Integrated Healthcare
Effective Governance: Lessons Learned

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Chief Executive Officer
Organizational Highlights

4,100 employees, including 1,250 nursing staff

Group practice with 350 physicians & 120 advanced practitioners

Clinic & Hospital
• Joint Commission Accredited
• Magnet Designation for Nursing Excellence in 2006 and re-designation in 2011 and 2016

Multi-specialty Physician Clinic
• 789,788 total patient visits in FY15
• 12 regional partnerships
• Clinic locations include Billings Downtown, Heights and West, Miles City and Bozeman, and Cody, Wyoming
• Physician Outreach – approximately 100 specialty care clinics per month in over 20 regional locations
• Telemedicine: 42 partners in 29 communities. 5,239 conferences served 31,158 participants in FY15, saving an estimated $4,713,127 in out-of-pocket travel expenses for participants

Hospital & Sub Acute Care
• 304 Licensed Beds
• 15,604 hospital admissions in FY15
• Level II trauma center
• 44,543 patient ED visits in FY15

Psychiatric Services
• Hospital
• Behavioral Health Clinic

Aspen Meadows
• 90-Bed Long Term Care and 35-bed Assisted Living Facility
• Sub-Acute Care

Research
• Center for Translational Research

Billings Clinic Foundation
• Over $114 million raised
• Over $67 million in current assets
• Over $70 million granted to Billings Clinic
Brief History

1917  Billings Clinic Founded
1927  Billings Deaconess Hospital Built
1989  Billings Clinic Partnership had 90 MDs; Represented 85% of Admissions to Deaconess Medical Center
1989 – 1993 Merger Discussions
June 30, 1993 Merger Completed
Rationale for Merger

• Clinic need for capital, income stabilization
• Hospital desire for non-duplication of services
• Infrastructure efficiencies
• Preparation for managed care (Clinton Health Reform Initiatives)
Merger Discussions

• Financial Pro Formas
• Legal and Regulatory Issues
• Vision and Culture
"Deaconess-Billings Clinic Health System"
Brief History

1995         Board/Physician Leadership Mediation
1995 – 1997  Co-CEOs
             Operating Council Formed
1997         Financial Losses
             Reduction in Force
             Turnaround Consultants
1997         Single CEO
             1 Budget
Brief History

1997 – 2013

Financial Stability
Physician Recruitment
Physician Leadership Development
Vision to Safety/Quality
Personal Service Excellence
Centers of Excellence Development
Regional Strategy
Operating Plan
Balanced Scorecard
Market Share Movement
Governance NFP Integrated Healthcare

- Fiduciary role
- Duty of Care
- Duty of Loyalty
- Duty of Obedience
- Policies
- Committees
- Measures of Effective Board Performance
Who We Are

• A multi-specialty physician group practice in which a “community of physicians” work together in a collegial manner is at the core of this model.

• The partnering of excellent physicians, business leaders, nurses and professional staff, and volunteers create a team whose synergies drive our success.

• Not-for-profit, community-owned and governed.

• Mission-driven decision-making dedicated to a higher purpose in the community and the region.

• An obsessive dedication to quality, safety, service and value.
Vision

• 2005  Best in Nation Safety, Quality, Service
• 2010  Best in Nation Safety, Quality, Service, Value
Billings Clinic
Physician Group Practice

Decision Making Processes/Places

• Departments and Chairs
• Department Chair Meetings
• Divisions- Primary Care, Surgery, Region
• All Physician Meetings
• Hospital Clinical Units
• Physician Compensation Committee
• Leadership Council
• Administration (SET- Senior Executive Team)
• Physician Chief Executive Officer
• Board of Directors
• CMO Hospital, CMO Clinic, Chief Quality/Safety Officer, CMO Regional Healthcare, CMIOs
• Importance of evolving committees- these are different in a group practice
Physicians and Billings Clinic

- Collegiality
- Infrastructure Support
- Reasonable/Excellent Salary and Benefits
- Diversity of Professional Opportunities
- Physician Led/Professionally Managed Organization
- Quality of Clinic and Hospital Environment
- Quality of Non-Physician Staff
- Billings Clinic Strategy and Tactics
- Billings Clinic Reputation and Brand
- Opportunity to be Part of the “Best”
- Montana: “The Last Best Place”, “State of Mind out West”
Early Adoption and Innovation

