

The Experience of a Physician Practice as an ACO

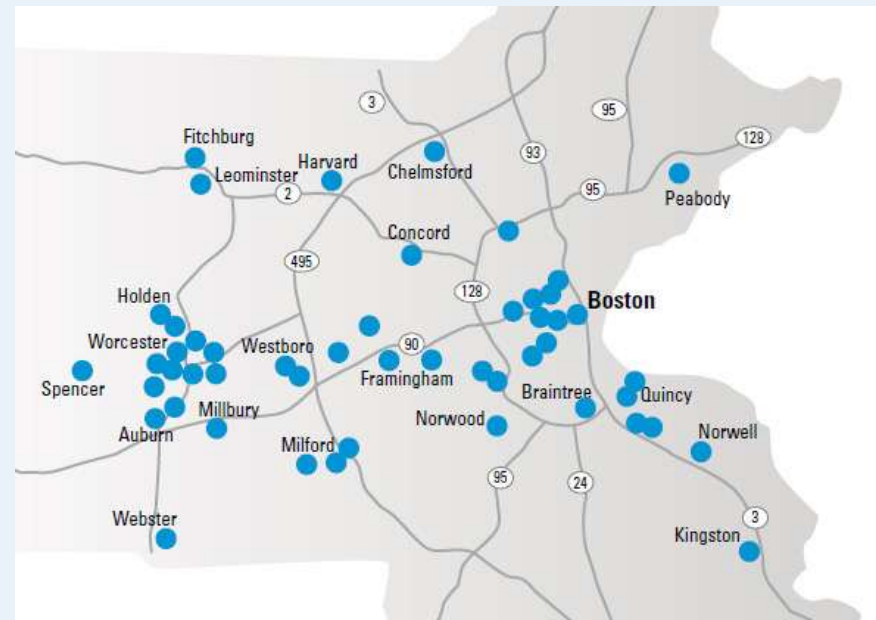
Gene Lindsey, MD

President and CEO

Atrius Health and Harvard Vanguard Medical Associates

Massachusetts Health Data Consortium, December 14, 2011

Atrius Health



- Non-profit alliance of six leading independent medical groups
 - Granite Medical
 - Dedham Medical Associates
 - Harvard Vanguard Medical Associates
 - Reliant Medical Group
 - Southboro Medical Group
 - South Shore Medical Center
- Provide care for ~ 1,000,000 adult and pediatric patients in almost 50 ambulatory sites
- 1000 physicians, 1450 other healthcare professionals across 35 specialties
- Largest physician-based “Accountable Care Organization”



Atrius Health

- 100% on EMR combined with corporate data warehouse, used for managing quality and cost. Patient portal.
- Long history with global payments, currently managing >50% of our patients with global payments across commercial, Medicare and Medicaid populations.
- Strong infrastructure to manage risk



Recent Consolidations and Partnerships support our care across the continuum

- New England Baptist Hospital as orthopedics partner
- Primary tertiary partner: Beth Israel Deaconess Medical Center
- Reliant Medical Group, formerly Fallon Clinic joined Atrius Health on 10/1/11 as our sixth group
- Clinical affiliation with Dana Farber Cancer Institute at Harvard Vanguard Kenmore
- Preferred provider relationship with VNA Care Network and VNA Care Hospice

Atrius Health perspective in 2011

- Healthcare cost reduction is required to prevent chaos
- Legislative action likely to achieve better usage of health dollars
 - Medicare ACO Programs
 - Super Committee
 - Local Legislation
- Unless costs are controlled quickly through improvement efforts, quality will suffer.
- Physician 'job doability' is still a problem
- Primary care workforce shortage is coming
- Local market beginning to address these issues

