

Co-Management: Successfully Improving Performance Across the Care Continuum

May 10, 2013

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Introduction

Surgical Care Affiliates

- 150 ASCs, surgical hospitals, and hospital surgery departments
- More than 2,200 physician partners and 6,000 total physicians choosing SCA facilities every year
- 30 hospital and health system partners
- Leader in clinical quality
- Operating systems for ASCs, surgical hospitals, and hospital surgery departments



Genesys Health System

- 450 bed regional medical center
- 20,000 surgical cases across three operating room sites
- Three surgical co-management agreements, functioning for over three years in collaboration with perioperative management team



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Objectives

- Level set on understanding the basics of co-management agreements
- Identify critical success factors for implementation
- Present how co-management arrangements are utilized
 - To achieve performance improvement in the operating rooms as well as across the hospital(s) and entire care continuum

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Agenda

- Overview Clinical Co-Management
- Successful Implementation of Co-Management: First Generation
- Co-Management Successes in the Hospital and Across the Continuum: Second Generation

Case studies and best practices summary contained in Appendix

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Clinical Co-Management

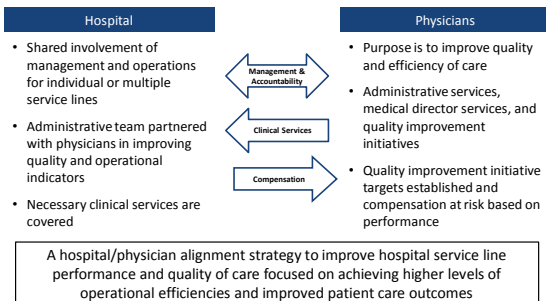
Common Themes in the Health System/Hospital Market

- Desire to aligning with physicians and growing market share
- Seeking an alternative to traditional employment models
- Building a high-quality, lower-cost delivery model
- Seeking physician alignment as part of ACO/bundled payment strategy
- Optimizing service line performance across the entire care continuum
- Physicians disengaged and not part of decision making process
- Decreased focus and loss of interest after agreement signed

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Co-Management Roles and Expectations

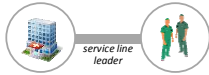


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Physician Co-Management Evolution

First Generation Co-Management – Individual Hospital



A "First Generation" co-management agreement is specific to one hospital and the participating physicians
Results are contained to the individual hospital and physicians practicing therein

First generation co-management is focused on a single specialty or subspecialty and often lacks true physician integration extending into overall strategic planning

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Physician Co-Management Evolution

Second Generation Co-Management/Orthopedic Example – Total Service Line



"Second Generation" total service line co-management provides true physician integration.
Physicians participate in operational management and strategic planning across the entire continuum

Second Generation Co-Management – Multiple Hospitals/Health System



A "Second Generation" co-management agreement adds to the core by integrating additional hospitals and physicians and expanding along the care continuum
Patient outcomes and operating efficiencies are optimized across the entire community when implemented as part of a health system alignment strategy

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Clinical Co-Management

Core Elements of Success

- Transparency of information between hospital and physician leaders
- Accountability to commitments from both sides
- Aligned interests around success
- Hospital and physician leadership understanding of each others "worlds", recognition of objectives and time frame for success

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Pre-signing Success Factors

- Transparency between all parties
- Clear organization
- Structure that balances needs of hospital and physician leaders
- Setting goals that are mutually agreeable and both hospital and physicians play a clear in role in success
- Level setting expectations
- Meetings focused on collaborative discussion and decision making
- Reporting/data gathering
- Setting appropriate benchmarking
- Learning how the other thinks

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How to Impact Success In Your Organization

- Transparency between all parties
- Clear organization
- Structure that balances needs of hospital and physician leaders
- Setting goals that are mutually agreeable and both hospital and physicians play a clear in role in success
- Level setting expectations
- Thorough preparation
- Meetings focused on collaborative discussion and decision making
- Reporting/data gathering
- Appropriate benchmarking
- Learning how the other thinks

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Co-Management Up and Running: First and Second Year Success Factors

Critical Success Factors:

- Transparency between all parties
- Cooperative relationships which enable real time decision making
- Strategic plans developed with all parties fully participating
- Common language
- Recognition and acceptance of baseline data
- Leadership structure to manage day-to-day operations
- A culture of transparency between physician and hospital leaders
- Aligned objectives and goals
- Trust between all participants

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Examples of Second Generation Co-Management Goals

- Established work groups ready to move into new areas aligning with strategic and annual operating plans
- Work groups focused with hospital group on formation of ACO
- Orthopedic access for joint replacement focused on strategies to maximize prior to entry into system
- Heart surgeons working with payers on bundled payments
- Improved ED throughput and reduced wait times
- PAT medical clearance process
- Supply chain management, universal pick sheets

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Need for National Co-Management Network

- Develop a best practices forum
- Share experience with co-management arrangements
 - Surgeon/anesthesia/primary care participation
 - Collaboration with Hospital executive and service line leaders
- Discuss how to increase effectiveness
 - Identify best practices
 - Review use of tools and other resources
 - Achieving support from non-participating physicians
- Identify improvements to quality incentives
 - Create ideas for new initiatives and measures
 - Draw information from National Quality Organizations
 - National benchmarking sources
- Present success stories
- Discuss use of Lean and other PI methodologies to obtain results
- Invite national guest speakers/continuing education

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Summary of the Benefits of Co-Management

- Improved clinical and quality outcomes
- Shared service line management
- Operational efficiencies
- Strategic and operational planning
- Program development and growth
- Alternative payment model strategies
 - Accountable Care Organization
 - Bundled Payments
 - Pay for Performance

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Case Study: Ascension - Genesys Health System


System Profile



- 450 bed regional medical center
- 20,000 surgical cases across three operating room sites

Design and Manage Co-Management Relationships

- **Established a governance council and co-management companies**
 - Physicians engaged to manage perioperative resources
 - Integrated leading management and clinical practice
 - Developed clinician led supply/implant expense management
- **Results**
 - Improved SCIP measures to 90%
 - Improved efficiency measures
 - 85% OR utilization (from 65%)
 - 20 minute average turnover
 - 95% on-time starts
 - Reduced labor and implant expenses



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Case Study: TriHealth

Bethesda Butler County and Bethesda Surgery Center

System Profile



Bethesda Butler County

- 10 bed surgical hospital with 8 operating rooms, 7 procedure rooms, ED, MRI, CT and sleep center
- 70 plus physician medical staff

Bethesda Surgery Center

- 4 operating room musculoskeletal focused HOPD
- 25 plus physician medical staff

Daily Operations and Design and Manage Co-Management Relationship

- **Daily Operations of Bethesda Butler County**
 - SCA providing overall management services in surgical hospital including imaging and sleep center
 - Placement of onsite leadership team who are integrated into SCA and TriHealth
 - Implementation of case profitability analytics, scheduling and optimization models, financial and operational benchmarking and quality best practices
- **Designed co-management agreement for surgical hospital, ancillary services and HOPD**
 - Physicians engaged to manage clinical, operational, and business aspects of surgical hospital/HOPD in conjunction with TriHealth and SCA
 - Governance board formed to oversee co-management agreement and includes representation from physicians, TriHealth, and SCA
 - Co-management agreements include 30 plus physicians representing multiple specialties
 - Co-management agreements include quality improvement initiatives in which compensation is "at-risk" based on achievement of predetermined quality indicators
 - Facilities achieving 100% SCIP measures and top industry performance in operating measures (turnover time, FCOTs, etc.) and patient satisfaction
 - Formation and participation of co-management network with our large co-management to share best practices



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