Cornerstone Health Care: Running with the Bulls and Eating Elephants

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Mission:
To be your medical home

Vision:
To be the model for physician-led health care in America

Values:
As a physician owned and directed company, we are committed to ensuring that patient care is efficient, effective, equitable, patient centered, safe, and timely
The Time is NOW

We are at the beginning of what we expect will be the single fastest transformation of any industry in US history.
Current Health Care Spending is Unsustainable

National Health Expenditures per Capita and Their Share of Gross Domestic Product, 1960-2008

Between 1999-2009, health insurance premiums rose 131%, general inflation rose 38% and wages rose 28%.
2001
38 Million Americans without Health Insurance

2010: 52 Million Americans without Health Insurance

Only 25% of those who lost their health insurance coverage over the past 2 years have been able to obtain additional coverage.
Healthcare Leaders on Reform Readiness

60% of healthcare leaders say neither the quality nor the efficiency of healthcare at their organization will get any better under healthcare reform.

These same clowns say

- 58% say the financial strength of their organization will deteriorate under the act
- 38% expect to cut services because of government reform efforts
- 39% expect to cut staff because of government reform efforts
- 34% say the act should be repealed
- 71% say some elements of the act should be repealed
This is our last chance... 

“This is our last chance through creativity and innovation and leadership on our own to deal with bending the cost curve.”

“And if the industry fails, it will face a range of onerous solutions ranging from spending caps to global budgets to rate review.”

Failure to prepare is preparing to fail.

- John Wooden
The Value Proposition

- Health care cost and utilization trends are **unsustainable**
- **Unexplained variation** in practice accounts for 25% of total Medicare expenditures (Dartmouth-Atlas)
- Lowering payments is **not a good answer**
- Incentivizing patients, providers, and payers around value and appropriate utilization should be a **key strategy** for improvement

Market Context

- Value based health care necessitates a **transformative shift** in the **clinical** and **business model**.
- Absent change, **all participants** (drug and device makers, hospitals, and clinicians) should expect declining reimbursement and take home pay
- CMS has sent a **clear message** where they want to take the market within a 3-5 year time horizon via the Pioneer ACO Model (improved quality and patient-centeredness, full risk, multi-payer, limited cost shifting to commercial payers, declining per capital health care costs)
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<tr>
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Consolidation is a sign of an industry in decline
Competition is not where you think it is

Successful companies that reinvent themselves to change with the times survive and thrive
Innovation Changes How Services are Delivered

- There will be continued downward pressure on health care providers to control costs while improving quality of care provided.

Delivery System Reform

- Fee-for-service reimbursement will be continually subject to reductions in fees, external efforts to control utilization, and scrutiny of care provided.

- Favorable reimbursement will be shifted to those providers able to demonstrate value through providing high quality care at the lowest cost.
Risk Tolerance 1991

- Fee-for-Service w/ performance incentives
- Bundled Payments
- Shared Savings
- Partial Capitation
- Full Capitation

Risk Tolerance 2011

- Fee-for-Service w/ performance incentives
- Bundled Payments
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- Full Capitation
OPPORTUNITIES FOR HEALTHCARE COST REDUCTION

- Improved Inpatient Care Efficiency
- Use of Lower-Cost Treatments
- Reduction in Adverse Events
- Reduction in Preventable Readmissions
- Improved Management of Complex Patients
- Use of Lower-Cost Settings & Providers
- Improved Prevention & Early Diagnosis
- Improved Practice Efficiency
- Reduction in Unnecessary Testing & Referrals
- Reduction in Preventable ER Visits & Admissions

Lower Total Health Care Cost
Controlling Population Expenses By Improving Care For Patients Need in Costly Services


ACCOUNTABLE CARE ORGANIZATION

How Do You Eat an Elephant?

One Bite at a Time!
Let’s Start Munching!

