

Evaluating Integration of the Clinical Enterprise

*Board of Regents Working Group
8 October 2009*

UNIVERSITY OF MINNESOTA

Academic Health Center

Innovative expertise in education and research leading to better health and vital economy in Minnesota.

Academic Health Center

Meeting Expectations:

70% of all health professionals working in Minnesota trained at the University

Leading work in

- diabetes
- infectious diseases
- neuroscience
- cancer
- cardiovascular research

- Global impact in prevention and health improvement
- 970,000 human and animal patient visits
- 1,700 educational rotations in Minnesota

Through our:

Schools and Colleges

Centers and Institutes

Clinics and Hospitals

In Disciplines of:

Dentistry

Medicine

Nursing

Pharmacy

Public Health

Veterinary Medicine

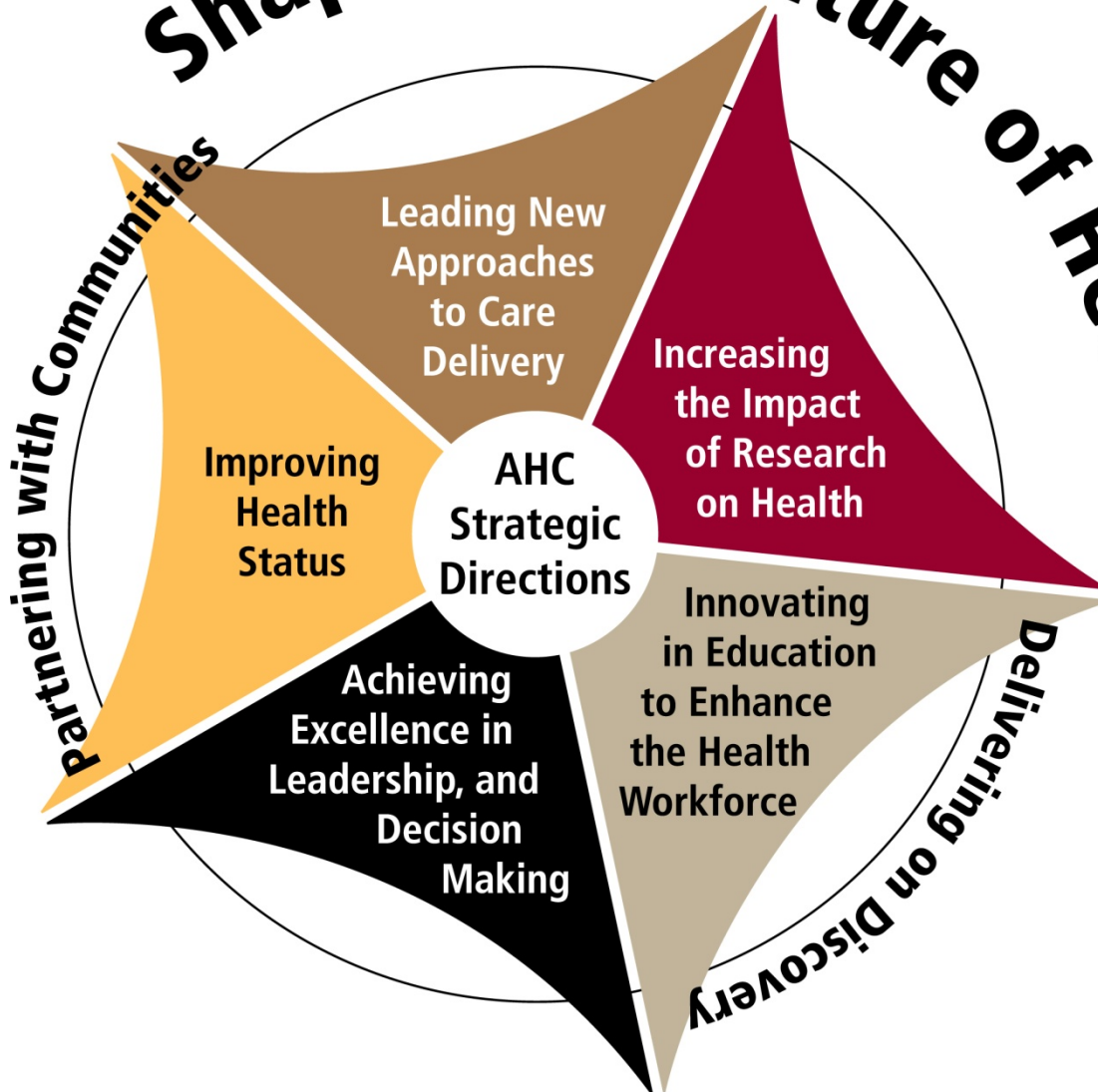
Driving Initiatives in:

