

# Provider Perspective on Design and Implementation

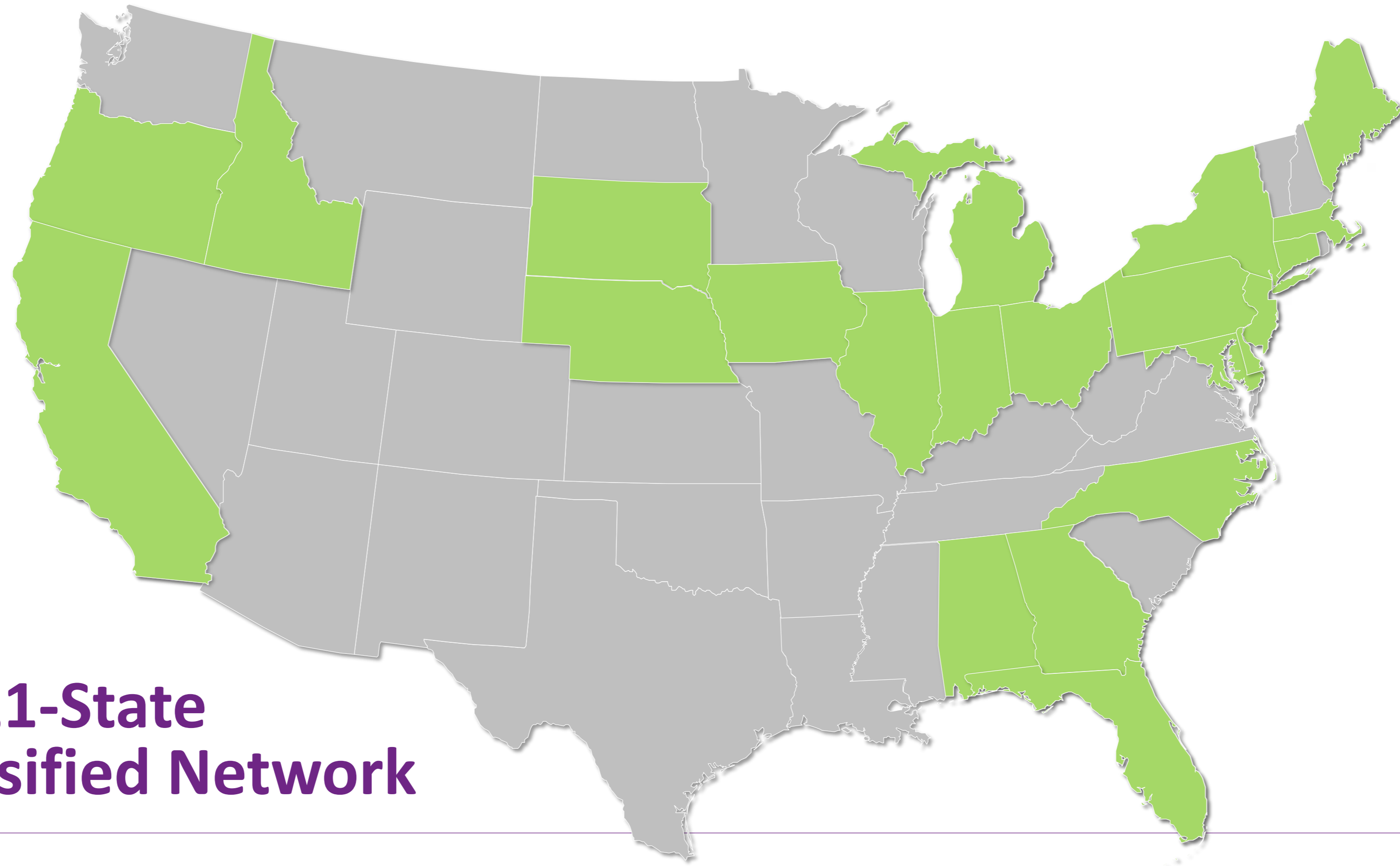
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LAN Summit

**Mark I Froimson, MD, MBA**  
Executive Vice President  
and Chief Clinical Officer



**Trinity Health**  
Livonia, MI



## Our 21-State Diversified Network

**90** Hospitals\* in 21 Regional Health Ministries\*\*

**59** Continuing Care Facilities

**23.9K** Affiliated Physicians

**47** Home Care & Hospice Locations Serving 116 Counties

**14** PACE Center Locations

**3.9K** Employed Physicians

\*Owned, managed or in JOAs or JVs.

