HISTORY

- 1951: The Valley Hospital was established
- 1997: Formation of the Valley Health System
- 2002: The Luckow Pavilion opened
- 2011: Minority ownership in the AHS ACO
- 2013: The Valley Medical Group was established
- 2014: The Valley Health System and Mount Sinai align for cancer care as an clinical affiliate
- 2015: The Valley Health System establishes affiliation with the Cleveland Clinic Heart and Vascular Institute
- 2015: Partnership with HNMC for ACO
VALLEY HEALTH SYSTEM – 2015 STATISTICS

- 431 Beds
- 46,967 Admissions
- 3,384 Births
- 278,396 Hospital Outpatient Visits
- 196,396 Home Care Visits
- 1,010,762 VMG wRVU’s
- 335 Providers in VMG in over 40 Specialties
- 60 locations in Bergen, Passaic and New York
VALLEY HEALTH SYSTEM
VALLEY MEDICAL GROUP
Bergen County Demographics

- Population: 925,000 people
- Median Income: $83,686
- 46% of residents have a Bachelor’s Degree
- The 26th wealthiest County in the USA
10 Award-Winning Reasons to Make The Valley Hospital Your Hospital

1. The Valley Hospital has received the Patient Safety Excellence Award from Healthgrades. Valley is among the top 5 percent of hospitals nationwide, and the only hospital in Bergen County, to receive this distinction.

2. The Valley Hospital received the Distinguished Hospital Award for Service Excellence from J.D. Power and Associates for 10 consecutive years for providing an outstanding inpatient experience.

3. For the eighth time, The Valley Hospital has received an “A” for patient safety from The Leapfrog Group. Valley was one of 798 hospitals to receive an A, ranking among the safest hospitals in the United States.

4. Valley is a three-time recipient of the prestigious Magnet designation for nursing excellence from the American Nurses Credentialing Center.

5. Valley has been named by Healthgrades as one of America’s 100 Best Hospitals for Orthopedic Surgery and one of America’s 50 Best Hospitals for Vascular Surgery.

6. Valley has earned an impressive 13 Gold Seals of Approval for healthcare quality from The Joint Commission, placing it among a prestigious group of hospitals to achieve this number of Disease-Specific Certifications.

7. Valley has been named a Top Performer by The Joint Commission for exemplary clinical performance in heart attack, heart failure, pneumonia, surgical care, stroke and perinatal care.

8. Valley’s Intensive Care, Intermediate Care, Cardiac Surgery Intensive Care and Coronary Care units have received the Beacon Award for Excellence from the American Association of Critical-Care Nurses.

9. Valley’s Cardiac Surgery program has received the highest designation of quality—a three-star rating—by the Society of Thoracic Surgeons (STS) for coronary artery bypass surgery, aortic valve replacement surgery and patients who receive both procedures. Only 1.2 percent of hospitals across the country received three stars in all three categories.

*Current designation covers the period of January 1, 2014, to December 31, 2016, for valve replacement surgery, and January 1, 2015, to December 31, 2016, for aortic valve replacement surgery and performance combination of the two procedures.

10. Valley’s Cancer Program has earned a Three-Year Accreditation with Gold Level Commendation, as well as the prestigious Outstanding Achievement Award, by the Commission on Cancer of the American College of Surgeons.

Learn more about The Valley Hospital at www.ValleyHealth.com
HEALTHGRADES
OUTSTANDING PATIENT EXPERIENCE/ PATIENT SAFETY AWARDS
NATIONALLY RECOGNIZED

The Joint Commission Top Performer on Key Quality Measures® 2013

The Valley Hospital is proud to be ranked #1 in New Jersey for Cardiac Services.
HISTORY OF PHYSICIAN EMPLOYMENT BY THE HOSPITAL

- Non-competition strategy
- Support—not compete with the community
- Employ only when necessary for program development
- Community given the right of first refusal (Pediatric Subspecialists/Hospital based physicians)
- Purchase of Health Net Clinics
HISTORY OF PHYSICIAN EMPLOYMENT BY THE HOSPITAL

