

# The Strategy and Impact of Philanthropy on Hoag's Institute/Program Model

Wednesday, April 3, 2019

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Senior Physician Executive, Hoag Memorial Hospital Presbyterian

The Ron and Sandi Simon Executive Medical Director Endowed Chair,

Pickup Family Neurosciences Institute, Hoag

Adjunct Professor, Stanford University

**Flynn A. Andrizzi, PhD**

President, Hoag Hospital Foundation





# Our Population



**3,084,515** people



Average age **36** years old



**\$74,987** median household income  
(**21%** higher than that of CA's **\$61,801**)



**\$826,375** average net worth

*Income data for Orange County is sourced from census, 2015*

**2**

**Acute Care  
Hospitals**

**1**

**Orthopedic  
Hospital**

**11**

**Urgent  
Care Centers**

**8**

**Health  
Centers**

**6,000**

**Employees**

**1,700**

**Physicians**

**52**

**Different  
Specialties**

Sixty-five years old, Hoag has evolved into a nationally renowned, nonprofit regional health care delivery network consisting of:

**30,000**

**Inpatients**

**588**

**Beds**

**6,826**

**Births**

**117,235**

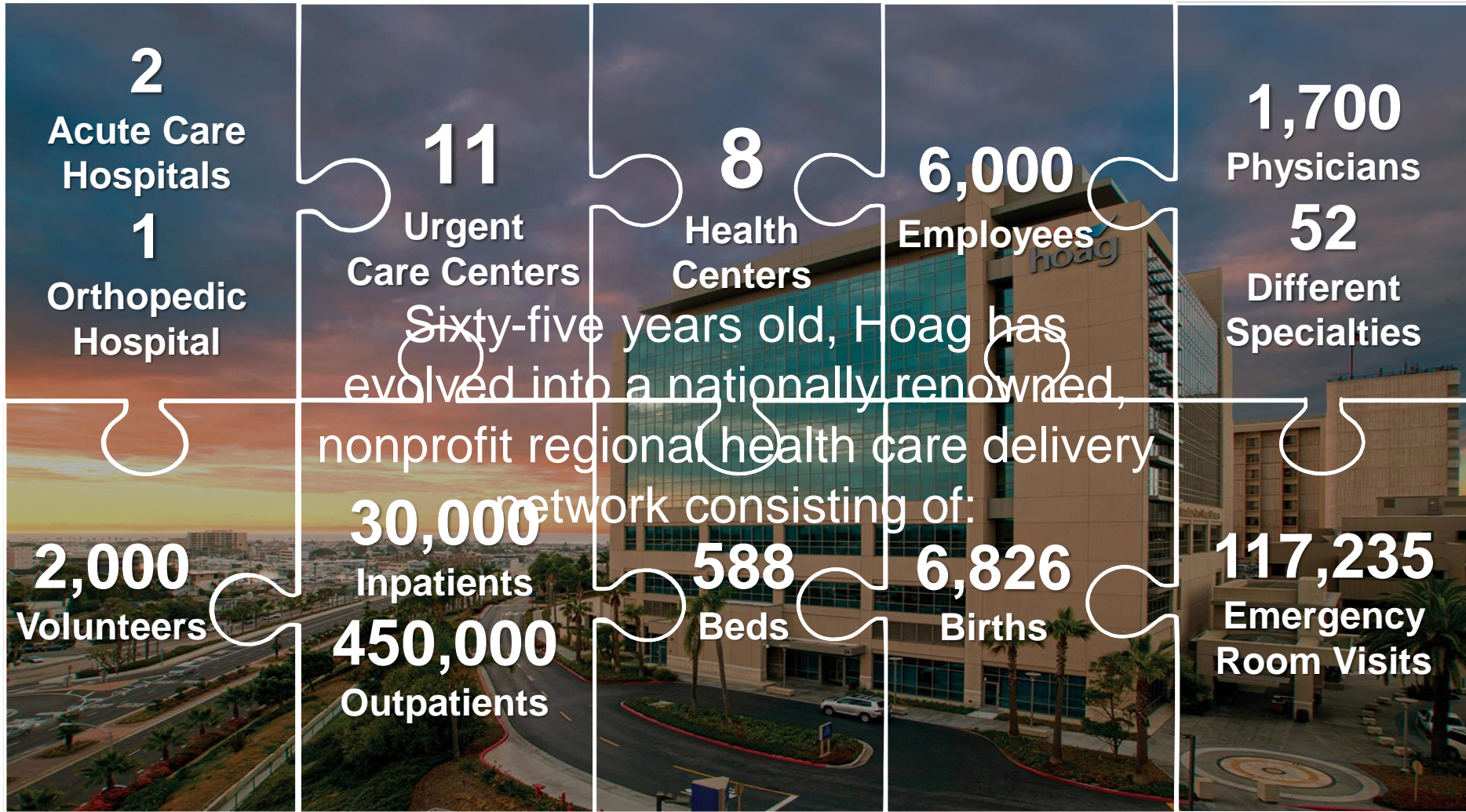
**Emergency  
Room Visits**

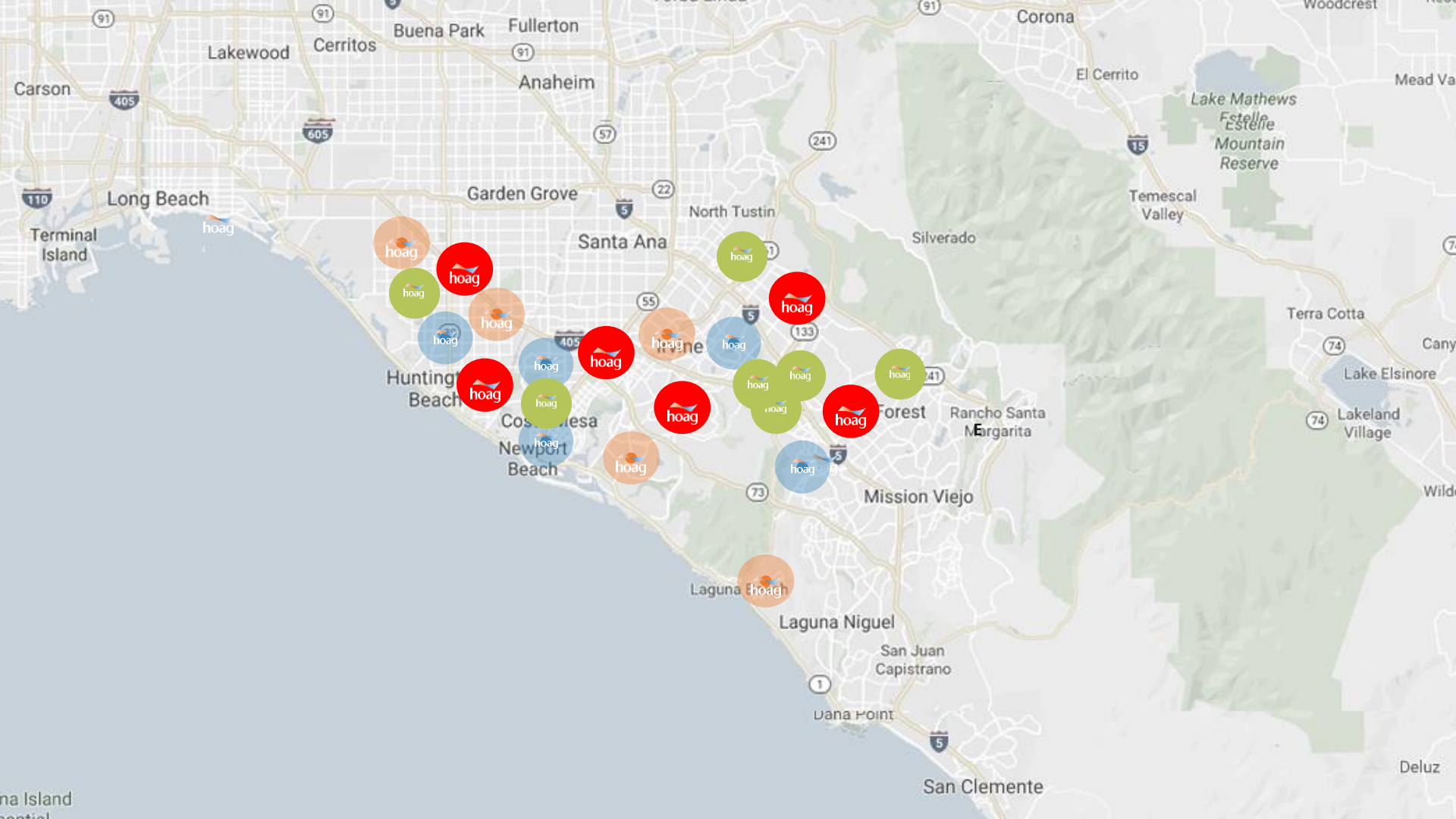
**2,000**

**Volunteers**

**450,000**

**Outpatients**





One of **America's Top 50 Hospitals** by  
an independent health care research  
firm for the 7<sup>th</sup> consecutive year

One of **100 Great Hospitals in  
America** by *Becker's Healthcare*  
5 times

Ranked in **4 specialties** nationally:  
