system organized around what physicians do, to a team-based, patient-centered system organized around what patients need, while engaging patients in managing their own health. To make this a reality, they involved all levels of the organization, viewed possible changes from all perspectives, and took the difficult steps required. Their *Care Redesign 2020* model redefines the future in improving population health by exemplifying value-based care. With an exciting future ahead, the medical group now has an organization that is much more nimble than 14 years ago as it now accepts the constant need for change and growth.

## Drivers of Change

Sharp Rees-Stealy is in a large and highly competitive marketplace. They are facing increased competition from healthcare reform, the growing insurance market, and the need to effectively manage costs while improving efficiency, service, and quality of care. Although profits, market share, and growth looked good on paper in 2001, leadership knew organizational change was necessary to meet a growing need for performance in the new millennium. In 2001, Sharp Rees-Stealy did extensive internal research to isolate the desired and

### Sharp Rees-Stealy Medical Group

Sharp Rees-Stealy Medical Group is the oldest multispecialty medical group in San Diego County with an ongoing commitment to excellence in patient care. Providing care at 21 locations throughout the county with 2,000 employees and more than 460 physicians and 68 nurse practitioners/physician assistants representing virtually every medical specialty. In 2013, the medical group had more than 1.2 million patient visits, 2.1 million lab tests, 200,000 radiology images, 9,500 eye glasses, their retail pharmacies dispensed 305,000 prescriptions, and they made 1.6 million primary care telephone calls.

### Implementing the Care Redesign 2020 Model

**1. Clinical Practice Redesign: Improved Workflows**
- Empowered all clinic staff to work at the top of their license
- Standardized scheduling and team-based workflows

**2. Care Coordination and Care Plans**
- Developed dedicated care coordination staff
- Improved patient engagement and shared decision making

**3. Physician and Staff Communication**
- Improved physician-patient communication skills
- Developed rapport which built trust in order to facilitate the exchange of information

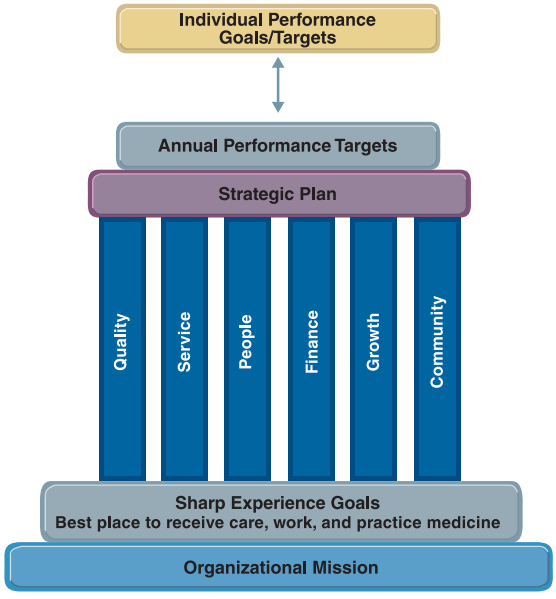
**4. Health and Information Technology Linkage**
- EHR platform used across the continuum, new analytics tools, and integrated telehealth process

**5. Clinical and Community Integration**
- Community support and resources used to promote health and reduce disparity in care

*The team from 2014 Acclaim Award Recipient Sharp Rees-Stealy Medical Group accepting the award at the 2014 Institute for Quality Leadership Annual Conference (from left to right): Vicki DeBaca, D.N.S., R.N., Vice President, Health/Provider Services; Janet Appel, R.N., M.S.N., Director, Population Health; Stacey Hrountas, M.P.H., Chief Executive Officer; Donald C. Balfour, M.D., President and Medical Director; Parag Agnihotri, M.D., Medical Director, Continuum of Care; Kara Bourne, R.N., M.S.N., Director, Utilization Management; and Steven A. Green, M.D., Medical Director Elect*