- Breast Surgery Program recruitment/Cancer Center development (2007 ish)
- Management: Hospital-Based
- No Physician led governance structure
- Urgent Care Centers organized and physician led
- Surgical specialties OON
- 50 Physicians (12/31/2009)
- No structure in place to assure accountability or performance evaluation
ACQUISTION MANIA: 2010ISH
THE NEW WORLD: COMPETITION FOR PHYSICIANS AND MARKET SHARE

- Everyone wants into our market
- Merger Mania and Predatory Poaching
- Valley response: Primary Care and Cardiology practice acquisition roll out
- Minimal infrastructure
- Lack of effective governance structure
Multiple consultants engaged
Executive Director and a staffer hired to run the practices and do business development
Recognition by hospital leadership greater investment was required
National search for experienced medical group leader
DEVELOPING AN INTEGRATED MEDICAL GROUP

- Business Plan
- Buy in from CEO and Senior Leadership
- Hospital Board approval
- Justify the investment
- Continue Physician Business Development
- Continue Infrastructure Development
- Strategy on Physician Management: Dyad Model
DEVELOPING AN INTEGRATED MEDICAL GROUP

- Develop Board for a Medical Group
- Best Practices: By-Laws, Committees…
- Size, Scope of Authority
- Role of the Board vis-à-vis Health System and Hospital Boards
- Selection of Board Members (Physicians/Community/Hospital Executives)
- Board and Physician Leadership Planning Retreat
VALLEY MEDICAL GROUP
BOARD RETREAT

October 29, 2013
Pete Johnson, AMGA
David R. Maizel, MD

President, Sentara Medical Group
Corporate VP, Sentara Healthcare
AGENDA: PLANNING RETREAT

- Overview of Sentara Healthcare
- Overview of Sentara Medical Group (SMG)
- The Journey to High Performance and High Reliability: it’s all about the culture
- The journey from volume to value
  - transformation of care
  - S.C.O.P.E. project
  - Senior Care/ Medicare Advantage
- Transparency
  - Key performance indicators
  - Clinical quality dashboards
  - Balanced scorecard
- Physician Compensation
  - Aligning incentives
  - Driving behavior
WHY ARE WE DOING THIS?

- Appeal to physician’s desire to do the right thing
  - Cost of care is unsustainable
  - Impending physician manpower shortage
  - Too much variation in care
  - Many Americans not getting quality care

- Physicians are competitive and want to excel
Purpose: create the sense of purpose; establish guiding principles

Ownership: let the physicians lead and own

Recognition: recognize physicians for their successes. “It’s not (only) all about the money”

Community: address physician isolation by creating a community
CHANGE MANAGEMENT CHALLENGES

- EMR implementation
- New Physician Compensation Plans
- Improving Access
- Preventing Leakage
"If you want to make enemies, try to change something."

- Woodrow Wilson
VMG’S JOURNEY TO INTEGRATION

- Established Board of Trustees
- Established Physician Leadership Council
- Appointment of Clinical Service Chairs
- Development of Mission, Vision and Values statement (6 months)
- Development of a “Physician Compact”
VMG’S JOURNEY TO INTEGRATION

- Physician leadership education program (AAPL)
- Management structure
- Measuring Performance
- Infrastructure build out
- Purchased services
- Implementation of EMR/PM systems
- The Dyad Model: Planning for physician leadership
VMG’S JOURNEY TO INTEGRATION

Culture Building initiatives:
- Bi-annual Physician/APP and Practice Manager Business Meetings
- Clinical and Business Presentations
- Food and Open Bar: Networking
- Newsletters, Departmental Meetings, New Physician Orientation
- Practice Manager Group Meetings
- Marketing and Advertising, Pictures and Videos
- Dedicated VMG Web Page
- Recognition Events
Timeline
September 2013 – 1st VMG Board Meeting. Board Approves PLC Membership.


December 2013 – 1st Meeting of the Physician Leadership Council.
January 2014 – Booz & Company engaged to develop formal Strategic Plan.

May 2014 – VMG Board approves VMG Strategic Plan.


June 2014 - VMG Board approves Mission, Vision & Values statements and Physician Compact.
October 2014 – VMG Ambulatory Strategy submitted to Hospital and Health System Boards for approval.