**#23** Gastroenterology/GI Surgery  
**#31** Orthopedics  
**#41** Urology  
**#49** Geriatrics

One of **America's  
50 Best Hospitals™**  
by *Healthgrades* for  
the 8<sup>th</sup> consecutive  
year

**Best Regional  
Hospitals** ranked:  
**#4** - LA metro area  
**#8** - California



**Hoag Awards & Accolades**



# High Performing in All Nine Types of Care



ABDOMINAL AORTIC ANEURYSM REPAIR

AORTIC VALVE SURGERY

COLON CANCER SURGERY

COPD

HEART BYPASS SURGERY

One of only 29 hospitals in the US to earn the top rating in all nine procedures and conditions – less than 1% of those evaluated (4500)

One of only 18 hospitals in the US to do so for the last two years in a row



HEART FAILURE

HIP REPLACEMENT

KNEE REPLACEMENT

LUNG CANCER SURGERY



Pickup Family  
Neurosciences Institute



Digestive Health  
Institute

Hoag  
Orthopedic  
Institute



Hoag Family  
Cancer Institute

# Hoag Clinical Institutes

## Why?



Jeffrey M. Carlton  
Heart & Vascular Institute



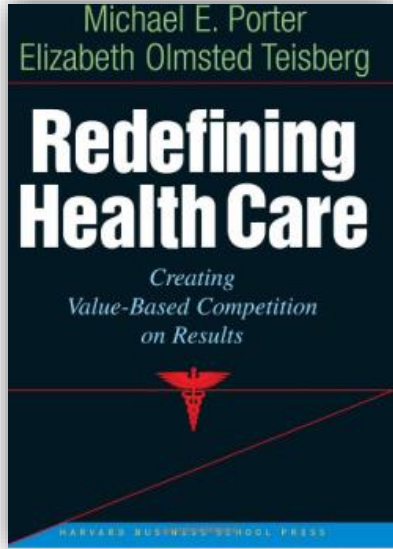
Women's Health  
Institute



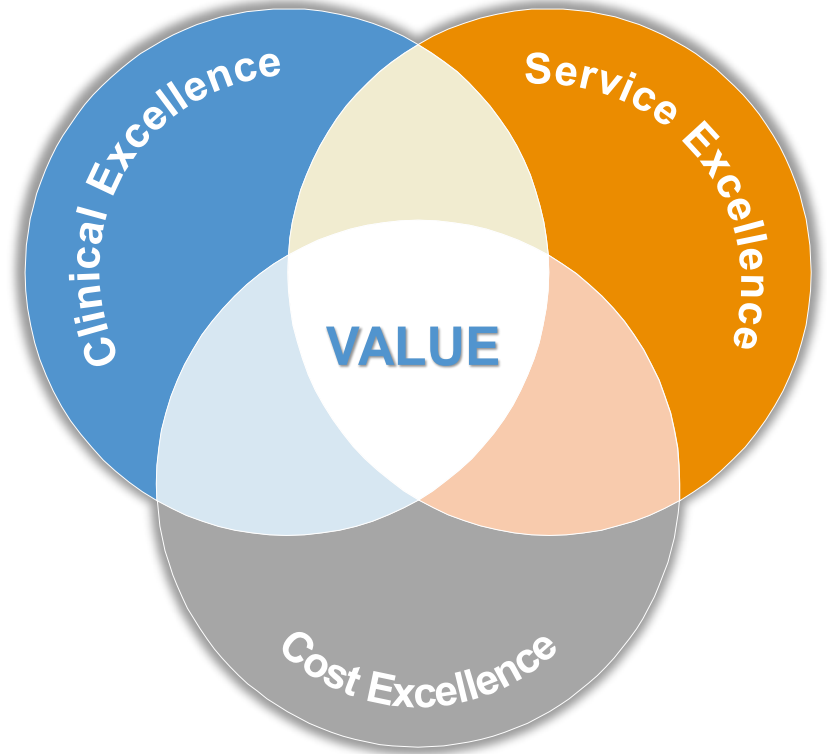
Mary & Dick Allen  
Diabetes Center

# VALUE = Outcome + Patient Experience / Cost

...must be defined around the **CUSTOMER**, not the provider

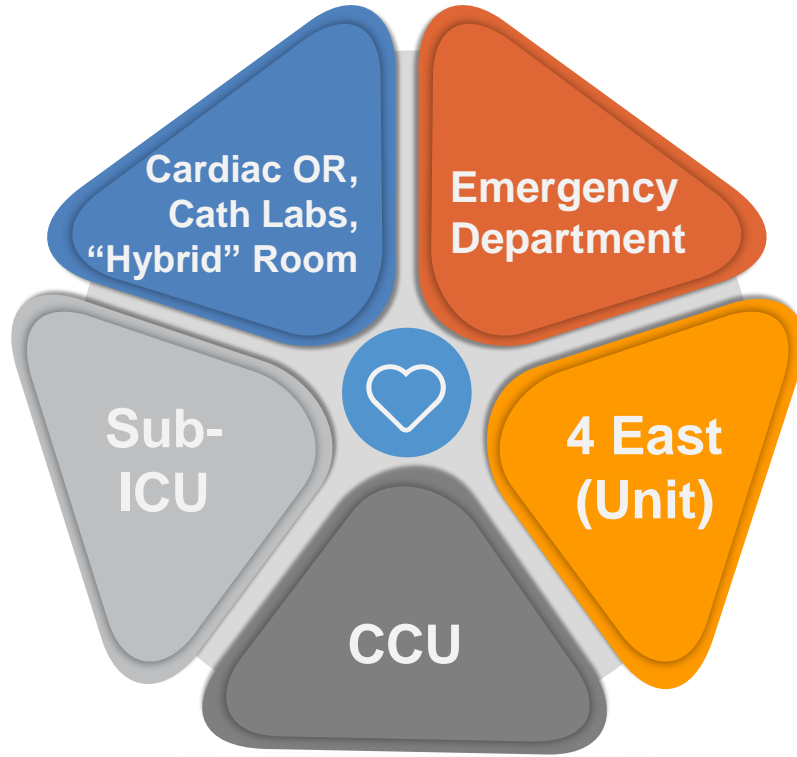


*“Better health per dollar spent”*





## “Cardiovascular Service Line” -Hospital Centric



“Cost Center” Silos

## Traditional Service / Unit Model

**Operational Units:** basic operations or process of care in a localized space - validated by efficiency and financial metrics