**FIGURE 1**

**Pillars of Excellence**




needed changes. The results from conducting over 100 focus groups of patients, staff, and physicians were a humbling surprise. Patients cried out for a more caring and personalized experience, and physicians and staff believed it could be a better place to work. Therefore, Sharp Rees-Stealy launched a major organizational initiative to transform the healthcare experience and make the organization *the best place to receive care, the best place to work, and the best place to practice medicine.*

The foundational steps started in 2001 with the development of six core internal pillars based on the IOM Aims. The pillars are Quality, Service, People, Finance, Growth, and Community. A structure was created around these *Pillars of Excellence* that drove internal organizational culture change (see Figure 1).[1]

The most critical changes needed were focused around two key areas:

1. Aligning payer contracts to achieve a balance of value-based payment systems, moving the organization away from a pure fee-for-service model
2. Implementing the group's redesign around the *Care Redesign 2020* model and creating specific, measurable targets to monitor progress

## Important Challenges

The most extensive changes were around creating a culture of transparency, drastically increasing accountability for results, and engaging everyone in creating new processes to create a better patient experience and a better place to work. The analytics team used the EHR system to form the backbone of their processes. Enhanced measurement and sharing of results gave everyone a reason to change, training taught them how, and rewards and recognition encouraged ongoing commitment.

An organization-wide *Balanced Score Card* was created to integrate specific group and individual performance goals to enhance their focus on being a High-Performing Health System™. They found

a positive correlation between effective patient engagement and positive health outcomes. For example, 1,960 diabetics who had their all-or-none bundled diabetes care measures controlled year-round had an 11% comparative decrease in new diagnosis of strokes, leading to annual total cost of care avoidance of $1.2 million per year. This kind of information significantly helped to align stakeholders across the organization.

Sharp Rees-Stealy measured success using each area of the *Care Redesign 2020* model integrated with the pillars (see Table 2). Figure 2 shows overall progress to toward meeting the *Care Redesign 2020* goals linked to the pillars.

## Leadership

Sharp Rees-Stealy's cultural transformation has been led by top leadership for more than 14 years. They've integrated their mission, vision, and values into a strong foundation that are now automatic drivers of the way things are done in the organization. The strong culture supports leaders in launching new initiatives. The providers and staff are passionate about what they do and dedicated to making a difference in the lives of patients. Over time, the organization's culture has developed so strongly that leaders only have to remind, reinforce, and integrate the ideals into new projects as they become a High-Performing Health System™ (HPHS).[2]

Data is collected through their Patient Listening and Response System and used to drive focus and keep the organization grounded and realistic during the strategic planning process. In addition, data from the environmental assessment done through a SWOT analysis assists in the identification of strategic advantages, challenges, and potential blind spots. These strategic challenges are then reviewed along with the organization goals and mission to prioritize the strategic objectives. Then the Pillars of Excellence model is used to show the links between goals, performance targets and the strategic plan.

Physician and administrative leaders spoke with one voice about culture change. Leaders shared why the vision was important, how they would get there, and a new way of interacting with patients and each other.

- **Shared Cross-Functional Leadership:** Physician and management leaders participate in a cross-functional *Joint Operating Team*. This team approves the financial resources needed to successfully execute critical programs. This includes investments in key quality, service, and EHR personnel, and time for employees and physicians to attend training. Hiring standards were set requiring a commitment to quality and high service standards from all new employees and physicians.
- **Patient Care:** All clinical leaders also actively participate in clinical care, which gives them the ability to bring the *voice of the patients* to important