- CMS Physician Group Practice Demonstration and Transition Demo
- Medicare Shared Savings Pilot
- Magnet Designation- just received 3rd
- Complexity Theory Initiatives
- Bundling: Hip & Knee
Early Adoption and Innovation

- Leadership Billings Clinic
- Physician Leadership HayGroup Project
- BCBS Medical Home Project
- NCQA ACO Designation
- Operational Excellence (Lean Six Sigma)
- Cerner Partnership
- Regional Clinic and Hospital Strategy
- Regional System Evolution
Early Adoption and Innovation

• New West Health Services (Medicare Advantage)
• Research
• Board Quality and Safety Committee
• Mayo Clinic Care Network
• Internal Medicine Residency
• Regional Care Joint Venture
• Mental Health: school based care, telepsychiatry, residency, Fort Peck school clinics
Initiatives

- Express care in MT Supermarkets
- Virtual televisits at employer sites
- Real time patient and family feedback
- Sinsky Model, Hitachi Grant
- Population Health tactics
- PSE: raise the bar
Quality and Patient Safety Recognition

HealthGrades Distinguished Hospital Award for Clinical Excellence

Solucient 100 Top Hospitals in America Modern Healthcare and Truven Health Analytics
2004, 2013

Magnet™ Designation by the American Nurses Credentialing Center

HealthGrades Distinguished Hospital Award for Patient Safety

National Cancer Institute Community Cancer Centers Program
2008 – 2014

“A” Rating for Hospital Safety by The Leapfrog Group
2011, 2012

Accredited as an Accountable Care Organization by The National Committee for Quality Assurance
2012

Rated #1 in Nation for Patient Safety by Consumer Reports ®
2012

US News and World Report Best Regional Hospitals - #1 in Montana for Diabetes and Endocrinology, Gynecology, Nephrology and Pulmonology
2012-2013
However

• Honesty about validity/flaws of these rankings
• Humility
• Useful for internal recognition and motivation if done honestly
• Can be part of the platform for a continuous improvement culture
Themes

• Importance of Group Practice Model
• Physician and Dyad Leadership
• Quality, Safety, Service, and Value as Core Strategy
• Professionalism, Ethics
• Financial Stewardship, Producing Value
• Consistency of Purpose
• Governance and Assessment of risk/reward given number and complexity of partners and initiatives
Billings Clinic
Gaps/Opportunities

• Enhance physician leadership development and culture and dyad and triad models
• Compact broader, deeper, stronger
• Enhance administrative leadership development
• Improve cost accounting
• Better data and analysis
• Manage cost at the episode, encounter and unit level
• Breakeven on Medicare payment
• EMR which facilitates physician efficiency
Billings Clinic
Gaps/Opportunities...

• EMR which helps embed clinical pathways, appropriate standardization and population management

• Support a patient experience which is coordinated across departments, post acute care, and home- critical importance of PSE

• Better use of service recovery as an improvement tool

• Better coordinated care with our regional affiliates

• Advance a change transformation and continuous learning culture
Billings Clinic: Gaps/Opportunities

- Critical importance of population health capability
- Myriad of partnerships including new commercial payer relationships
- Capital Needs
- Shared infrastructure
- Shared intellectual property
- Shared change and transformation skills
Why clinical integration?

• Coordinate care across silos and over time
• Deliver evidence-based medicine at 100% levels
• Develop system approaches to the safest and most reliable care
• Manage cost of care optimally
• Provide access to all in a timely manner,
• Patient and family experience
Leadership for Transformation

1. Set Direction: Mission, Vision and Strategy
   - Make the status quo uncomfortable
   - Make the future attractive

2. Establish the Foundation
   - Reframe Operating Values
   - Build Improvement Capability
   - Use Evidence-Based Operating Systems
   - Personal Preparation
   - Choose and Align the Senior Team
   - Build Relationships
   - Develop Future Leaders

3. Build Will
   - Plan for Transformation
   - Set System-Level Aims for Performance
   - Provide Encouragement
   - Define the Business Case
   - Learn Subject Matter
   - Make Connection Between Quality Work and Strategy

4. Generate Ideas
   - Read and Scan Widely, Learn from other Industries & Disciplines
   - Benchmark to Find Ideas
   - Listen to Customers
   - Invest in Research & Development
   - Knowledge management
   - Understand Organization as a System

5. Execute Change
   - Use Model for Improvement for Design and Redesign
   - Use Change Leadership Model
   - Review and Guide Key Initiatives
   - Spread Ideas
   - Communicate results
   - Sustain improved levels of performance
Achieve best in nation clinical quality, patient safety, service, and value.

