Clinical Integration
Partnering with a competitor for the good of our communities

Presented by:
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Clinical Integration with a Competitor

• Brief History Schneck Medical Center
  • Impact of Baldrige
• Current Environment
  • Why Clinical Integration
  • Q&A

Schneck Medical Center
Not-for-profit, county-owned hospital
2011 Malcolm Baldrige National Quality Award Recipient

Facilities include:
• Main campus, 93 all-private suites
• State-of-the-art Cancer Center
• Three Convenient Care Clinics
• Active Physicians (65), 52% hospital-employed
• Approximately 900 Employees
• 150 Volunteers
We know our strengths and we are better at recognizing our opportunities.

We think differently – Fact based, results oriented.

The Leadership team is aligned, focused, and have a shared vision.

The impact of Baldrige criteria and feedback help us identify that we were not capturing the needs of all our customers (Employers). As a result of the process, we have a better relationship with our physicians, both employed and independent. Both of these groups are at the table during our strategic planning now.

Current Situation

Strengths:
- Community Support
- Financially sound
- Physician Hospital Alignment
- Agility
- Loyal & dedicated workforce
- Quality

Challenges:
- Limited resources to invest in capital
- Changes in reimbursement
- Exclusions from contracts
- Recruiting and retaining medical professionals
Current Situation

Challenges:
- Unknown consequences of health care reform
- Unknown impact of mergers and consolidations

The Questions Become...

Is it in the best interest of our community and hospital to:
- Stay independent
- Become a strategic partner
- Merge

in order to continue to provide high quality care at reasonable costs?

Reform ABC's
Healthcare Terms for Redesign

**Patient Centered Medical Home (PCMH):** Focuses on care improvement for primary care services

**Clinical Integration (CI):** Focuses on care improvement for physicians practices across specialty types

Concepts for Redesign

**Accountable Care Organization (ACO):** Focuses on care improvement for an entire patient population, across the continuum

**Clinical Integrated Network (CIN):** Focuses on care improvement for an entire patient population, across the continuum
ACO or CIN: What’s the Difference?

A key element of ACOs is clinical integration, however, clinical integration does not, in and of itself, meet the requirements of an ACO.

**ACO**
- Largely prescriptive model based on CMS Standards
- Medicare only through MSSP
- Waiver
- More than 5,000 Medicare patients

**CIN**
- Commercial payors
- Structure based on FTC standards and antitrust guidance
- Alternative financial incentives including P4P, bonuses, and enhanced FFS
- No Waiver
- Can start small

What Are We Going to Do?

- Stay independent
- Become a strategic partner
- Merge
**How Are We Going to Do It?**

CO-OPETITION: A business strategy based on a combination of cooperation and competition, derived from an understanding that business competitors can benefit when they work together.

- Produce a value added product to create a larger market so each entity can benefit from increased market share.

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**Co-opetition Framework (Value Net)**

Create a clinically integrated network

- Employers
- Columbus Regional Health
- Schneck Medical Center
- SMC

Shared Objective: To improve community health

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**How Clinical Integration Starts With Leadership**

A culture of engaged physicians is the backbone of any successfully integrated clinical organization.
Leaders across organizations can start by initiating informal partnerships that can then develop into co-management arrangements and contractual agreements.

For clinical integration to be successful, it is important for leaders to define values and patterns of behavior for other physicians to follow.

Physicians must collaborate with colleagues to identify evidence-based services, overused services, and misused services.


How

Benefits of CIN

• Coordinated care
• Ability to recruit and retain providers
• Alignment of provider and hospital and quality and safety efforts
• Access to a more holistic view of individual patients across practices and sites of care
• Increased value for healthcare dollars spent

Why – Columbus Regional Health

Share many similar values and traits –
• Progressive
• Known for high quality care
• Strong leadership

Not-for-profit, county-owned hospital
Facilities include:
• Main campus, 225 beds
• Approximately 1600 Employees
• 250 Volunteers
Why – Columbus Regional Health

- Recent history of successful collaborations and partnerships

  - 2003 Indiana Healthcare Reciprocal Risk Retention Group (IHRRG)
  - 2009 Flood Columbus, Indiana
  - 2011 CODE STEMI Project

CIN – inSPIRE Health Partners (IHP)

**Mission & Vision:** Provide patients and employers in Jackson and Bartholomew counties with access to high-value healthcare services within their communities.

IHP will achieve this goal by defining value as the ability to provide its patients with optimal outcomes and a superior healthcare experience, all at a reasonable cost.
We’ll Go First

Improved Outcomes

• Consistent focus to develop culture of wellness
• Structure of accountability for employee health and wellness

Developing a robust employee wellness program for our employees

QUESTIONS?

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