**Service Line:** Aggregation of operational units for a set of diseases or an organ system (e.g. cardiovascular service line, neuro, oncology) measured by financial, process efficiency and customer satisfaction metrics

HBR.ORG

# Harvard Business Review



OCTOBER 2013

REPRINT R1310B

**THE BIG IDEA**

## The Strategy That Will Fix Health Care

Providers must lead the way in making value  
the overarching goal by *Michael E. Porter*  
and *Thomas H. Lee*

Management

# HEALTH CARE TRANSFORMATION: FROM SERVICE LINES TO PROGRAMS

■ Michael N. Brant-Zawadzki, MD, FACR; Jack L. Cox, MD, MMM; Allyson Brooks, MD; and Junko Hara, PhD

## In this article...

Learn how the creation of programs helped a hospital in California achieve impressive gains in quality.



The NEW ENGLAND JOURNAL of MEDICINE

Perspective

APRIL 30, 2015

## Why Strategy Matters Now

Michael E. Porter, Ph.D., and Thomas H. Lee, M.D.

“That means reorganizing care around conditions into **integrated practice units (IPUs)** – **multidisciplinary teams** with the deep expertise, skill range and facilities necessary to achieve good outcomes efficiently and expeditiously throughout the care cycle. IPUs need to differentiate themselves from competitors by **emphasizing care for certain types of patients** – those for whom they can **achieve better outcomes and have particular expertise**, or those for whom they have similar outcomes, but can deliver care at a lower cost, more quickly, or more conveniently.”

# Hoag's Institute Model - Defined



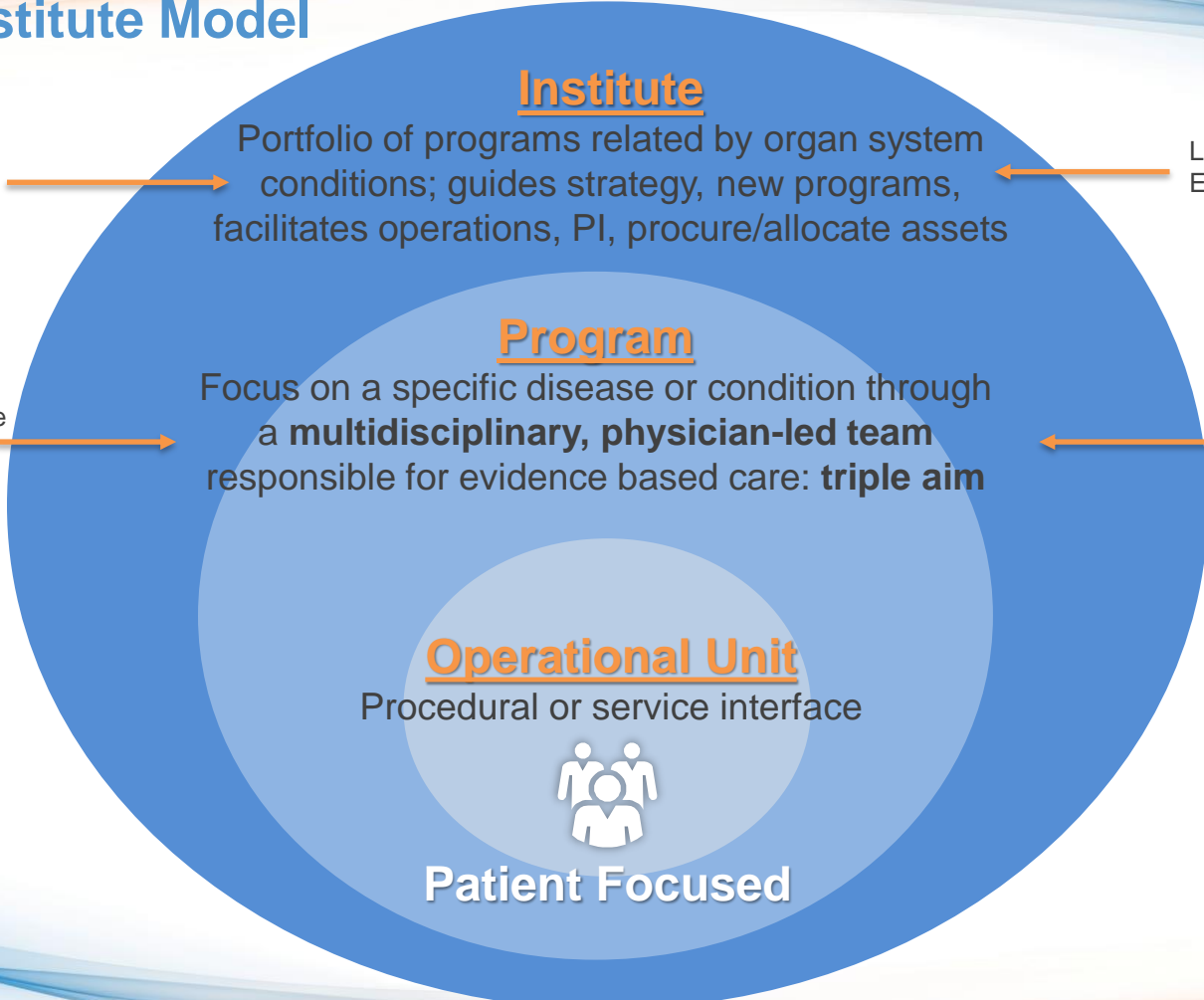
- Physician-led, strategic multidisciplinary team (IPU) coordinating care continuum and for a specific patient condition
- Best-practice care pathways, accountable for quadruple aim – includes research, education, navigation, support groups
- Outcomes driven (e.g. Heart Valve Program, Stroke Program, Breast Program, Head and Neck Cancer Program)



- Strategic executive direction for a portfolio of related programs (IPUs)
- Selects programs, procures/allocates resources, facilitates analytics, performance improvement, accountability metrics
- Promotes outreach (marketing)
- Philanthropy

# Clinical Institute Model

Program oversight,  
coordination, funding  
facilitation, promotion



## Institute

Portfolio of programs related by organ system conditions; guides strategy, new programs, facilitates operations, PI, procure/allocate assets

Led by an Executive Team:  
Executive Medical/Admin Directors

## Program

Focus on a specific disease or condition through a **multidisciplinary, physician-led team** responsible for evidence based care: **triple aim**