December 2014 – Board approves funding for strategic initiatives.
Valley Medical Group
Governance Structure

Valley Health System

The Valley Hospital

Valley Medical Group
Board of Trustees
51% Community
49% Employee

Physician Leadership Council
Mission
As an integral part of Valley Health System, we are a physician-led and professionally-managed group practice dedicated to improving the health and wellness of the people we serve.

Vision
The physicians of Valley Medical Group will be the physicians of choice in our region by providing care based on the best medicine and the best research, in the right setting, at the right time.

Principles
• Our patients and families always come first.
• Our strengths are our physicians, staff and reputation for integrity.
• Our goal is to provide superior care to our community and to the region.
• We work to find new and better ways of improving the health of our community.
• We make every effort to identify and recruit the finest physicians and advanced practice providers in every clinical service.
• We stress teamwork and collaboration in everything we do.

Adopted by the Valley Medical Group Board of Trustees on June 25, 2014
<table>
<thead>
<tr>
<th>Organization's Responsibilities</th>
<th>Physician's Responsibilities</th>
</tr>
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<tbody>
<tr>
<td><strong>SERVICE</strong></td>
<td></td>
</tr>
<tr>
<td>❖ Guarantee a superior patient experience with the best outcomes by providing the resources necessary</td>
<td>❖ Eliminate barriers to patient access. Protect patient privacy and dignity</td>
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<tr>
<td>❖ Recognize the unique value of all aspects of a patient's care</td>
<td>❖ Collaborate with physicians, staff, patients and families to achieve the optimal patient experience</td>
</tr>
<tr>
<td>❖ Create and facilitate a culture of safety that incorporates a Patient Family Centered Care approach to patient care</td>
<td>❖ Partner with patients and families regarding care and treatment decisions</td>
</tr>
<tr>
<td>❖ Provide the tools to improve medical practice and clinical research</td>
<td>❖ Promote and participate in a culture of safety that engages patients and families</td>
</tr>
<tr>
<td><strong>EXCELLENCE</strong></td>
<td></td>
</tr>
<tr>
<td>❖ Recruit and retain the best professionals</td>
<td>❖ Achieve superior patient outcomes and patient experience through evidence-based, high-quality medicine</td>
</tr>
<tr>
<td>❖ Facilitate seamless coordination across the continuum of care</td>
<td>❖ Participate in and support education, research, and organizational training activities</td>
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<tr>
<td>❖ Support education, research and organizational training activities</td>
<td>❖ Actively participate in VMG and TVH meetings as requested</td>
</tr>
<tr>
<td>❖ Acknowledge superior performance among providers</td>
<td>❖ Document and demonstrate excellence with timely, accurate charting and coding</td>
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<tr>
<td><strong>RESPECT</strong></td>
<td></td>
</tr>
<tr>
<td>❖ Treat everyone with respect</td>
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</tr>
<tr>
<td>❖ Model, encourage and reward cooperation and team work</td>
<td>❖ Be a positive community representative of VMG</td>
</tr>
<tr>
<td>❖ Share information regarding strategic intent, organizational priorities and business decisions in a transparent manner</td>
<td>❖ Participate in establishing and supporting group decisions and goals</td>
</tr>
<tr>
<td>❖ Offer and foster opportunities to discuss and deliberate important issues</td>
<td>❖ Demonstrate the highest level of ethical and professional conduct</td>
</tr>
<tr>
<td>❖ Offer opportunities for dialogue, evaluation and feedback</td>
<td>❖ Seek to understand the organizational perspective and collaborate effectively</td>
</tr>
<tr>
<td>❖ Communicate with our referring physicians about the care provided to their patients</td>
<td>❖ Manage the organization with integrity and honesty</td>
</tr>
<tr>
<td>❖ Operate a fiscally responsible organization</td>
<td>❖ Demonstrate a high degree of dedication to the profession and this organization</td>
</tr>
<tr>
<td>❖ Provide the tools to improve medical practice and clinical research</td>
<td>❖ Work to improve quality, to establish service distinction and to be a good steward of system resources</td>
</tr>
<tr>
<td>❖ Manage the organization with integrity and honesty</td>
<td>❖ Recognize that transforming care is critically important and actively engage in efforts to help further this vision including engaging patients and families in the care provided</td>
</tr>
<tr>
<td>❖ Operate a fiscally responsible organization</td>
<td>❖ Implement VMG accepted clinical standards of care</td>
</tr>
<tr>
<td>❖ Provide the tools to improve medical practice and clinical research</td>
<td>❖ LEADERSHIP</td>
</tr>
<tr>
<td>❖ Lead by example</td>
<td>❖ Lead by example</td>
</tr>
<tr>
<td>❖ Enhance culture of innovation and continuous improvement</td>
<td>❖ Promote organizational changes necessary to support success</td>
</tr>
<tr>
<td>❖ Improve the health of the communities we serve</td>
<td>❖ Embrace innovation and continuous improvement</td>
</tr>
<tr>
<td>❖ Provide mechanism for fair, performance-based compensation aligned with VMG goals of quality, loyalty, citizenship and productivity</td>
<td>❖ Be involved in improving the health of the communities we serve</td>
</tr>
</tbody>
</table>