“Provide me safe and reliable high quality care, each and every time”

**Outstanding Personal Service Excellence**

- **Innovation & Growth**
  - Expand and grow strategic service line capabilities
  - Diversify delivery of care
  - Optimize the multi-specialty, integrated group practice model by fostering alignment of physician and organizational goals
  - Strengthen advanced regional health system relationships
  - Advance undergraduate and post-graduate medical education opportunities and research

- **Relationship Management**
  - Anticipate and deliver a seamless, coordinated, service-oriented experience
  - Cultivate internal and external provider and care team relationships
  - Pursue win-win scenarios for payers/employers and us
  - Reinforce the brand and vision in everything we do

- **Operational Efficiencies**
  - Build infrastructure and maximize utilization of facilities to enable growth strategies
  - Achieve best practice efficiencies through continuous and discontinuous process improvement
  - Improve internal cross-functional collaboration

- **External Environment**
  - Partner with the community for positive impact
  - Work with policymakers/regulators to make a difference in our region and optimize care delivery
  - Proactively improve business practices to reduce risks and increase compliance

**Generate margin for reinvestment**

- Achieve growth by expanding our reach through regional relationships
- Achieve growth through core and innovative services
- Maintain and increase market share in an evolving payment model
- Reduce cost through clinical and non-clinical efficiencies and improved processes
- Advance philanthropy to support our mission and vision

**Financial**

**Process**

**Patients & Families**

**Our People**

**Best in Nation Population Health Management**
Interrelated Determinants of Healthcare Quality

- Aims: better experience of care (STEEEP), better health for the population, lower total per capita costs
- Design of care processes that affect the patient: clinical Microsystems
- The health care organization that houses the Microsystems: care of patients across silos and over time
- The environment: policy, payment, regulatory, legal, education

Important Core Collaborations

• Personal Service Excellence
• Lean Six Sigma (Operational Excellence)- Brian Boyette of Avior Group
• Complexity Theory approaches and tools (liberating structures, positive deviance, other)- Curt Lindberg, D.Man
• Relational Coordination- Jody Gittel and Brandeis team
• Healing environment and evidenced based design with architects and contractors
Important Core Collaboratives

• Home Health and Hospice with St John’s
• Community Crisis Center w St John’s, St Vincent, Riverstone (and Yellowstone County)
• Community Health Assessment and tactics with the same above group
• Medication assistance, high utilizer support and tactics
• New HIE initiative
• Family Practice Residency
Leadership Development

• Leadership Billings Clinic- John Poore
  Whole Leaders Group- MD and Administrator cohorts

• Hay Group- Individual MD leader assessment, profiles, coaching
Leadership Billings Clinic
Content

1. Self Awareness and Self Management
   *(Revealing the leader within)*

2. Relationship Intelligence
   *(Making effective connections with others)*

3. Inspiration, Influence, and Execution
   *(Inspiring followership and leading change)*

4. Coaching Basics
   *(Cultivating performance)*
Mayo Clinic Care Network

- eConsults
- Ask Mayo Expert
- Consulting Hours
- Annual CEO, SR Team meetings
- Special Conferences
- Networking
- Mayo Clinic Health System Development
LSL: Leadership Saves Live

What is LSL?