Program Metrics: Value  
Outcomes/Cost

Care Pathways  
Care Innovation

## Operational Unit

Procedural or service interface



Patient Focused

# Institutes / Programs – Executive Functions: Innovation, Growth, Strategy, Value

**hoag**  
Jeffrey M. Carlton  
Heart & Vascular Institute

**hoag**  
Women's Health  
Institute

**hoag**  
Pickup Family  
Neurosciences Institute

**hoag**  
Hoag Family  
Cancer Institute

**hoag**  
Digestive Health  
Institute

<b>Vital Services/ Departments Operations Units: Access</b>	<ul style="list-style-type: none"> <li>➤ Valve</li> <li>➤ Arrhythmia</li> <li>➤ Coronary Disease</li> <li>➤ CHF</li> <li>➤ Peripheral Vascular Disease</li> </ul>	<ul style="list-style-type: none"> <li>➤ Maternity</li> <li>➤ Breast</li> <li>➤ Gyn/Onc</li> <li>➤ Womanology</li> <li>➤ Mental Health</li> </ul>	<ul style="list-style-type: none"> <li>➤ Stroke</li> <li>➤ Brain Tumor</li> <li>➤ Epilepsy</li> <li>➤ Memory</li> <li>➤ Movement/Parkinson's</li> <li>➤ Mental Health</li> </ul>	<ul style="list-style-type: none"> <li>➤ Lung</li> <li>➤ Colorectal</li> <li>➤ Midgut</li> <li>➤ Melanoma</li> <li>➤ Sarcoma</li> </ul>	<ul style="list-style-type: none"> <li>➤ Inflammatory Bowel</li> <li>➤ Liver</li> <li>➤ Pancreas</li> <li>➤ Biliary-G.B</li> </ul>
Admin Process Improvement IT REFCO Revenue Cycle HR					
Emergency Department Radiology Pathology / Lab					
O.R. Anesthesia Ambulatory Surgery Centers Ambulatory Services 1206 D Clinics Timeshares					
ICU / CCU Nurse Floors Bed Utilization Patient Flow					



Pickup Family  
Neurosciences Institute

Programs	MD Specialties	Specialized Services
<ul style="list-style-type: none"><li>➤ Stroke<ul style="list-style-type: none"><li>➤ Aneurysms/AVMs</li></ul></li><li>➤ NeuroSpine/Back Pain</li><li>➤ Brain Tumors</li><li>➤ Pituitary/Skull Base Tumors</li><li>➤ Memory/Cognitive Disorders</li><li>➤ Epilepsy</li><li>➤ Headache<ul style="list-style-type: none"><li>➤ Cluster headaches, migraine, TMJ, TGN</li></ul></li><li>➤ Sleep Disorders<ul style="list-style-type: none"><li>➤ Insomnia, narcolepsy, sleep apnea</li></ul></li><li>➤ Movement Disorders &amp; Parkinson's<ul style="list-style-type: none"><li>➤ Essential tremor, dystonia</li></ul></li><li>➤ Multiple Sclerosis</li><li>➤ Pain Medicine</li><li>➤ Neurobehavioral Health<ul style="list-style-type: none"><li>➤ Addiction, adolescent mental health, ASPIRE, women's mental health, eating disorders*</li></ul></li></ul>	<ul style="list-style-type: none"><li>➤ Neurology</li><li>➤ Neurosurgery</li><li>➤ Neuroradiology</li><li>➤ Neurointensive</li><li>➤ Psychiatry</li><li>➤ Addiction Medicine</li><li>➤ Pain Medicine</li><li>➤ PM&amp;R</li></ul>	<ul style="list-style-type: none"><li>➤ Neuro / Interventional Radiology</li><li>➤ GammaKnife</li><li>➤ 3D Virtual Surgery Planning/Guidance</li><li>➤ Minimally Invasive Surgery</li><li>➤ Epilepsy Monitoring Unit</li><li>➤ Physical Rehab</li><li>➤ Robotic Spine Surgery</li></ul>

[https://youtu.be/FuZjHnpYL\\_4](https://youtu.be/FuZjHnpYL_4)

# Stroke Triple Aim

**Mortality Rate** 0.87  
O/E Ratio >1.0

**Medication Compliance** 99%  
Post D/C (vs 50% National)

**Code 20: Door to CT Time**  
18 min Goal: <20 minutes

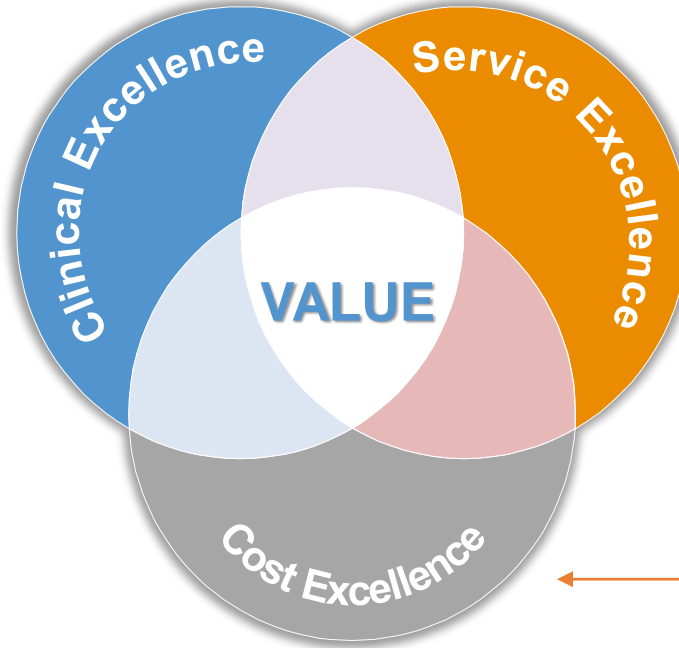
**Modified Rankin Score** 64%  
**Of 0-1 (self-sufficient) @ 90d**  
(vs. 35% NINDS trial)

**% of Eligible Patients that**  
100% **receive tPA**

**Overall tPA Tx Rate** 15.2%  
National (5-15%)

**Active Clinical Trials** 2  
**Start-Up Phase** 1

**ALOS** 3.4  
CMS LOS Expected (5.02)



## EMS Collaboration

- Quarterly meetings with stroke education
- Monthly Great Saves with treatment times reported
- Involved in PI door to tPA project

**D/C Follow-Up Calls** 100%  
72hrs/30 days/90 days

## Nurse Navigation Access

**Patient Satisfaction** 96.5%

## Public Education

10

- Strikeout Stroke Angels Stadium
- Stroke Awareness Health Fairs
- Community Presentations,
- Support Groups

**Philanthropy** \$5.3M  
Total Since Inception

**Stroke Volume - CY15:** 1000,  
CY07: 605, CY14: 854

**Stroke Ischemic: \$7,917**  
Direct cost/case Avg. MC  
Reimbursement: \$10,500



- Meeting FY17 Target
- Between Baseline and Target
- Unfavorable Compared to Baseline



# Congestive Heart Failure

Mortality Rate Medicare Only - 14%  
 State: 11:2%  
 National: 11.9%

Overall Mortality: 0.78  
 O/E Ratio

Clinical Trials: 3  
 Recently selected for multicenter  
 randomized CHF medication trial