VUCA World

Volatile

Uncertain

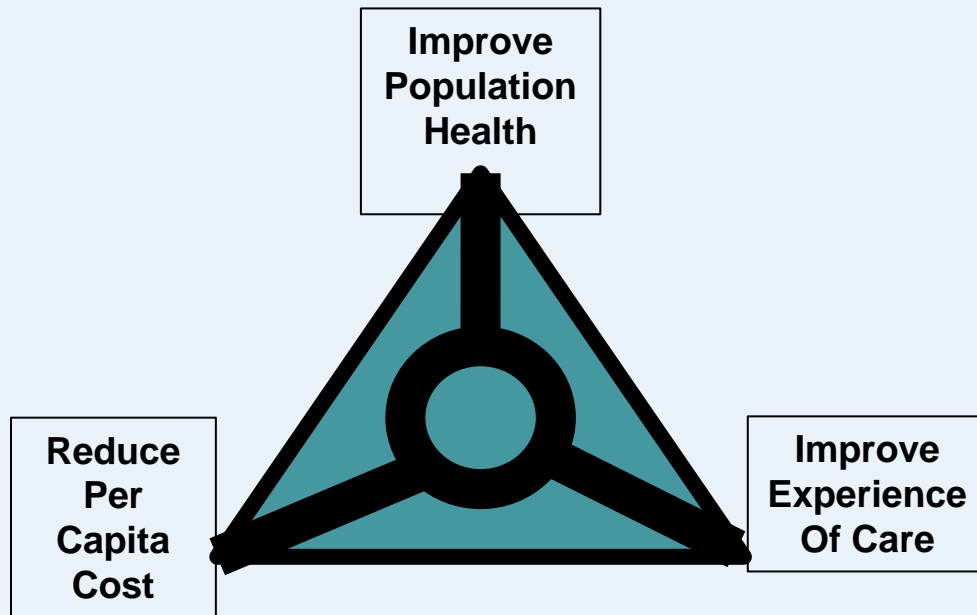
Complex

Ambiguous



Achieving Quality

The Triple Aim



IOM Definition

- Patient-centered
- Safe
- Effective
- Efficient
- Equitable
- Timely

- And sustainable

How we are facing the future at Atrius Health

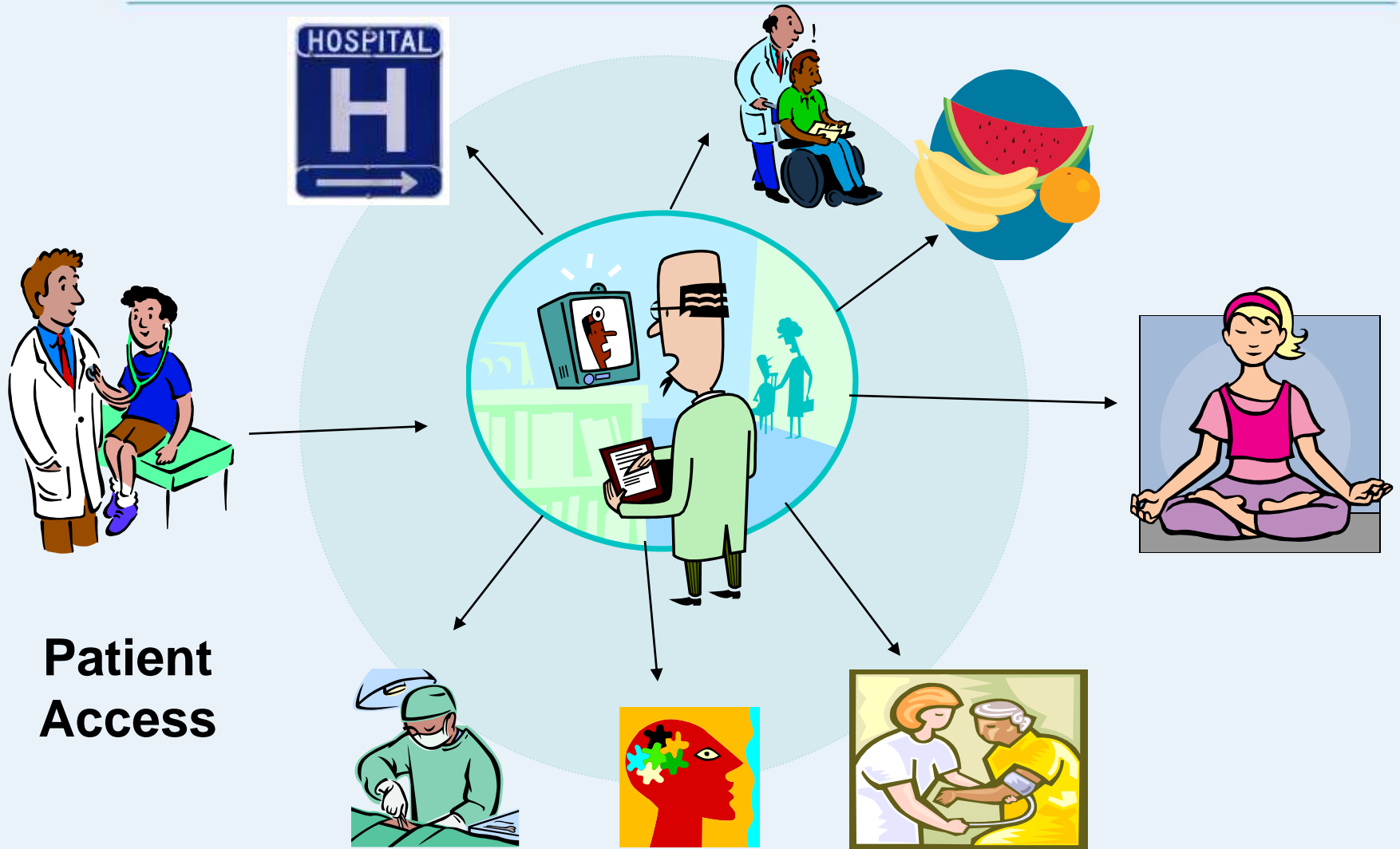
- Foster culture of service to patient
- Strengthen our distributed physician leadership at all levels in the organization
- Continue our LEAN journey to improve quality, patient safety, patient experience, and reduce costs
- Implement & spread Patient Centered Medical Home, including management of high risk populations
- Create compact with staff at every level to clarify roles at top of license
- Strengthen collaboration across specialists, hospitals, and post-acute care
- **Become a successful Accountable Care Organization without hospital ownership but in collaboration with many hospital and provider entities**