Education

Research

Clinical/Outreach

Shaping the Future of Health



- Achieve convergence among AHC, UMP, and Fairview
- Implement integrated, interprofessional care models
- Develop and evaluate new models of health
- Advocate for sound health policy and global health improvement
- Disseminate knowledge and technical assistance to communities
- Reduce health disparities
- Develop an economic model consistent with the "New Normal"
- Engage faculty, staff, and students in achieving the Strategic Directions
- Develop leaders and promote operational effectiveness



- Capture the value of the Biomedical Discovery District
- Align faculty recruiting with the Research Corridors
- Translate and apply new knowledge
- Capture the value of the Research Corridors

- Implement interprofessional health education
- Meet evolving health workforce needs through innovative care models
- Promote the scholarship of education
- Transform the learning environment
- Develop a plan for life-long learning/continuing education

Change is Coming to Healthcare

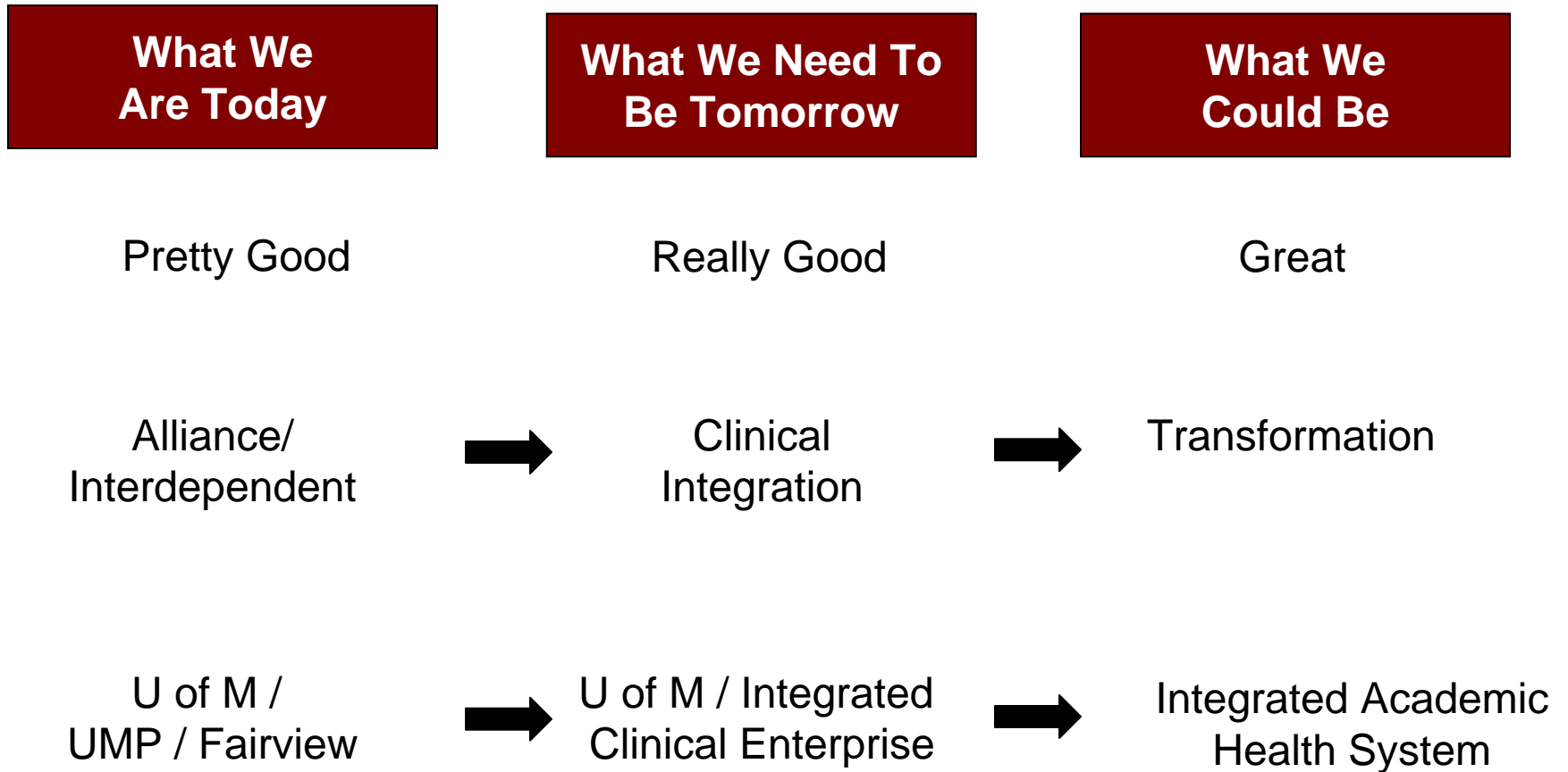
**The Mission of the Academic Health Center is Dependent
on the Clinical Enterprise**