% of Eligible Patients that Receive  
 ACE/ARB at D/C = 95%

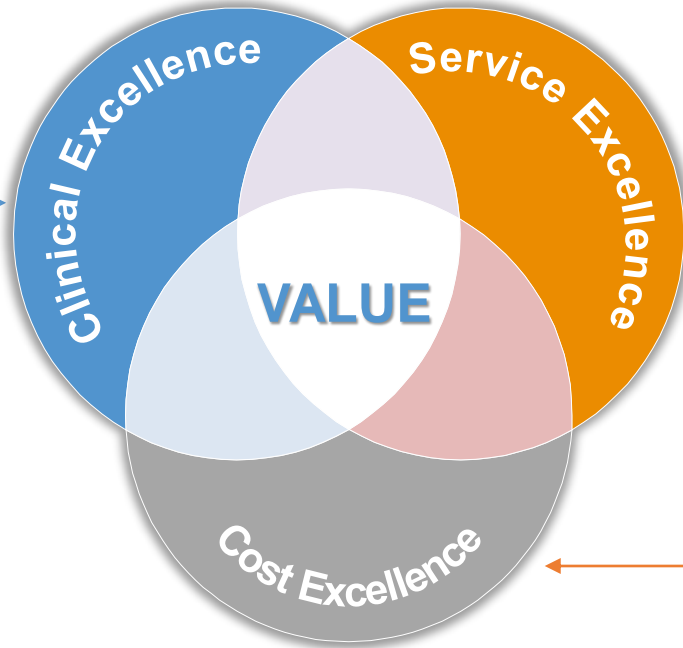
Medication Compliance - pathways  
 contain 2017 ACC/AHA guidelines to  
 reduce readmission

Readmissions  
 Medicare Only: 18.8%  
 State: 21.7%  
 National: 21.6%

Readmission Overall: 0.83  
 O/E Ratio

Great Places to Work  
 Cardiac Administration: 97

Employee  
 Experience



- Daily huddles with tele staff
- Pocket guide for nurse compliance with Core Measures
- House-wide education for patient education standard
- Updated patient education materials

D/C Follow-Up Calls 100%

Dedicated Nurse Navigation and NP  
 Both certified by AAHFN

Streamlined referral process to CARES Team

OP Clinic and Navigation of community based  
 resources

Public Education  
 - Community Presentations  
 - Support Groups

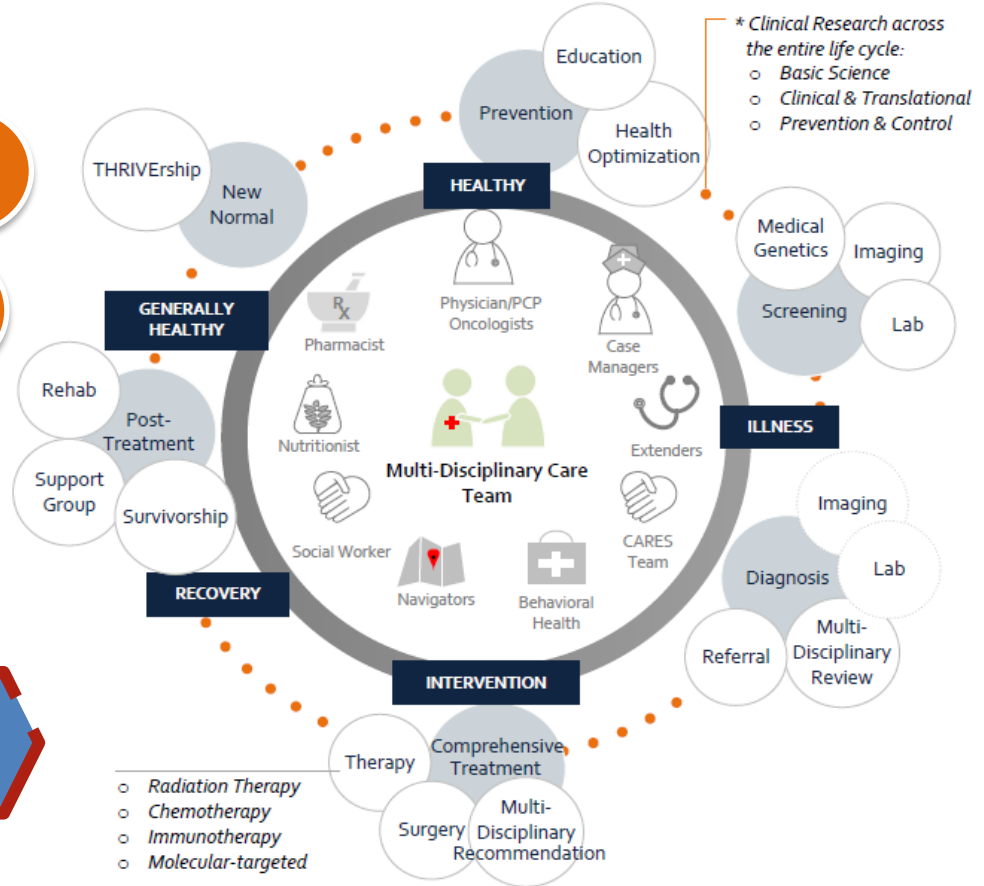
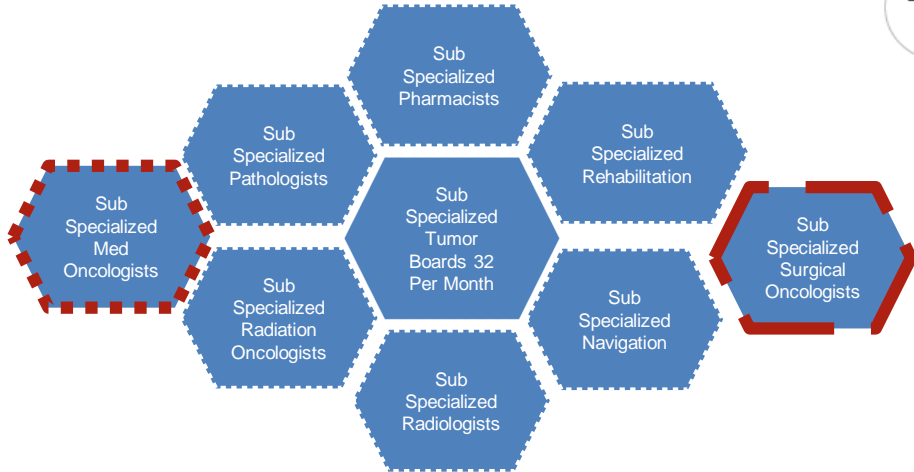
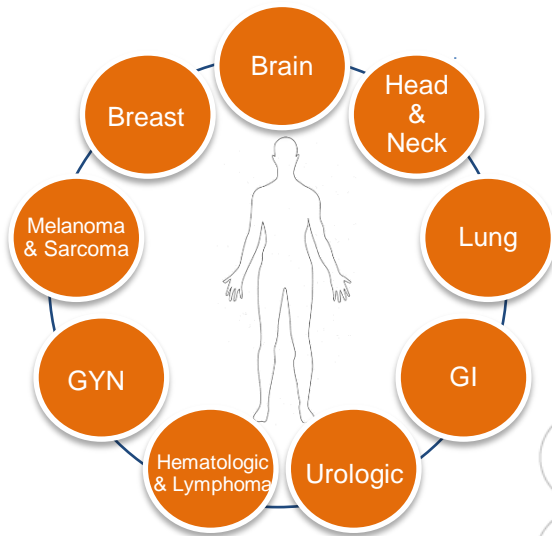
Philanthropy – Endowed Chair, Nurse NP and  
 Navigator

Physician compliance with CHF pathway

ALOS – Flat at 3.69 days compared to FY16  
 Direct Costs - Flat at \$7,333/Case compared  
 to FY16

- Meeting FY17 Target
- Between Baseline and Target
- Unfavorable Compared to Baseline