The concept of an Accountable Care Organization is not new

“The existing deficiencies in health care cannot be corrected simply by supplying more personnel, more facilities and more money. These problems can only be solved by organizing the personnel, facilities and financing into a conceptual framework and operating system that will provide optimally for the health needs of the population.”

Dr. Robert Ebert, Founder,
Harvard Community Health Plan, 1969

Role of Accountable Care Organizations



Health Information Technology Plays an Important Role in Accountable Care

- Collect and store medical information
- Provide real-time decision support
- Capture claims for hospital, specialist and pharmacy outside of our offices to facilitate better coordination of care
- Population management
- Outreach for preventive services and tests
- Patient portal – approximately 200k patients
- Share information across organizations to support transitions

Two Kinds of Change

Technical

- Problem is well-defined
- Solution is known, can be found
- Implementation is clear

Adaptive

- Challenge is complex
- To solve requires transforming long-standing habits and deeply held assumptions and values
- Involves feelings of loss, sacrifice (sometimes betrayal to values)
- Solutions requires learning and a new way of thinking, new relationships

We will challenge “Simple rules”

Replace:

“I am accountable”

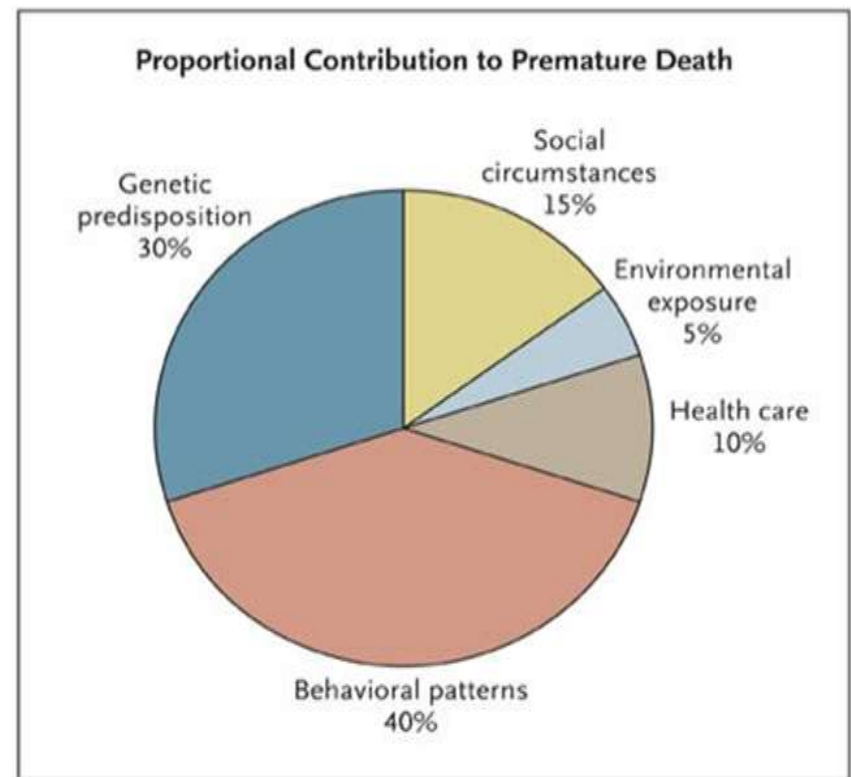
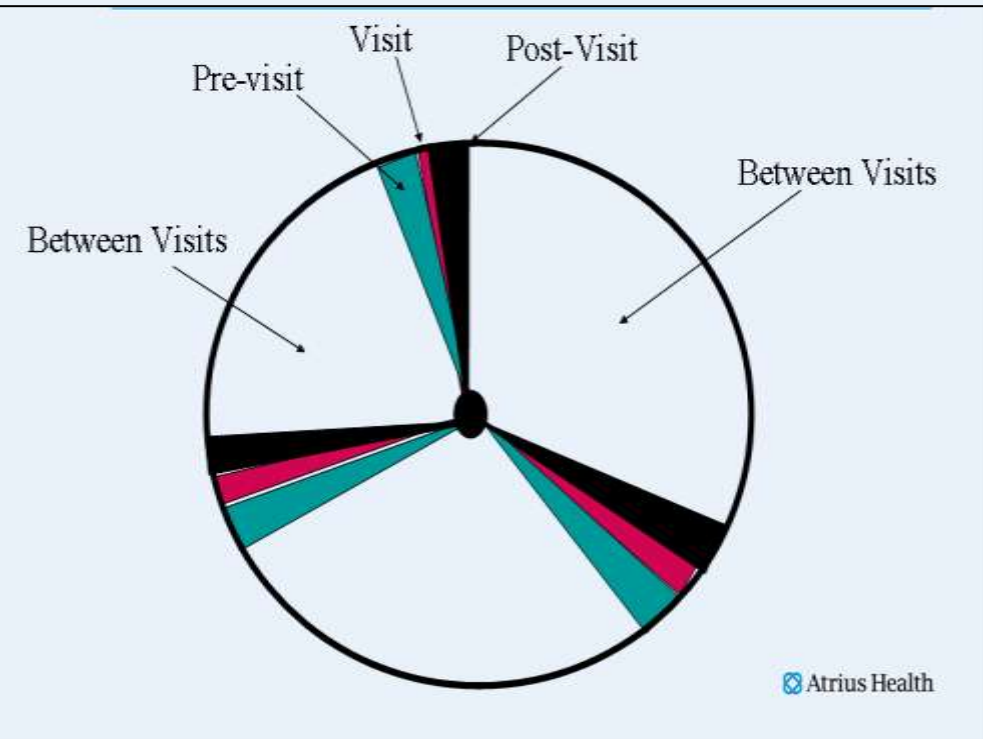
With:

“We are accountable”



From Accountable Care Organizations, Marc Bard and Mike Nugent, 2011

Opportunities to improve health lie outside of the hospital and the office



Schroeder S. N Engl J Med 2007;357:1221-1228

The 4 Paradigms of Care

Hospital
(1st Paradigm)



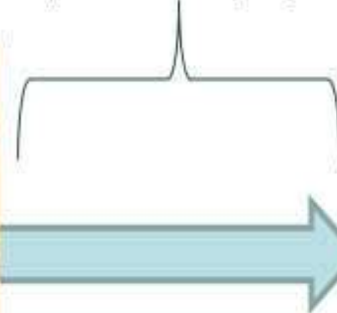
- Late Stage and Acute Care
- High Complexity
- High Cost
- Least Patient Participation

Clinic
(2st Paradigm)



- Early and Mid Stage of Care
- Less Complexity
- Less Cost
- Moderate Patient Participation

In Between
(3rd Paradigm)



Community of Care
(4th Paradigm)

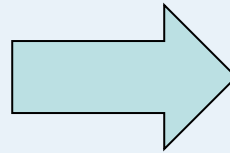


- **Most Preventive Proactive Care**
- **Least Complexity**
- **Least Costly**
- **Most Patient Participation**