Clinical Chair & President Signature

Physician Signature
Many health systems across the country are not getting all the value they expected from their employed physician practices. One of the main reasons why: these systems allow their medical groups to operate under traditional practice management models, allowing individual practices to remain fairly autonomous rather than aligning the practices around system-wide quality, efficiency, or loyalty goals. Our research identified a different approach, what we’re calling the “high-performance medical group” — and we’ve distilled the 16 steps to become one.

Reap the Rewards

**GET OUT OF THE BLOCKS**
Shared Identity

- Physicians view themselves as part of a single organization with a common purpose
- Administrators and physicians agree on a vision of shared values and goals
- Clinicians more easily accept new processes and standards
- Group able to achieve economies of scale through shared resources
- Open information exchange facilitates administrative and clinical coordination

**Gain Your Stride**
Early Returns from Integration

- Culture-based candidate screening minimizes early physician turnover
- New hires more rapidly internalize group processes, cultural norms
- Administrators able to easily spot best improvement opportunities
- Enhanced in-network referral capture boosts revenue performance
- Group begins to move dial on quality, efficiency, patient satisfaction

**Finish Strong**
Care Redesign

- Improved access, convenience, and service attracts patients
- Unnecessary—and expensive—variation in clinical care reduced
- Care management efforts improve outcomes for complex patients
- Clinicians streamline patient handoffs, eliminate care redundancies
- Health system prepared to meet emerging value-based imperatives
GET OUT OF THE BLOCKS – Shared Identity

- Physicians view themselves as part of the single organization with common purpose
  - VMG Board Retreat 10/29/13 – Crafted Mission, Vision and Principles
  - VMG Board Approval Physician Compact
- Administrators and physicians agree on a vision of shared values and goals
  - Organizational and System G&O's
- Clinicians more easily accept new processes and standard
  - Formation of the Physician Leadership Council
  - Participation in the ACO
  - Implementation of common EMR
  - Participation in PCMH
- Group able to achieve economies of scale through shared resources
- Open information exchange facilitates administrative and clinical coordination
  - Common EMR - athenaClinicals
GAIN YOUR STRIDE –
Early Returns from Integration

- Culture-based candidates screening minimizes later physician turnover
  - Behavioral Based Interviewing
  - Onsite physician recruiter
- New hires more rapidly internalize group processes, cultural norms
  - Chairs involved in process/On-Boarding
- Administrators able to easily spot best improvement opportunities
  - QA, Patient Satisfaction, Kiosk, and CMGA
- Enhanced in-network referral capture boosts revenue performance
  - Create Local Networks via athenaClinicals
- Group begins to move dial on quality, efficiency, patient satisfaction
  - athenaClinicals, CMGA, PCMH, Press Ganey, and ZocDoc
FINISH STRONG - Care Redesign

- Improved access, convenience, and service attracts patients
  - Access Task Force created to vet opportunities
  - Implemented ZocDoc and exploring Direct Access Scheduling internally
- Unnecessary-and expensive-variation in clinical care reduced
  - Partner with payers to manage attributed lives through the use of care coordinators
- Care management efforts improve outcomes for complex patients
  - ACO, PHMH and CareSync (Chronic Care Management)
- Clinicians streamline patient handoffs, eliminate care redundancies
  - PCMH
- Health system prepared to meet emerging value-based imperatives
  - Preparing for Population Health
LESSONS LEARNED: INFRASTRUCTURE
LESSONS LEARNED