- **All health systems are being asked to deliver greater *value*.**
 - Improved clinical outcomes
 - Lower cost
 - Improved experience
- **Our role will be to care for the health of a population, not just individual patients.**
- **Payment systems and methodologies are changing, rewarding those who deliver value.**

To Position Ourselves For Success, We Must...

- Consistently *deliver great value* – improved clinical outcomes and experience at lower costs
- Supply *integrated business intelligence* to all aspects of care delivery and management
- Establish core *capabilities to effectively manage quality, utilization, and financial risk.*
- *Eliminate unnecessary variation* on core clinical and administrative processes
- Expand *patient acquisition/retention* strategies.
- *Reduce total per patient and per capita costs.*
- Support research and educational activities to ensure a reliable *pipeline to innovation and quality talent*
- Fund and organize for *care model innovation.*

This Positioning Requires A Transformative Integration: Our Roadmap



Goal: Accelerate the transition from Pretty Good to Great

An Integrated Academic Health System Will Look, Feel and Act Differently

- A single, integrated multi-specialty provider group – University faculty Fairview employed and independent providers – all engaged in the partnership goals
- A network of academic medicine capabilities (clinical, teaching, research)
- Every patient in the system considered as a potential candidate for a clinical trial and an opportunity for learning
- System commitment to invest in clinical research and clinical trials
- Understanding that clinical research fosters clinical growth
- A larger, stable patient base across the continuum of care, provides a more cohesive educational experience for future providers
- Care standardized across the system through development and system-wide adherence to evidence-based care protocols
- Integrated business systems to support clinical, teaching and research missions
- System brand change from Fairview to University of Minnesota

Evolving Design Criteria: Mission and Vision

- **Scope**: All aspects of FHS with Fairview Medical Group, University Minnesota Physicians, associated networks of medical staff and referring physicians
- **Vision**: Create an integrated Academic Health System, recognized as one of the nation's leaders
- **Mission**: Advance excellence and innovation in integrated patient care, medical education and research

Evolving Design Criteria: Fiduciary Options

- The Academic Health System would be organized as a single, tax exempt fiduciary enterprise, and would be
- Organized in a way that best enables the accomplishment of the Vision and Mission, and would have an
- Affiliation Agreement with the University of Minnesota

Evolving Design Criteria: Board Structure

- A new board would be constituted
- The new board should be self-perpetuating non-representational, and comprised of people with the skills needed to fulfill the vision and mission
- The new board should have retained authority to govern the enterprise, with limited authorities reserved by the University and Fairview Association
- Composition of the new board:
 - Community business and civic leaders
 - Physicians
 - Nationally distinguished leaders
 - Ex-officio: CEO, SVPHS, Head of physician group practice