Our Challenge is to Move



**From
Physician-
centered
system**



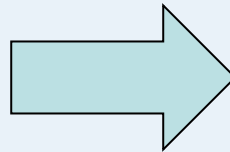
To



**Patient
Centered
system**



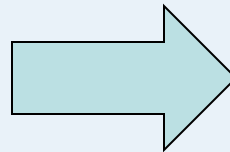
**Volume-based
reimbursement**



**Value-based
reimbursement**



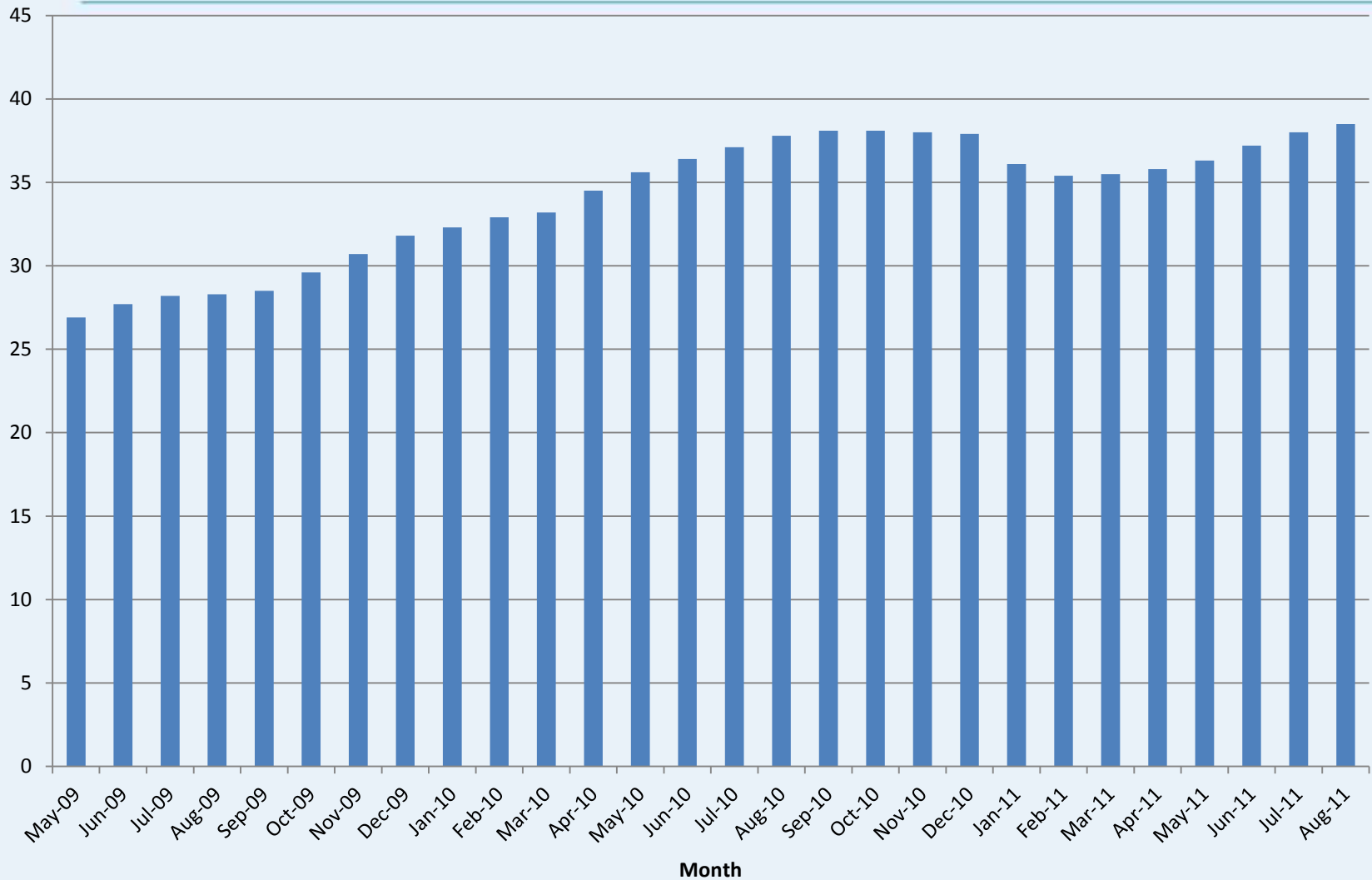
**Price
focus**



TYPE OF SERVICE	TOTAL BILLED
Medical Visit	
Testing / X-ray / Lab	
Surgery	
TOTAL THIS CLAIM	