- Building Trust isn't easy
- “Abracadabra you are now a physician executive”
- Culture change takes years
- “Me to We”
LESSONS LEARNED

- Expect periodic questioning of the value proposition
- Growth and retrenchment
- Provider Centered Care to Patient Centered Care: Governing Board must understand and support the necessity to re-engineer systems and processes that are often perceived as “Sacred Cows”
- Celebrate success: Inform the Board of challenges, set-backs and successes
Thank You
High-Performing Health System (HPHS) Overview

Greg Kotzbauer, MS
August 11, 2016
High Performing Health System Assessment Overview: 
Your GPS to a Successful Future
Where to begin?

Health System Leaders

What do we need to think about and how might we get there?
Assessment Ontology

16 Competencies < 9 Capabilities < 4 Domains

Clarity of Mission (1) \rightarrow Governance (5)
Balanced Leadership (4) \rightarrow Management Structures (10)
Provider Education (3) \rightarrow Leadership (5)
Provider Engagement (2) \rightarrow

Identification of Patient Health Needs (2)
Analytical Data Systems (6)
Clinical Quality and Health Outcomes Measurement (2)
Practice Pattern Analysis (2)
Budgeting and Capital Planning (3)
Financial Strategy (8)
Contracting (2)
Compensation Alignment (3)

Personnel and Care Settings (3)
Appropriate Mix of Providers and Care Settings (3)
Care Decision Support (3)
Care Management (6)
Care Guidelines (6)

Care Delivery (9)
Clinical Data Systems (3)

Patient Activation (2)
Patient/Provider Partnership (2)
Patient Self-Management (2)
Patient Education (2)
Patient Empowerment (4)
Patient Engagement (6)

A total of 42 questions (the number of questions by competency is listed in parentheses).
“More” Importantly

How do we build the will and align the workforce?
Understanding Perceptions

Leaders’ awareness of organizational dynamics is crucial to their ability to influence those dynamics.¹

Modeling the Insights

**High Importance, Low Ability**
- **Ready for Improvement**: Importance is perceived as high but it appears the organization has limited ability to perform.
- **Communicate Vision, Align & Motivate**: Importance isn’t understood or adopted and the skills to improve are limited.

**Low Importance, High Ability**
- **Focus on Continuous Improvement**: Importance is perceived as high and it appears the organization has the ability to continually innovate.
- **Clarify Importance or Redirect Resources to High-Priority Areas**: Importance is perceived as low but the ability to perform is high.
Getting to a Strategy

DELEGATE TO MANAGERS
Findings: Perceived to be important but have limited skills to perform
Leadership Role: Provide funding and assign teams to innovation initiatives

NUРTURE AND CHEER
Finding: Perceived as highly important and highly capable
Leadership Role: Celebrate performance, promote continuous learning and innovation

CLARIFY VISION AND STRATEGY
Finding: Perceived as less important and have limited ability to perform
Leadership Role: Clarify importance and purpose; engage and motivate teams

ACKNOWLEDGE YET REEVALUATE
Findings: Perceived as less important but highly capable
Leadership Role: Acknowledge performance, confirm importance and reevaluate resource allocation

ABILITY (perception of proficiency)
Maximizing Success

- **Emphasize Importance**
  - 45 or more individuals, from executives to frontline providers

- **Clarity of Purpose**
  - A leadership tool – one strategic asset

- **Multiple Review Sessions**
  - Meet with Dartmouth / AMGA 1-2 times to translate insights into an action plan

- **“Localize” Results**
  - Communicate results and the proposed action plan based on organizational context

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1. AMGA will send email with instructions and user profile form
2. Complete form and send to Greg (greg.kotzbauer@dartmouth.edu)
3. Review and revise as necessary CEO invitation email
4. Once Greg confirms all is ready, send invitation to invitees.
5. Data collection will run between 2 and three weeks
   • Greg will provide weekly updates regarding participation rates.
6. Work with Beth Sutter (bsutter@amga.org) to schedule initial debrief (results review)
7. TBD if a second results review is necessary.