

SPECIAL ISSUE

THE **Value** PROPOSITION



THE NEW SCARLET LETTERS

An interview with Scripps Health's Dr. Anil Keswani

■ **By Kevin McCune, MD**

As healthcare professionals, we hold ourselves to high standards. We have to. Those high standards are what allow us to deliver the highest quality of healthcare to our patients. The decisions we make have profound influence on people's lives.

The decision to transition from a fee-for-service model to value-based healthcare certainly affects our patients' health, and it's a decision

that's becoming inescapable. But what does it take to achieve the highest standards in value-based care, and what does it say about us when we recognize how far we are from realizing this goal?

My good friend, Anil Keswani, MD, corporate senior vice president and chief medical officer of ambulatory care and operations at Scripps Health in San Diego, has some advice that I feel compelled to share: "Stop value shaming."

Shed the Shame

"If you are so worried about how you look and where you need to be, you may miss vital steps necessary to succeed," Keswani says. Comparing your organization to those with more experience in value and deciding to start competing with them immediately at the same level is risky. There is no shame in going at your own pace, as we are all in different phases of our journey to value, and we are all figuring it out.

Keswani encourages us as healthcare providers not to use other organizations as measuring sticks for competition, but as resources for collaboration. “Pick up the phone and call others who have done it before and been successful,” he says. “I touch base with multiple organizations across the country, like Advocate Health, and even in our own market, like Sharp HealthCare. We share ideas, because we’re all always trying to learn what habits we need to do better in caring for our patients.”

Those habits are everything, Keswani says. “Ideas become beliefs. Beliefs turn into habits; habits then become common practice. Then this becomes your culture, and you are ready to jump into a value-based contract. In short, every dance has its steps, and it is important to be deliberate.”

A brief look at Scripps’ history reveals that they did not dive headfirst into value-based care by any means.

Stutter-Steps to Value

When Scripps Health incorporated Scripps Clinic in 1999, the company reviewed existing contracts and ultimately divested of all those in managed care. “Remember, many medical groups were struggling with managed care, especially in California,” Keswani explains. “At that point, Scripps Health was focused on rebuilding the financial strength of the organization with a fee-for-service model.”

As other healthcare organizations made bolder steps into managed care, Scripps began to put their toes in the water with a few managed care contracts. “We rebuilt our strength and grew from there. When I joined in 2012, there was an organizational decision to move more toward value-based contracts,

but there was internal debate on the pace of change.”

Of course, change eventually did come. “Our President and CEO, Chris Van Gorder, FACHE, did make the call and said, ‘We will move into more risk-adjusted capitation.’ So we started to move down that pathway, and little by little we started adding up the pieces that we needed to succeed.”

One of those pieces came in 2017 when Scripps won a bid to provide value-based care for Qualcomm employees. In Keswani’s opinion, “this was the *Good Housekeeping* Seal of Approval. It was a recognition in our marketplace that Scripps was committed to value-based care.” Scripps Health soon began to add more capitated lives and fee-for-service accountable care organizations (ACOs). Scripps Health then signed on with the Medicare Shared Savings Program (MSSP), and now they have more than 300,000 lives in value-based care. “A significant portion of our revenue now sits in the value bucket,” he explains.

Responding to Turmoil

In order to manage the complexities involved in all these changes, Van Gorder made some organizational changes. The organization established two chief medical officer roles: one, Ghazala Sharieff, MD, MBA, to oversee acute care operations, and the other, Keswani, to oversee ambulatory care operations.¹

It is important to note that this restructure came after the organization lost \$8.7 million on their Medicare ACO product. We learn from our mistakes in order to reach our successes, just as Scripps Health has done.

Moreover, we build on our strengths. This is the first part of an outstanding mantra I have heard

Keswani share many times: “Start where you are. Use what you have. Do what you can.”

Build on Strengths, Capitalize on Opportunities

Wherever you are in your value journey, your next step is to take inventory of your current standings: examine your strengths as well as your opportunities. Scripps’ restructuring to align with their value transition is the perfect example of responding to an opportunity. Keswani also identifies what he considers to be Scripps’ strengths.

“I think our key unique strength is our strong physician relationships,” Keswani says. “If you want to jump into value-based care, you must make sure your physician relationships are strong and committed—the doctors must truly be aligned with this goal and have a strong desire to continue down this path.”

The second strength he shares is “a commitment from the C-suite to put the right resources in place. Are we going to invest in the analytics, the care management, the organizational structure?”

Most importantly, “is leadership looking for a ‘big bang,’ or is leadership truly committed to continuous improvement?” Keswani is confident in Scripps’ commitment to the steps it takes to build success beyond making a splash with a big contract or two. “They’re not afraid of boredom. They’re not afraid of rituals. They’re not afraid of improving every single day.”

He likens this mindset to Pat Riley’s request that each player on his Lakers team improve his output by at least 1% over the course of the season.² “That’s how you win championships, right?” says Keswani.

Building these habits is the “boring” way we reach greatness.

Even when our routine is uprooted by a world that is suddenly turned upside down, we still must apply our habits and competencies to turn our challenges into opportunities.

Value Through a Pandemic Lens

“The last two or three years have really taught us more about value than I had learned in my entire career up to that point,” Keswani shares. “When the global COVID-19 pandemic hit, we all became public health organizations. All of a sudden, we needed to think, ‘How do we vaccinate a population? How do we open centers at stadiums and large venues? How do we reach out to people who were home and unable to come in for their prescriptions?’”

Keswani describes the pandemic as “a crash course in population health and public health.” As a result of this incredibly difficult experience, Scripps as an organization is “more advanced in population health than we would have been otherwise.”

It is difficult to talk about how we emerge from this pandemic without discussing the increased burden of health that is beginning to manifest from deferred care. As Keswani explains, this is a challenge for value-based care: “We’re seeing a higher burden of illness with flat reimbursement. There is a mismatch.”

On top of that, “our primary care and frontline clinicians are overwhelmed and beleaguered,” Keswani says. And if that weren’t enough to put a strain on our healthcare systems, we are also experiencing an “explosive growth in technology that will be transformative to our field,” but as Keswani explains, “since it’s very expensive, organizations are juggling how much of this technology they can afford.”

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—Anil Keswani, MD

All of these challenges culminate in what Keswani has termed “a financial pandemic for not-for-profit healthcare systems. In my opinion, the next 18–24 months will be an uncertain period for many health systems.”

How do we advance in our transition to value in the face of such trials?

Get Your Toes Wet, Stay the Course

Keswani offers advice on how to proceed: “If you’re new to your value journey, I advise you to concentrate on building your culture and your competencies. Get your toes wet with an MSSP track or a fee-for-service ACO model. Be honest with your organization and yourself to recognize that your business model change will be gradual rather than completely changing overnight.”

For organizations like Scripps with more experience in value-based care, Keswani advises to “hold steady.” He says, “Right now, Scripps is focusing on addressing operational expenses by reviewing pharmaceutical and supply costs. We need to keep the ship in these financial waters, while staying the course with our value-based initiatives.”



Measure What Matters

Wherever you are in your value journey, “measure what matters” is Keswani’s final message.

“Just start to lay out very simply what you want to achieve,” he explains. “Be intentional, and determine which key metrics you need to track. Organizations have a tendency to make these metrics overly complex, which can create too much noise for you to see what’s really important.”

Specifically, Keswani says, “Pick three to five things that you want to track and know every day. Consider how to build the right habits around improving them.” When you look at those metrics, remember Pat Riley’s mindset of 1% improvement.

As long as we make that improvement, we are moving healthcare in the right direction. **GRJ**

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