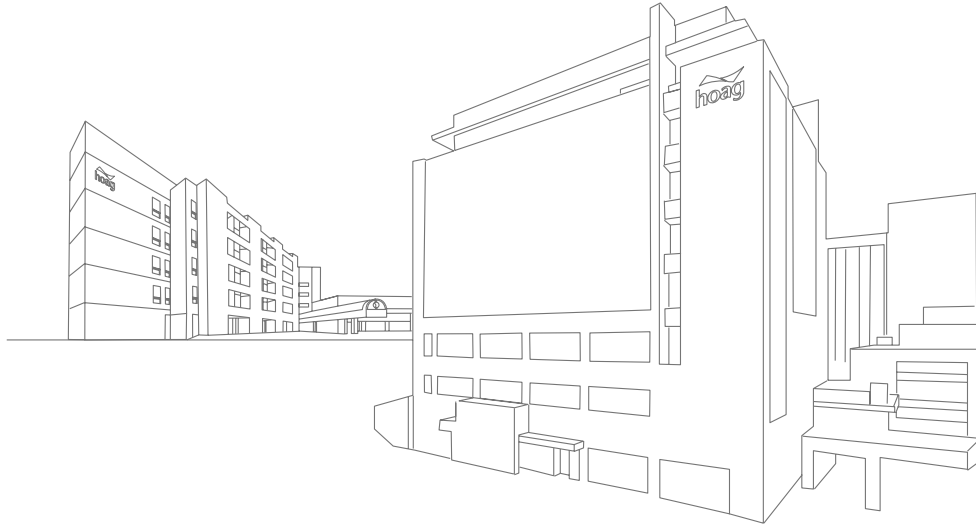


....is special!!!



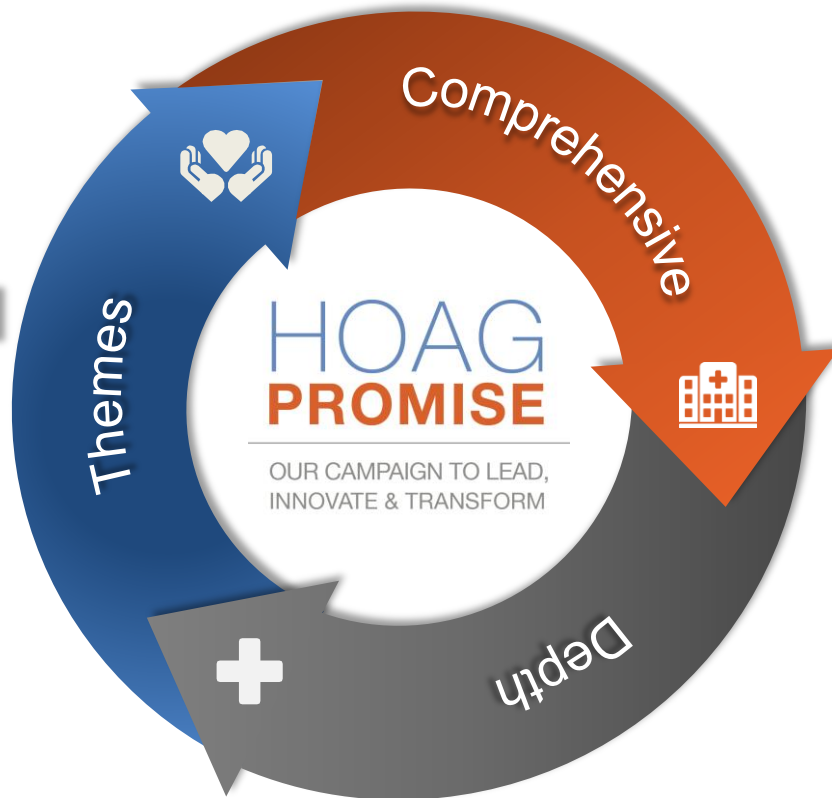
# Institute Based Philanthropy

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## The Promise of:

- Big Ideas
- Empowering You
- Extraordinary Leaders



## Encompasses every:

- Institute
- Center
- Specialty area

## Includes:

- Programs
- Innovation Opportunities
- Education
- Research
- Technology
- Facilities
- Clinical Staff



**Generalist**  
*Liaison to departments*



**Constituent-Based Development Officer**  
*Institute based*

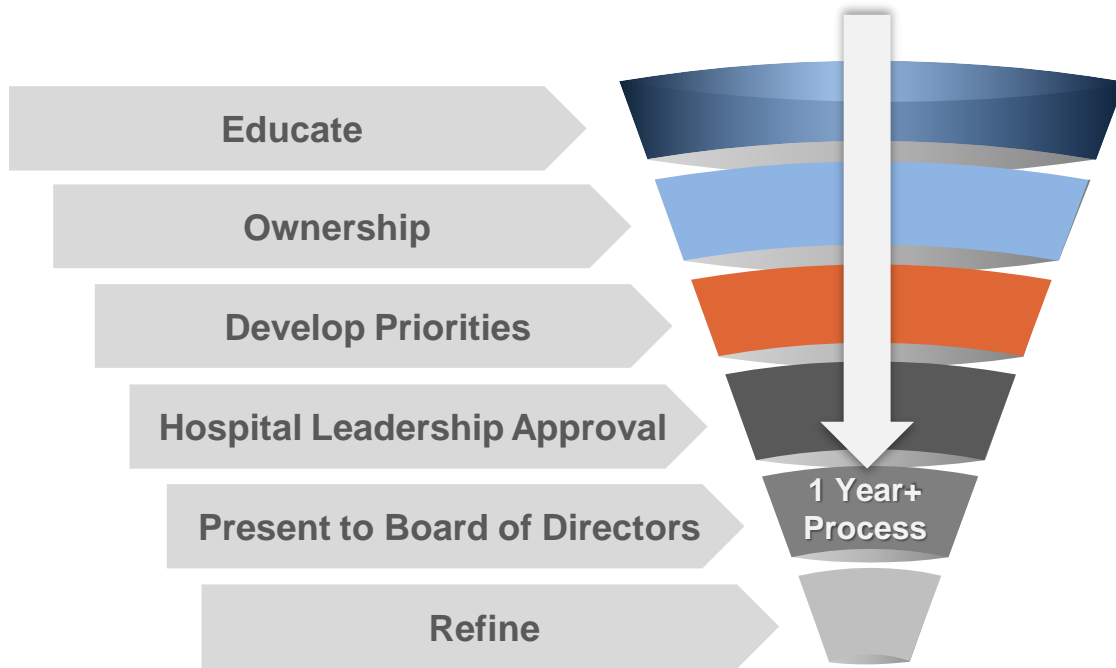


- Cultivate relationships with institute physicians
- Develop trust with institute leaders
- Knowledge experts; translate topics to lay audience

- Priority setting with institute leaders
- Support and engage institute leaders
- Strategically work with institute leaders ensuring funds are spent
- Donor stewardship

# Development Officer

# Priority Setting Process



- Educate internal staff on the Campaign priority process
- Hospital partners become co-owners of the process; begin brainstorming
- Conduct individual meetings with institutes to develop priorities
- Developed priorities to hospital leadership for approval
- Present approved priorities to Board of Directors
- After the Campaign kick-off and public phase begins, refine priorities and capture new ones