\*\*Operations are organized into Regional Health Ministries ("RHMs"), each an operating division which maintains a governing body with managerial oversight subject to authorities.

# Our strategy is to build a “People-Centered Health System”



## PEOPLE-CENTERED HEALTH SYSTEM

### Episodic Health Care Management for Individuals

Efficient & effective episode delivery initiatives

### Community Health & Well-being

Serving those who are poor, other populations, and impacting the social determinants of health

### Population Health Management

Efficient & effective care management initiatives

**Better Health • Better Care • Lower Costs**

# Agenda

- Joint Replacement Fast Facts
- Redefining Joint Replacement
- Improving Care Through System Thinking
- Rewarding Care Improvement Through Payment
- Avoiding Unintended Consequences

# Joint Replacement is Among the Most Successful Interventions Impacting Quality of Life

- Restores Function
- Relieves Pain
- High Return to Work and Return to Sport Rates
- Favorable QALY

# Joint Replacement Is Common and Rates are Rising Rapidly, Costs are Variable

- > One Million joint Replacements
  - 2:1 Knees to Hips
  - 40-50% Medicare
    - \$7 billion for hospitalization
- Costs (prices) range widely
  - Commercial: \$16,000 - \$73,987
  - Medicare: \$16,000 - \$36,000
- Post Acute Utilizations ranges widely
  - 5-65% discharge to SNF rates

# Joint Replacement Patients Represent a Wide Spectrum of Patients and Disease States

- Demographic spread
  - Age, Stage in Work Force, SES
- Goals
  - RTW, Sport, ADLs
- Medical Comorbidities
- Orthopedic Condition
  - Same Joint Severity
  - Multiple Joints
- Etiology of Disease

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- Avoiding Unintended Consequences of APMs