**FIGURE 2**

### Progress Toward Goals

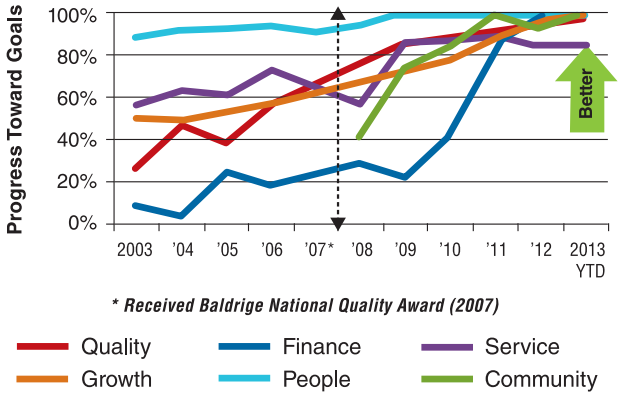



**TABLE 1**

### Care Redesign 2020 Model

| *Care Redesign 2020 Model* | | |
|---|---|---|
| **Clinical Redesign** | **Physician and Staff** | **Patient Activation and Shared Decision Making** |
| Care Management Programs<br>•Population Health<br>•Disease Management<br>•Chronic Care Nurses | •Communication Skills Training<br>•On-Stage Leadership | •Health Education Classes<br>•Community Resources |
| Complex Case Management<br>•Home-based and SNF care | •Improved Access to Care | •Healthier Living Classes |
| Pharmacy Refill Clinic<br>Leverage Technology<br>Office Practice Standardization<br>Mental Health Integration | •Peer-to-Peer Reviews | •Patient Representatives on Committees |

**TABLE 2**

### Care Redesign 2020 Goals linked to the Pillars of Excellence

| Pillar | Pillars of Excellence |
|---|---|
| Service | Use industry survey instruments to assess patient experience and engagement |
| Quality | Use clinical quality measures to measure process and outcomes of care |
| Finance | Address appropriate resource utilization rates and total cost of care |
| People | Improve provider satisfaction and wellness |
| Growth | Increase membership and net revenue |
| Community | Enhance community outreach |

## A Leader in Patient Experience

Patient experience is measured using industry standards from the CG-CAHPS. Below are Sharp Rees-Stealy's scores compared to the rest of the state in the 2013 statewide surveys across 200 medical groups:

- Overall rating of Care Composite group score improved and is now above state's 90th percentile
- *Office Staff* ranked above state's 90th percentile
- *Patient-Doctor Interaction* above state's 90th percentile
- *Coordination of Care* ranked above state's 90th percentile

organizational strategic decision-making processes.

- **Leadership Skill Development:** Leaders attend mandatory quarterly leadership meetings with day-long programs whch include inspirational speakers, skill-building exercises, and announcements of progress toward strategic targets.
- **Accountability Using Incentives, Recognition, Goal Reinforcement:** Each senior leader's performance appraisal and incentive systems are aligned with organizational goals with monthly and quarterly Report Cards. All levels and individuals are accountable. Management earns financial incentives for achieving annual service and quality targets, and bonuses comprise up to 25 percent of top administrators' compensation. Staff members receive annual merit reviews based on both individual performance and overall service. Both staff and physicians receive non-financial incentives; this recognition creates a sense of pride that encourages desired behaviors.

Since 2006, Sharp Rees-Stealy has made the EHR available across the continuum. Their data warehouse collects data from disparate sources including EHR, billing, registration, lab, pharmacy, and outside claims. Health Services Data Management helps to provide the governance and automates data aggregation and mapping across the entire organization. Data Management creates detailed reports and quality dashboards to monitor progress.

Ongoing education is provided by EHR trainers, who teach providers and team members to use the EHR in a meaningful way, capturing accurate data, which improves the accuracy of the analytics. Data analytics automates the flagging of the most appropriate intervention for managing care, which in turn improves the health outcomes.

## Goals and Results

Sharp Rees-Stealy strived to demonstrate their population health performance against the definition

## Lessons Learned

Sharp Rees-Stealy Medical Group is exceedingly proud of their accomplishments and they know that there is ongoing and important work to do, learning from their mistakes, and helping others to avoid them. Their lessons learned fall into eight primary areas.