## Hoag Promise Volunteers



300+ Volunteers



150 Physicians



11 Campaign committees



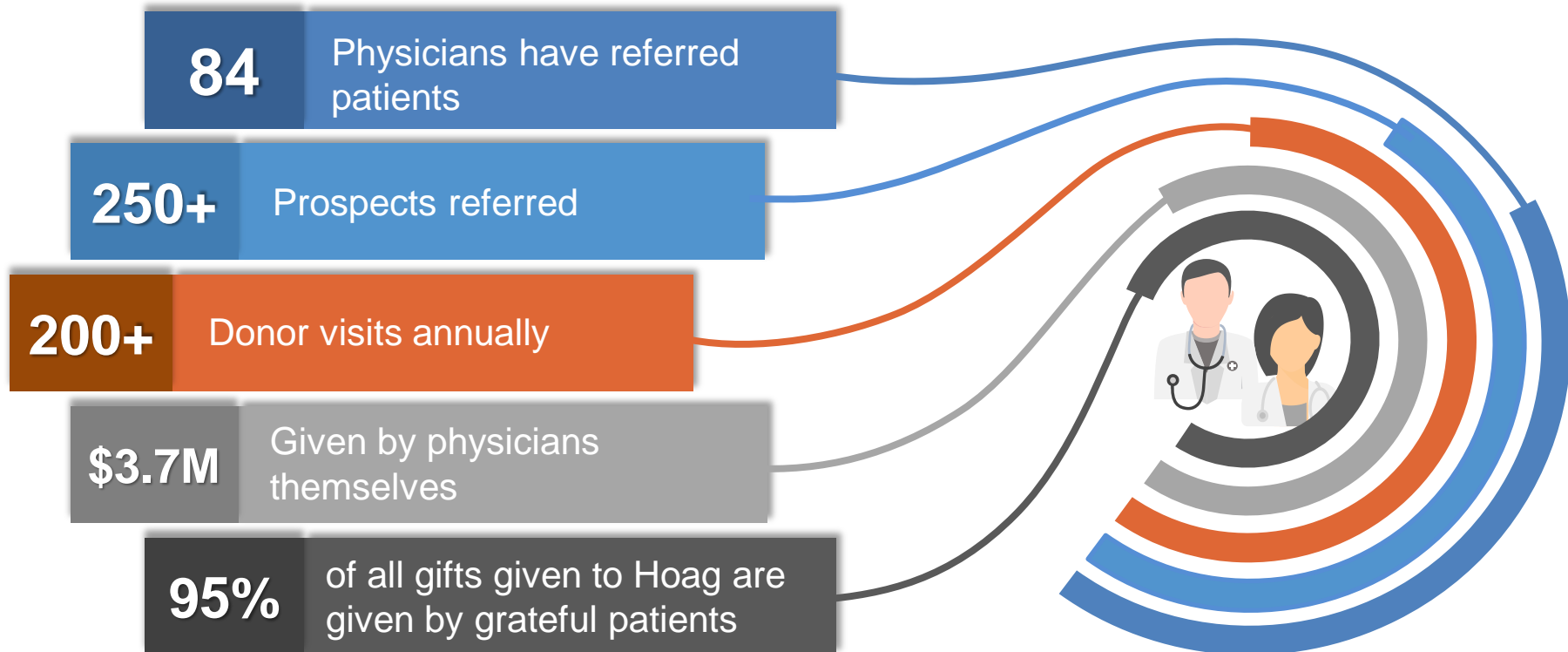
20-25 Volunteers per committee

# Physician Campaign Leadership Group



- Fully integrated into the planning, launch and ultimate success of the Hoag Promise Campaign
- Advises the Foundation regarding key strategies for physician engagement
- Participates in Foundation activities
- Spreads culture of philanthropy
- Strategic development priorities
- Grateful patient referrals

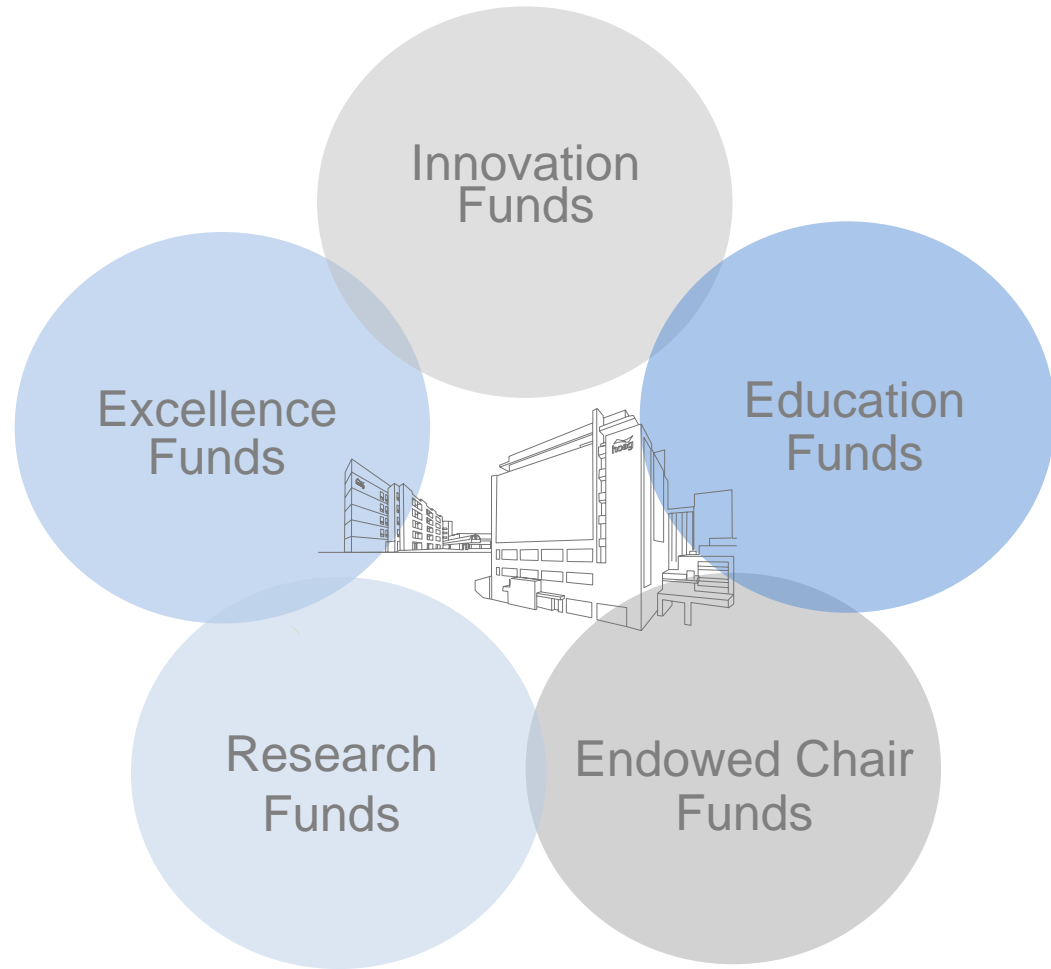
# Physician Engagement





# Named Strategic Funds

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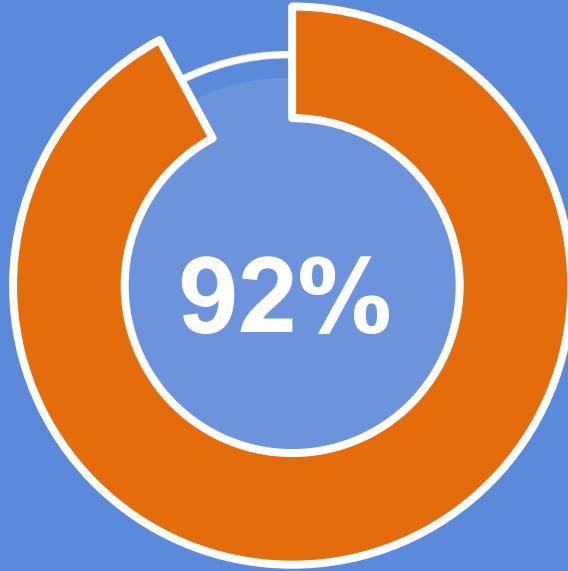


# HOAG PROMISE CAMPAIGN PROGRESS-TO-DATE

The community built Hoag. The community has helped shape it into what it is today.  
The community's support will determine what Hoag grows into tomorrow.