Cornerstone Health Care 2011

• 1,500 employees
• 182 physicians
• 61 locations
• 31 specialties
• 155 shareholder physicians
• 133 mid-levels
• Total net revenue: $175,000,000
• 34th largest employer in the Triad
• 7th largest employer in High Point
• Our physicians practice in 31 separate specialties in 73 locations and on staff at 10 different hospitals and 5 health systems
• Selected by The Business Journal as the fifth fastest growing company in the “Fast Fifty” in the Triad
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<th><strong>Specialty Practices</strong></th>
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Ancillary Services

- Audiometry
- Behavioral Medicine
- Clinical Pharmacy
- Imaging
- Infusion Services
- Laboratory Services
- Pain Management
- Physical Therapy
- Sleep Lab

Geographic Locations

- Archdale
- Asheboro
- Advance
- Greensboro
- High Point
- Jamestown
- Kernersville
- Lexington
- Trinity
- Thomasville
- Summerfield
Our vision is to be the model for physician-led health care in America

How to Position Ourselves for Accountable Care

- Leadership and Vision
- Engaged Provider Network
- Effective Medical Management
- IT infrastructure and clinical benchmarking
- Administrative Infrastructure
- Capital to Fund Development and Cash Flow
- Risk Management
Organizations that are Accountable for Care

- Medical Home
- Clinical Integration
- Information Integration

Accountable Care Organization

Medical Home Model

- Care Facilitators
- Care Coaches
- Evidence Based Protocols
- Promotes patient-centric education and compliance with therapy
- Case Managers
- Coordination of information exchange at points of patient-hand-off

Drives Costs Out of the Hospital
Disease Management
Care Coordination
Steps to a Medical Home Model

Clinical Pharmacy Services
• Coumadin Management
• Diabetes Management
• Polypharmacy Management

Extended and Weekend Hours
• Ancillary Services Care
• Primary Care
• Some Specialty
• Multiple Locations

Medical Home Professional
• All 1500 Employees completed intranet video training in medical home concepts
• After completion of coursework received certificate of recognition
• Required part of orientation for new hires

Outpatient Infusion Center
• Antibiotics, other meds
• IV Fluids
• 7 days a week

Patient Care Advocates
• Improve the overall patient experience in the PCMH model
• Disease Education
• Service Recovery

Cornerstone Health Care at Westchester
Medical Home Results

- >20,000 weekend/extended hours 2010 and growing
- 13 Primary Care Practices NCQA Recognized Level 3 Medical Home
- ADA Certified Diabetes Center
- High Press Ganey patient satisfaction scores

Clinical Integration
Clinical Integration

- Foster collaboration to improve quality of care
- Improve quality and efficiency of independent providers
- Enable providers to perform well in pay-for-performance and other public reporting
- Gain experience in forming provider organizations responsible for an entire entity

Clinical Integration

Short Term Goals
- Align the goals of independent practices and hospitals
- Improve quality and efficiency of patient care
- Improve profitability of mission critical service lines and practices

Long Term Goals
- Create service lines that are regionally recognized as the preferred destination for patients in the region
- Create a sustainable ACO that will meet the health care needs of the population of patients in the community
Clinical Integration Results

Top 50 Heart Hospital
Premier Plaza Thriving
Second Hospital Clinical Integration Project Near Completion
Other hospital affiliated specialties in progress

Information Integration

Test Tracking
Referral Tracking
Performance Reporting and Improvement
Electronic Care Management Support
Registry Reporting
Clinical Decision Support
Population and Clinical Benchmarking
Actuarial Risk Adjustment
### Cornerstone’s Information Integration Projects

- Electronic Health Record
- QBM (Clinical Decision Support Tool)
- Practice Financial Benchmarking
- Practice Clinical Benchmarking
- Meaningful Use
- Medicare Registry
- Patient Portal
- ANCETA Collaborative
- NCHEX

### Information Integration Results

- **~$500,000 PQRI incentive money 2010**
- **~$95,000 e-prescribe money 2010**
- **New Medicare Advantage contracts based upon quality/cost gain-sharing incentives**
- **Local commercial ACO project with HPRHS involving our own employee populations**
The Three Economic Components of our Health Care System

Capital
Risk
Knowledge Workers

A more effective and efficient health care delivery system will require a new integration of information between these three components.
Population Health Management

Performance Improvement

- Structure of Care
- Setting
- Processes of Care
- Care delivery & Care coordination
- Health Outcomes
- Population management
Data! Data! Data!