**TABLE 3**

### Accountability

| Category | Instrument | No = | Results |
|---|---|---|---|
| ***Reduce per Capita Cost of Health Care*** | | | |
| Financial Responsibility | Shared responsibility with hospital in 2013, used internal point system for hospital, post-acute care and ancillary funds | 157,000 | 164 points per thousand members per year<br>12% reduction in point usage over last 4 years |

**TABLE 4**

### Use of Information Technology

| Category | Instrument | No = | Results |
|---|---|---|---|
| ***Interoperable Office Technology*** | | | |
| Aid in Prescribing | Medication Therapy | | 60,000 Rx refills completed in 2013, with projected |
| Prescription Drugs | Management Program aids prescription refills | 200,000 | 120,000 Rx refills in 2014 as additional sites have been added |

of AMGA High-Performing Health System™ criteria. Summarized in Tables 3-8 are Population Health Care and Patient-Focused Process results for 2013 and Q1 2014 organized by the components of an HPHS as defined by AMGA. The medical group compares this data to available benchmark data for their 200,000

attributed lives.

Access and health promotion by doctors still needed some attention; scores were below the 75th percentile. Significant, proactive efforts were made to improve access and the efforts are paying off, with a 16% improvement shown on patient experience surveys compared to the prior year.

Sharp Rees-Stealy continues to seek innovative methods to broaden their initiatives—to improve access, engagement, and the overall health of their attributed population.

- **Care at Home Program:** This program provides ongoing care for vulnerable seniors where they live. The transition of care from a skilled nursing facility (SNF) to home has improved with a resulting reduction in 30-day hospital readmissions to 8% compared to a 12.5% risk adjusted national rate.
- **Telehealth Cardiovascular Program:** Combining technology with patient-centered care resulted in a significant decrease in heart failure patient admission rates and savings of more than $2.6 million since the program's inception. This program was recognized with MCG's National Doyle Award.
- **Improved Hospital Access:** An outcome of a Lean Six Sigma project, the Out of Network Department helps repatriate patients into the hospital system if they have been sent to, or admitted to, another hospital. With only 53 lost days in 2012, the program saved more than $25 million and provided the best possible care to patients. This program now serves other community hospital systems.
- **Physician-to-Physician Consult Program:** Referral requests are submitted electronically and reviewed by a specialist who provides a specialty opinion to the referring provider. In some cases the patient will not need to be seen in person by a specialist. This system has improved the timeliness of specialty care and patient satisfaction. In Endocrinology, a pilot test at two sites resulted in high provider satisfaction (5/5) for each of the last five months, and the number of physician-to-physician referrals quadrupled in the last three months.
- **Patient Engagement:** Automated patient reminders notify patients of their scheduled appointments, laboratory screens, and other diagnostic tests. This is more cost-effective than using

**TABLE 5**

## Quality Measurement and Improvement Activities

| Category | Instrument | No = | Results |
|---|---|---|---|
| ***Clinical Quality*** | | | |
| Preventive Care | **HEDIS Indicators** | | |
| | Childhood vaccination rate | 1,091 | 91% ≥ 90th percentile 2013 rate for state |
| | Breast cancer screening rate | 11,582 | 86% ≥ 90th percentile 2013 rate for state |
| | Cervical cancer screening rate | 26,583 | 79% ≥ 90th percentile 2013 rate for state |
| | Glaucoma screening | 10,567 | 82% ≥ 5 star 2013 CMS Medicare stars |
| | Diabetic eye exam | 1,710 | 83% ≥ 5 star 2013 CMS Medicare stars |
| Chronic Disease | Diabetes bundled score for commercial population | 5,997 | 45.5% ≥ 90th percentile 2013 rate for state |
| | Blood pressure control among all Diabetics | 10,858 | 82% ≥ 90th percentile 2013 rate for state |

**TABLE 6**

## Organized System of Care

| Category | Instrument | No = | Results |
|---|---|---|---|
| ***Continuum of Care*** | | | |
| Utilization | Medicare HMO admissions/K | 14,533 | 222/K Better than state's 2010 Medicare FFS 318/K |
| | Medicare HMO Hospital days/K | 14,533 | Internally 11% improvement since 2009 |
| Integration with Care Sites | 30 Days Medicare HMO Hospital | 14,533 | 9% 2012 risk adjusted ≥ 5 star 2012 CMS Medicare Hospital readmission rate stars 13.8% 2013 (non- risk adjusted)<br>Better than local region 2013 Medicare rate at 17% |
| | 30-Day CHF readmission rate | 469 admits | 8.5% (n=40) readmits<br>Better, a 19% internal improvement vs. CY 2012 |
| | 30-Day COPD readmission rate | 118 admits | 3.3% (n=4) readmits<br>Better, a 42% internal improvement vs. CY 2012 |