Evolving Design Criteria: Physician Model

- UMPhysicians and Fairview Medical Group would form a single, integrated, multi-specialty group practice
- University faculty would have an employment relationship with both the Medical School and the Academic Health System similar to current practice
- The existing UMPhysicians structure will be retained and organized to serve as the vehicle for the single, integrated group practice within the new health system

Evolving Design Criteria: Physician Model

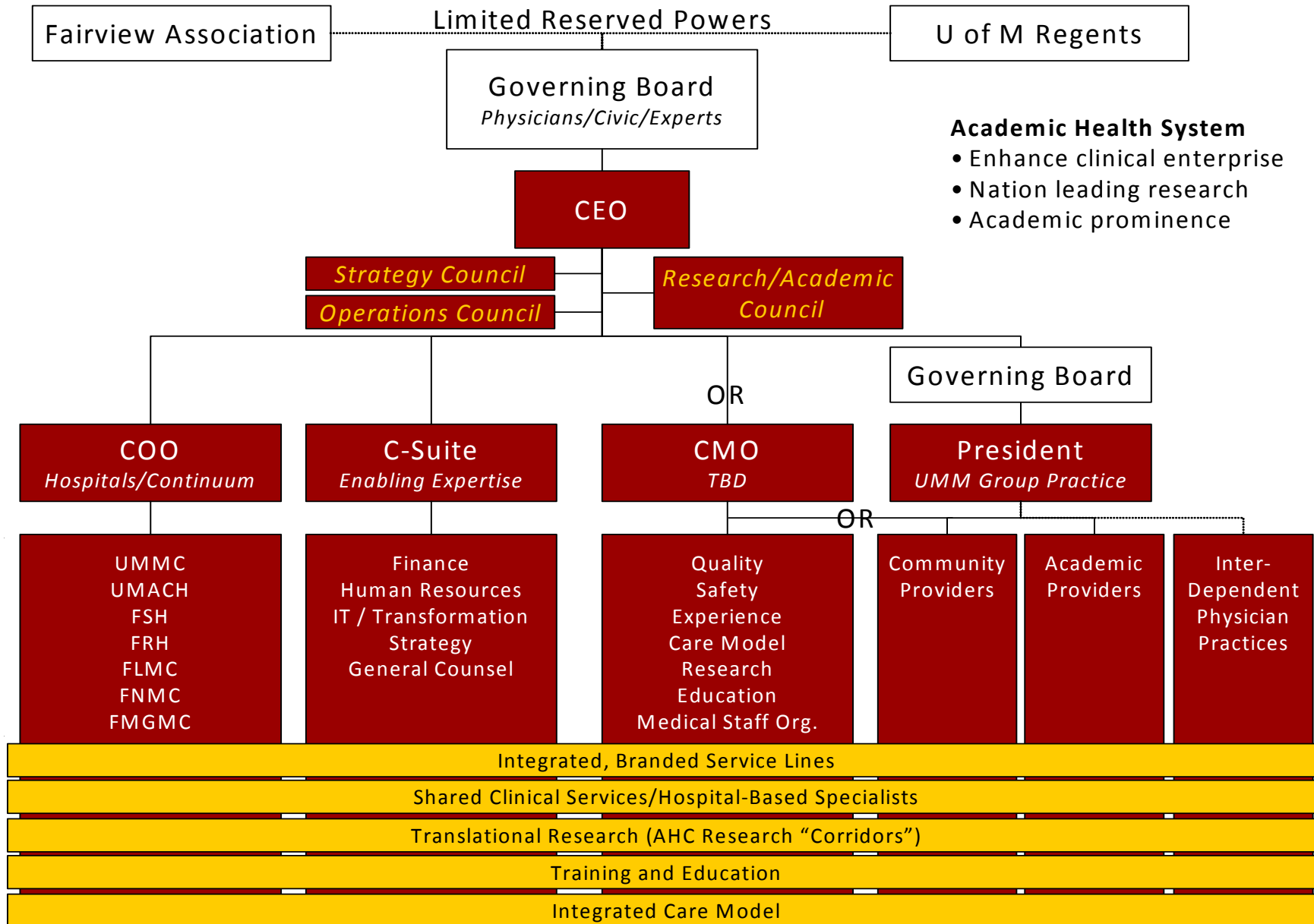
- The board of the new physician practice will manage the group practice
- The new group practice would have academic and community members
- UMPPhysician's current clinical structure would be the organizing framework.
- System wide integrated service lines would be formed across the continuum of care
- There would be one common infrastructure platform for the group practice

