

Physician Leadership in Reforming Health Care Delivery

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Physician Leadership

- The **foundation** of success
- **Imperative** for successful risk-based contracting and value based purchasing
- **Central** to the direction of reform: cost control, payment reform, access to care
- Far beyond “engaging” physicians....
- ***Must be a strong and equal partnership with aligned incentives and shared risks***



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Leadership

Leadership is about defining and achieving ***transformational change***.

As physician leaders how do we create, foster and achieve transformational change within our organizations?



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What Do Leaders Really Do?

- Interpret the “*outside*” for the “*inside*”
- Clarify mission....*why* are we here?
- Clarify direction and *rationale* for change
- Team builders and effective communicators
- Risk takers and decision makers
- Relationship builders
- Exemplars
- Ask the tough questions



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Change

Leading change is challenging.

Leading change requires energy.

Leading change upsets the balance

Leading change seeks to create a new norm.



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Leadership and Management: How are they Different?

J. Kotter, HBR, 1990

Management is about ***cop*ing with complexity.**

Good management brings a degree of ***order and consistency*** to key dimensions of organizational work like the quality and profitability of products

Management keeps things moving, ***budgets, promotes order, and executes the vision***



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Mount Auburn Cambridge IPA (MACIPA)

- Founded in 1985 to organize physicians and negotiate managed care contracts
- 513 physician members who admit to Mount Auburn Hospital and/or Cambridge Health Alliance
- MACIPA takes full risk capitation from three major local health plans since mid 90's
 - Blue Cross Blue Shield of MA
 - Tufts Health Plan and Tufts Medicare Preferred
 - Harvard Pilgrim Health Care
- 46 employees
- 45,000 capitated lives



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MACIPA Membership Practice Statistics

Practices	Physicians
• MAPS (Hospital owned)	161
• Private Practices	247
• Cambridge Health Alliance	105
•	
• PCPs	94
• Specialists	402
• PCP/Specialist	17
•	
Total Number of Office Sites	180



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MACIPA and Mount Auburn Hospital

- Managed care partners since 1985
- History of investment in systems and programs to manage costs
- ***Shared values for the role of the physicians***
- Teaching hospital level care without costs of a major academic medical center
- Systems established to prevent leakage to costlier hospital care
- Active and engaged leadership partnering with payers to achieve mutual goals



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Mount Auburn Hospital

Strong focus on quality, safety, efficiency and value

- ***Strong history and focus on managed care***
- ***Strong medical education with focus on primary care***
- ***Competitive on cost and price***
- ***All IS systems (EHR, CPOE) “meaningful use” certified***



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Mount Auburn Hospital and MACIPA as Risk Partners

- Each are independent entities with no legal structure joining
- Contracts with payers are signed as 3-way agreements, each sign independently
- Risk shared between hospital and IPA is defined and agreed to outside the agreement with payers
- Service agreements between hospital and IPA defining:
 - Who provides service (e.g. MACIPA provides data warehousing; Mount Auburn administers reinsurance program)
 - Compensation to be provided for each service
 - Terms of the service to be provided



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Physician Leadership: MACIPA Infrastructure

- Case Management
- Medical Management
- Referral Management
- Pharmacy Management
- Data and Reporting
- Contracting
- Quality Improvement
- EHR Department
- IT Department



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BCBSMA “Alternative” Quality Contract (AQC): A New Model

The goal of the AQC is to reduce the medical expense trend of participating organizations over a five year contract term.

- **Global Payment:** a budget based methodology combining fixed amount per-patient adjusted annually for health status and with annual increases in line with inflation
- **Quality performance incentive payments**
 - Tied to the latest nationally accepted measures of quality, effectiveness and patient experience
 - Quality metrics for both inpt and outpt care

AQC Quality Performance Measure Set

Hospital Quality and Safety

- **Clinical process measures**
 - Acute MI
 - Heart Failure care
 - Pneumonia care
 - Surgical care
- **Clinical outcomes measures**
 - Hospital-acquired infections
 - Complications after major surgery (AMI, PE/DVT, Pneumonia)
 - Obstetric trauma
- **Patient Care Experiences**
 - Communication (MD, nursing staff)
 - Responsiveness
 - Discharge support/planning

Ambulatory Care Quality

- **Clinical process measures**
 - Depression
 - Diabetes
 - Cardiovascular Disease
 - Cancer Screening
 - Pediatric: Appropriate Testing / Treatment
 - Pediatric: Well Child Visits
- **Clinical outcomes measures**
 - Diabetes (HbA1c in poor control, LDL-C control, blood pressure control)
 - Hypertension (blood pressure control)
 - Cardiovascular Disease (blood pressure control, LDL-C control)
- **Patient Care Experiences**
 - Quality of clinical interactions
 - Integration of care
 - Access to care

Keys to Success

- Leadership and culture
- PCP focus
- Highly data driven; valid and reliable data is vital
- Education first with rewards before penalties
- Win/Win relationships between PCPs, Specialists and Mount Auburn Hospital
- Quality and efficiency focused
- Well developed programs & infrastructure
- IS systems
- Aligned incentives are essential!



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Moving forward...

Five key initiatives

1. Continued improvement in IS systems
2. Greater attention to population health
3. Deepening efforts at reducing waste and improving efficiencies
4. Cultivating the next generation of physician leaders
5. Growing and expanding our quality and safety initiatives



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