**TABLE 7**

## Care Coordination

| Category | Instrument | No = | Results |
|---|---|---|---|
| ***Patient Engagement and Well Being*** | | | |
| Shared Decision | Overall<br>Patient engagement<br>Referred to all program | 5,129 | 47% (n=2420) engagement rate as of April 2014 compared to ~20% vendor based programs |
| Patient Experience | Patient activation as measured by PAM tool | 144 | 37% increase in pre- and post-activation leval after enrollment in the senior program |
| | Classes and peer-to-peer-led self-management | 280 | 67% completed the workshops |
| Single Plan | Obesity | 110 | 47lbs average weight loss<br>60% keeping off an average of 65lbs |
| | New uncontrolled diabetics | 1,449 | 37% engagement with 0.66 average drop in A1c, with baseline average A1c of 9.48% |
| Available Treatment Alternatives | Palliative care | 190 | 15% increase in enrollment vs 2012<br>The program has demonstrated decrease ED visit rate after enrollment: from 57% to 31% |

**TABLE 8**

## Compensation Practices

| Category | Instrument | No = | Results |
|---|---|---|---|
| ***Improve the Health and Outcomes of the Population*** | | | |
| Annual Internal Incentive Program Around Chronic Disease Measurement | CAD Hospitalization 14,382 Senior HMO | 655 | 2013 - 45.5 hospitalization/K for senior HMO members per year<br>22% decrease vs. 2009 rate of 58.1% |
| | Stroke Hospitalization 14,382 Senior HMO | 316 | 2013 - 2.7 hospitalization/K for senior HMO member per year<br>18% decrease vs. 2009 rate of 3.3/K |
| | 2013 Diabetes complications *all or none* bundled care | 1,952<br>6,591 | Controlled 6 months<br>Uncontrolled 6 months |
| | • Myocardial Infarction | 22 avoided | 9% reduction, annual cost avoidance of $660,000 |
| | • Retinopathy | 109 avoided | 11% reduction, annual cost avoidance of $218,000 |
| | • Stroke | 31 avoided | 11% reduction compared to uncontrolled, annual cost avoidance of $1.2 million |

highly skilled and costly staff to personally engage patients. The resulting set of analytics identifies the best strategies for engaging different patient segments, allowing continued enhancements and expansion of this process, including new approaches to engage patients in medication adherence.

When anyone in their medical group system identifies a best practice in the community or at one entity, they spread it and adopt it wherever there are gaps in performance that could be positively impacted. Sharing of best practices throughout their region is critical.

## Conclusion

Sharp Rees-Stealy Medical Group has implemented many initiatives as part of becoming a High-Performing Health System™. Documentation of their processes, training, measurement systems, and mistakes will make it easier for others to implement the components necessary to be a High-Performing Health System™. They have been able to integrate a renewed focus on the populations they serve, in new integrated and team-based ways to improve, grow, and build on their accomplishments, reputation, and culture. They believe that their model can be replicated by other healthcare systems and are actively involved in sharing their knowledge.

## References


1. For more on linkages between the IOM Aims and the Pillars of Excellence, see The Sharp Experience: A Journey to Healthcare Excellence. 2010. *Group Practice Journal*, 59(4): 8-18.
2. For more information on High-Performing Health Systems™, including attributes, see http://www.amga.org/wcm/ADV/wcm/Advocacy/HPHS/index_HPHS.aspx.


*Adapted from the Acclaim Award application of Sharp Rees-Stealy Medical Group, submitted by Donald Balfour, M.D., president and medical director, and Parag Agnihotri, M.D., medical director, continuum of care.*