**\$577M**

RAISED TO DATE



**\$627M**

2020 CAMPAIGN GOAL

**82%**

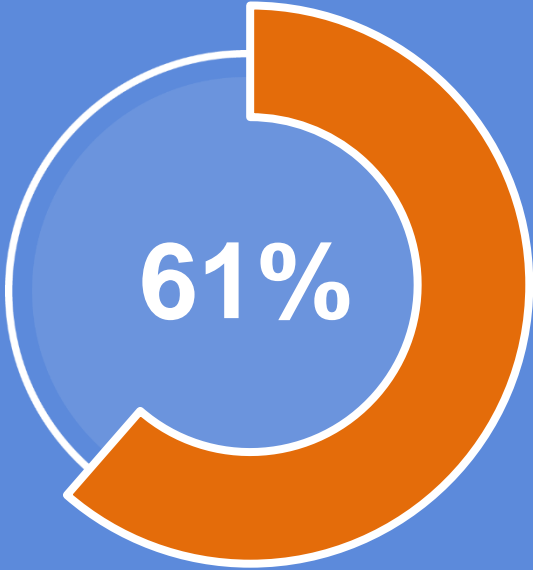
Percentage of Campaign Timeline Elapsed

Campaign Duration: October 1, 2010 to December 31, 2020

# INSTITUTE FUNDRAISING

**\$385M**

INSTITUTES



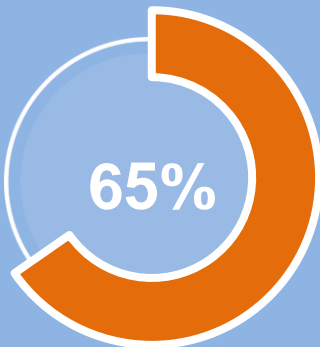
**\$627M**

2020 CAMPAIGN GOAL

### Hoag Family Cancer Institute

**\$65.3M**  
RAISED TO DATE

**\$100M**  
CAMPAIGN GOAL



### Hoag Orthopedics

**\$10.4M**  
RAISED TO DATE

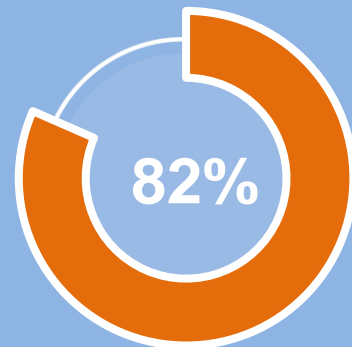
**\$15M**  
CAMPAIGN GOAL



### Carlton Heart and Vascular Institute

**\$73.4M**  
RAISED TO DATE

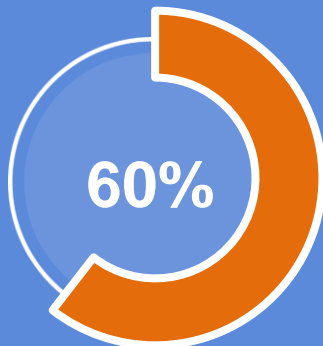
**\$90M**  
CAMPAIGN GOAL



### Mary and Dick Allen Diabetes Center

**\$24.1M**  
RAISED TO DATE

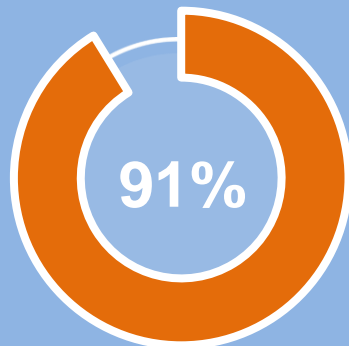
**\$40M**  
CAMPAIGN GOAL



### Pickup Family Neurosciences Institute

**\$72.9M**  
RAISED TO DATE

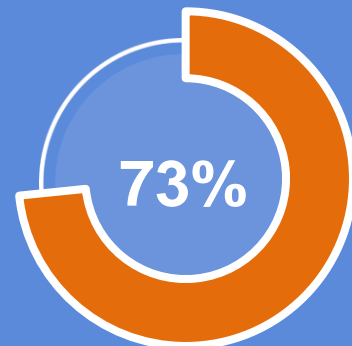
**\$80M**  
CAMPAIGN GOAL



### Women's Health Institute

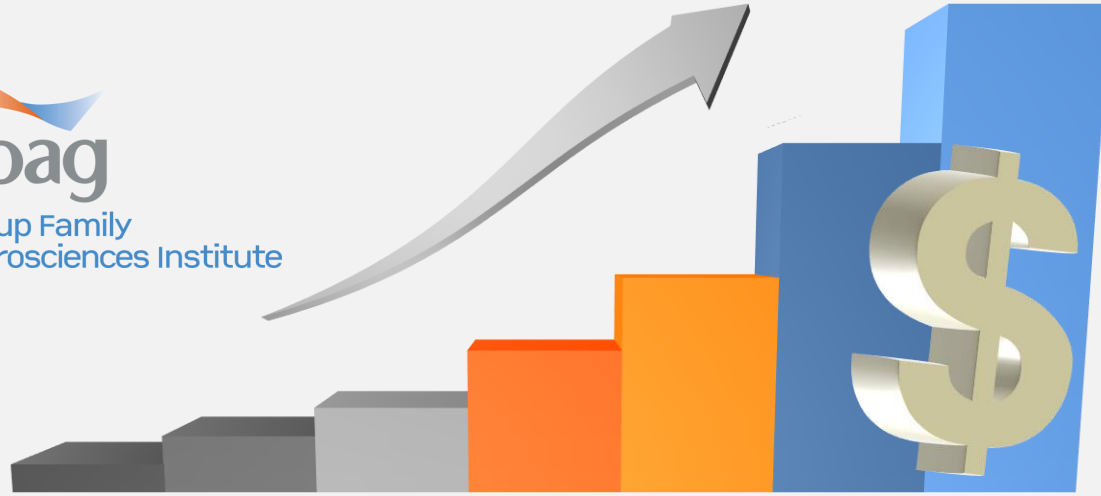
**\$44.0M**  
RAISED TO DATE

**\$60M**  
CAMPAIGN GOAL



**82%** Percentage of Campaign Timeline Elapsed

# Hoag Promise Campaign



Philanthropic giving has increased **300%** annually



The logo for the Hoag Hospital Foundation, featuring a stylized white wave icon above the word "hoag" in a lowercase sans-serif font, with "Hospital Foundation" in a smaller font below it.

hoag  
Hospital  
Foundation

The text "HOAG PROMISE" in a large, white, uppercase sans-serif font, with a vertical line separating "HOAG" and "PROMISE".

HOAG  
PROMISE