Our Success Will Depend Upon Access to and Understanding of Entirely New Sources of Information

Three Stages of Health Care Information

- 1980
  - Scheduling
  - Billing

- 2000
  - Electronic Health Records
  - Clinical Decision Support

- 2015
  - Community not facility focused
  - Identification of Outliers
Population Management

- Will use clinical dashboards and identification of outliers
- Will need tools such as Humedica Minedshare to understand relationships between cost, outcomes and treatment options in the population
- Will not be facility focused

Data-Driven Collaboration
ANCETA Participants

- Billings Clinic – Billings, MT
- Carilion Clinic – Roanoke, VA
- Cleveland Clinic – Cleveland, OH
- Community Physicians of Indiana – Indianapolis, IN
- **Cornerstone Health Care – High Point, NC**
- The Everett Clinic – Everett, WA
- Henry Ford Health System – Detroit, MI
- The Iowa Clinic – West Des Moines, IA
- Lahey Clinic – Burlington, MA
- Mid-Hudson Medical Group – Fishkill, NY
- Mount Kisco Medical Group – Mount Kisco, NY
- Riverside Health System – Newport News, VA
- Sentara Healthcare – Norfolk, VA

Identification of high risk patients and learning where they receive care is a first step.
Patients with Diabetes and Diastolic BP ≥ 100, No Ambulatory eRx for any HTN Medication

Drill down to patient list from any display (these are de-identified data)

Facile Hypothesis Testing: Do high A1c values drive ED/ER visits up?
Almost 80% of the DM patients with hypertension had an ED/ER visit.

In one medical group, response to postcards for patient outreach was seen only in zip codes with higher levels of education.
Different choices in the first drug after metformin across 7 medical groups

Variability across groups in the use of TZDs

More use of insulin in this group, less use of DPP4i and incretin mimetics, more sulfonylureas

Less use of insulin in this group, more use of DPP4i and incretin mimetics

Use Comparative to Measure Total Performance

Pay-for-Value Quadrant

Pay-for-Value Quadrant

Color = % of Patients at Goal at end of time period

Productivity/Efficiency
Advanced Data Visualization Highlights Variance

Self-organizing "heat map" shows practice pattern for each physician and specialty (each row = one PCP).

Heavy use of ambulatory resources.

Associated with fewer inpatient days.

Within this overall pattern, some physicians' patients are achieving better glycemic control.

How do we get there?

FFS ➔ FFV
What do they have in common?

FFS  

FFV
CORNERSTONE HEALTH CARE, P.A.
PATIENT CARE ADVOCATES
PHONE SCRIPT

PREPARE/ATTRACT/SATISFY/PRESERVE

SMILE! (We offer QUALITY healthcare)

EXCELLENT differences we hope to bring to our care:

- Review, Patients Health Information/Diagnosis/Age/Family History
- Prepare
- First name, Center, Department...needed
- Take notes, while preparing, future task reminders, etc.
- Schedule + template/requirements

Remember, We are here to our reach/service... the extended hands for our Providers.

INTRODUCTION

Hello, may I speak with ________?

This is _________. I am a Patient Care Advocate with Cornerstone Healthcare.

WELCOME

Ask the patient: Is now a good time?

YOU ARE ABOUT TO ENTER A SMILE ZONE!

SMILE UPON ENTERING 😊

Thank you,
Patient Care Advocates
Success will depend upon deep transformational change

Next Steps

Expand Information Integration and Data Analytic Capabilities
- ANCETA
- Computer Order Entry
- Electronic Health Record
- Health Information Exchange
- Population Management
- Registry Reporting

Expand Clinically Integrated Service Lines
- Cardiology
- Emergency Services
- Hospitalists
- Neurology
- Oncology
- Orthopedics
- Surgery
- Women’s Services

Expand Medical Home Development in Primary Care

Next Steps
- Care Coordination
- Disease Management
- NCQA Recognition Program
- Use of Mid-level providers
Strategic Initiatives

- Reorganization along Clinical Service Lines
- Medicare Advantage Gain-sharing Contracts
- Partnership with hospital and insurer for employee ACO
- Aggressive Customer Service Training

Are We…

- Running with the Bulls?
- Eating Elephants?
It is not the strongest species to survive, nor the most intelligent, but the one most responsive to change.

-Charles Darwin