• 2 year Research Study on AMI Mortality Rates & the Impact of Culture and Teamwork Training
  Annual Meetings of all Facilities
  Semi-annual weeklong workshops at each facility (Yale Team Onsite)
  Continuous remote support and networking
Culture of Safety

• Safe and Reliable
• Allen Frankel, Michael Leonard
• Multiple clinical department surveys
• Key questions- “I feel safe speaking up”
• Multidisciplinary work teams
• Morning huddle, shift change huddles, leadership rounds
• Measurable goals
Delivery Reform Initiatives

- CMS – PGP Demo, Bundling, 1 Sided ACO
- Premier – Quest, PACT
- Brookings Institute – ACO Learning Network
- Population Health Including HCC accuracy – PWC & Geisinger
- Rural and Critical Access ACO, CIN, APM etc
Policy Including Integrated Healthcare Delivery

- AMGA – High Potential Health System Criteria and Initiative
- AHA – Policy Including Payment Policy (ACA + Other)
- AHA/AMA – Hospital/Physician Integrated Leadership
- CAPP(Kaiser)/AMGA – Council of Accountable Physician Practices
- AMA - IPPS
- AMGA/AHA Leadership Fellowship
What Is a High-Performing Health System (HPHS)?
A multispecialty medical group or other organized system of care that is integrated or has partnerships with other care sites to provide patients with better services and care. HPHS successfully manage the per capita cost of health care, improve the overall patient experience, and improve the health of their respective populations.
What Are the Qualifications?

1. Provide Efficient Provision of Services
2. Function as an Organized System of Care
3. Conduct Quality Measurement & Improvement
4. Conduct Care Coordination
5. Use IT & Evidence-based Medicine
6. Assume Accountability
7. Conduct Certain Compensation Practices

AMGA
High-Performing Health System

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

- **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

- **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

- **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

- **Use of IT & Evidence-based Medicine**
  - Meaningfully use IT, scientific evidence, & comparative analytics
  - Aid in clinical decision making
  - Improve patient safety
  - Aid in the prescribing of Rx

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

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

- Integrated Physician Practice Section (AMGA very active)
- Professional Satisfaction and Practice Sustainability Committee (PS²)
- Hospital/Physician Leadership Integration (w AHA)’
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• Patient and family experience
Alignment

• Physician collegiality across specialties critical

• Physician leadership development and involvement in strategic/business decisions critical

• In rural areas physician and provider collegiality across geography critical, technology enables

• Multispecialty group practice can foster culture and values

• Hospital “alignment” in these contexts important
Professional Identity

- Physicians, hospitals, others
- Fighter pilot to astronaut
- Acute care to coordinated care across silos
- Personally and organizationally extremely challenging
- Hard messy, challenging, need for new transformation skills
Innovation and New Models

- Emerging science of health care delivery
- Professionalism can be a powerful driver of value to patients and families
- Best healthcare organizations can and will deliver on this promise in any payment environment
- Payment policy powerful however and can enable and/or inhibit
Payment Policy Observations

• Payment for value critically important
• Current models are early, complex, ripe with issues: data/information accuracy and timely feedback, severity adjustment, thresholds, beneficiary engagement
• Underlying FFS system in urgent need of improvement and recalibration
• Intense focus on unit price reduction within separate silos is often counterproductive
Payment Policy Observations

• Payments incenting delivery system organization and performance and care of patients across silos and over time critically important

• Payment policy addressing inappropriate waste and volume variation is the next frontier and urgently needed
The Path is Still (mostly) Clear

• Physicians should be leaders and partners
• Professionalism with persistence and focus important for all
• New partnerships: physicians, hospitals, post acute care, CHCs, payers, and patients
• Develop rich new skill sets to advance the New Science of Healthcare Delivery
• Culture and Governance key enablers (or not)
Group Practice/Hospital Governance

• A variety of structures evolving
• Many other partners now too- post acute care, rural partners, payers
• Most of us involved with many Boards
• Good governance principles still apply but complexity and time commitment for Boards, MDs, and leadership daunting
Recommendations

• Use governance models that put physicians and other clinicians at the business and strategic table not just the clinical integration table

• Line between governance and operations increasingly confusing - talk about this

• Attributes of individuals and Boards as a whole critical. Write them down and have an assessment process
Billings Clinic

• Clarity about what we care about the most- put this in writing
• Conscious culture building tactics
• Financial alignment- in our case one budget, but now ? Affiliates and JVs
• Multilayer and multiformat communication strategies
• Use of balanced scorecard to hardwire accountabilities and measure results
The past 50 years have been marked by advances in the science of medicine. The next 50 will be marked by improvements in the organization and teamwork of how health care is delivered.
Thank You

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