Evolving Design Criteria: Management Structure

- A single CEO accountable to the board for the entire integrated system
- A single physician executive of the multi-specialty group practice
- A single Chief Medical Officer
- A COO of the hospitals and facilities division
- System-wide officers include finance, human resources, IT, strategy and general counsel

System Management Structure

Preliminary Model Under Consideration



Evolving Design Criteria: How Does This Differ From Today?

- Integrated Academic Health System that supports the academic mission of the University's Academic Health Center
- Single system board with a mission and vision reflecting the ideal of an Academic Health System
- Board is self-perpetuating and non-representational
- One CEO for the system
- System Leadership Team with authority over the direction of the Academic Health System and with significant physician membership
- One CMO for the system with accountability for quality, service and achieving academic objectives
- Single multi-specialty physician group practice
- Integrated, provider directed care delivery
- Improvement in aligning funds flow and incentives across the system

Next Steps In Developing A Model For Moving Forward With Integration

- **Apply the Design Criteria to:**
 - Perform a legal structure analysis and arrive at one that will best fit
 - Develop the business case to analyze the financial best fit
 - Analyze mission benefits of integration to University, Fairview, and UMPPhysicians
 - Assure fulfillment of the academic mission
 - Content of the Affiliation Agreement between the Academic Health System and the University of Minnesota

Business Model For Integration: Evaluating Potential Benefits

- **Core areas of high potential benefit**
 - Integrating the care model across the system
 - Improving efficiencies and reducing total cost of care
 - Strengthening the network and minimizing out-of-network referrals
 - Extending the academic mission (market share)
- **Factors contributing to the high potential**
 - Removal of regulatory barriers
 - Ability to align incentives and make performance improvements
 - Simplification of decision-making and implementation

UMPhysicians Care Model: A Work In Progress

UNIVERSITY *of* MINNESOTA PHYSICIANS

Critical Elements of Care Model

- Patient must be at the center of the care model
- Care should be evidence-based when possible. Where evidence is not available, a culture of inquiry should be supported as an integral part of care delivery – not as separate research
- All care will be team based, with each member of the team performing at their highest skill level
- The academic mission should elevate performance (financial and clinical) rather than be a burden to overcome
- Clinical education will be facilitated, allowing development of skills or systems of learning that will serve the future.

Elements of Care Model

- Care should be perceived as seamless by patient and referring physician
- Care delivery will be designed across the continuum
- Right person, right job
- Full use of electronic health record
- IOM markers of clinical quality will be regularly measured and reported
- Compensation for clinical work should support academic health system priorities, and must include some consideration of quality of care

Consideration of Multiple Viewpoints in the Design

- Patients and their families
- Referring providers
- The physician/NP/PA/PharmD providing care
- Payer
- Learners
- Our community and the state
- Other academic medical centers

Potential Value Added in A More Integrated Enterprise

1. Strengthened commitment of the new enterprise to the academic mission
2. Enhanced ability to improve health across the continuum of care
3. Increased access to patients
4. Better outcomes, improved service and reduced per capita cost of care
5. Simpler structure that is more efficient and effective
6. A new entity that supports sustainable growth
7. Enhanced capacity for and commitment to clinical research
8. Increased capacity and revenue to support education and research missions
9. Enhanced planning coordination for the clinical and academic enterprise
10. Coordinated effort in meeting legal/regulatory requirements
11. Enhanced ability to recruit and retain faculty and compensate them at a competitive market rate

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