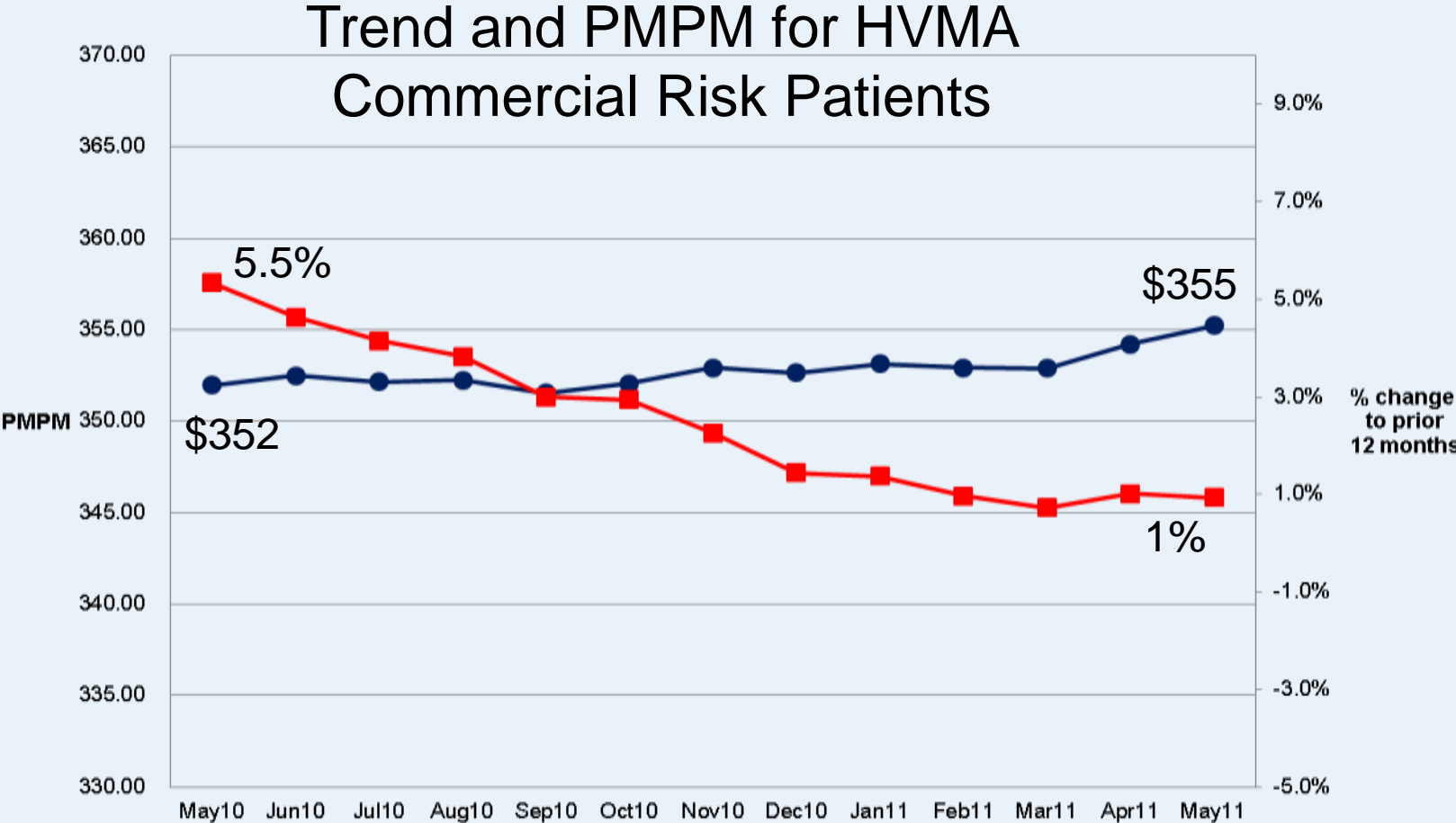
**Total
Medical
Expense**

Outstanding Quality Measurement



DM Composite Outcomes: LDL control, HbA1c Control, BP control

We have cut cost growth trend to near zero



PMPM = Total medical expense per member per month
Trend = % Change in rolling 12-month PMPM
HVMA Commercial Risk Patients = Harvard Vanguard Medical Associates patients who are covered in a risk arrangement (global payment) instead of fee for service



Reflections...

The future we predict today is not inevitable. We can influence it, if we know what we want it to be...

We can and should be in charge of our own destinies in a time of change.

Charles Handy
The Age of Unreason