# The Patient Perspective: Viewing Care as a Complete Episode is What Patients Want



Provider Centered:  
Bundled Payment

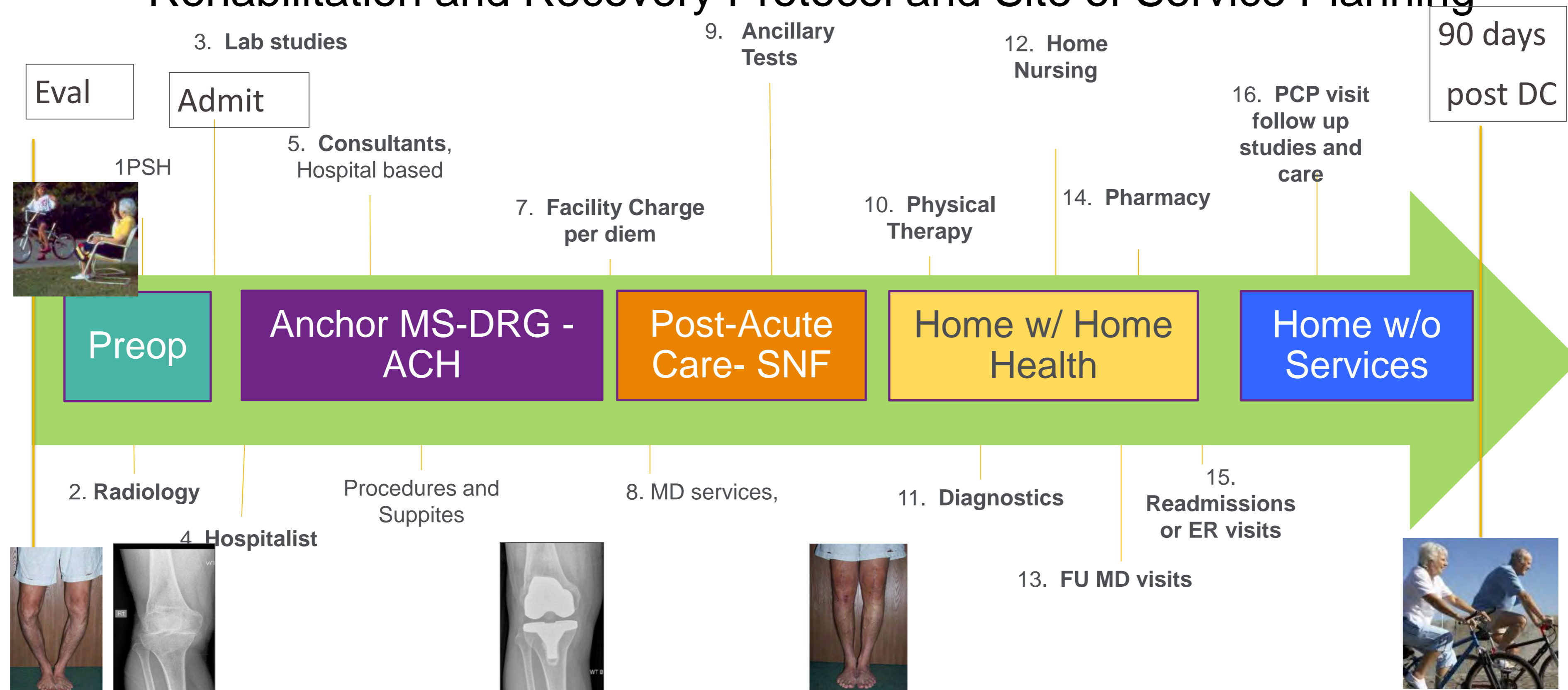
- Reputation
- Access/Appt
- Education
- Evaluation
- Appropriateness
- Clinical Optimization
- Risk Mitigation
- Shared Decision
- Efficient Processes
- Operative Excellence
- Clinical Pathways
- Outcomes
- Rehabilitation
- Recovery
- RTW/P



Patient Centered:  
Complete Care

# Episode of Care Consist of Many Discrete and Related Events with Many Opportunities to impact Outcomes

- Patient Education, Preparation and Preoperative Optimization
- Acute Care Delivery and Reduction in Variation and Waste
- Rehabilitation and Recovery Protocol and Site of Service Planning



\* Timeline Not to Scale, Nor an Exhaustive List of All Interventions

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# Episode-Based Complete Care Philosophy

## A Principle Based Approach

**Our Promise to Patients: We will deliver all the care needed to get you through entire episode of care**



**Patient Commitment: You must be engaged in the process, bring resources, get educated and work to modify your risk**

# Complete Care Principles

- Patients need teams working across the continuum
- Physicians must promote team based care
- Value can be created or reduced across the entire care continuum of total joint replacement care
- Coordination of care is critical
- Variation in care should be avoided
- Be vigilant in searching for better ways
- Wasted steps and resources are in plain site

# Complete Care Principles

- Engaged and educated patient is our greatest asset
- Need to identify and engage family or other support system preoperatively
- Investing upstream in patient preparation and medical optimization is key
- Time in an institution (Hospital, SNF or Rehab) should be minimized
- Keep care as simple as possible
- More interventions are not intrinsically better

# Developing an Episode Payment Strategy requires significant program development

- Governance at system and local level
- Operational teams to execute care optimization
- Regular education sessions to move dialogue
- Optimum transition planning
  - Working on Discharge to the Least Restrictive environment
- Role Clarity
  - Patient Navigators responsible for the patients throughout the 90 day episode.

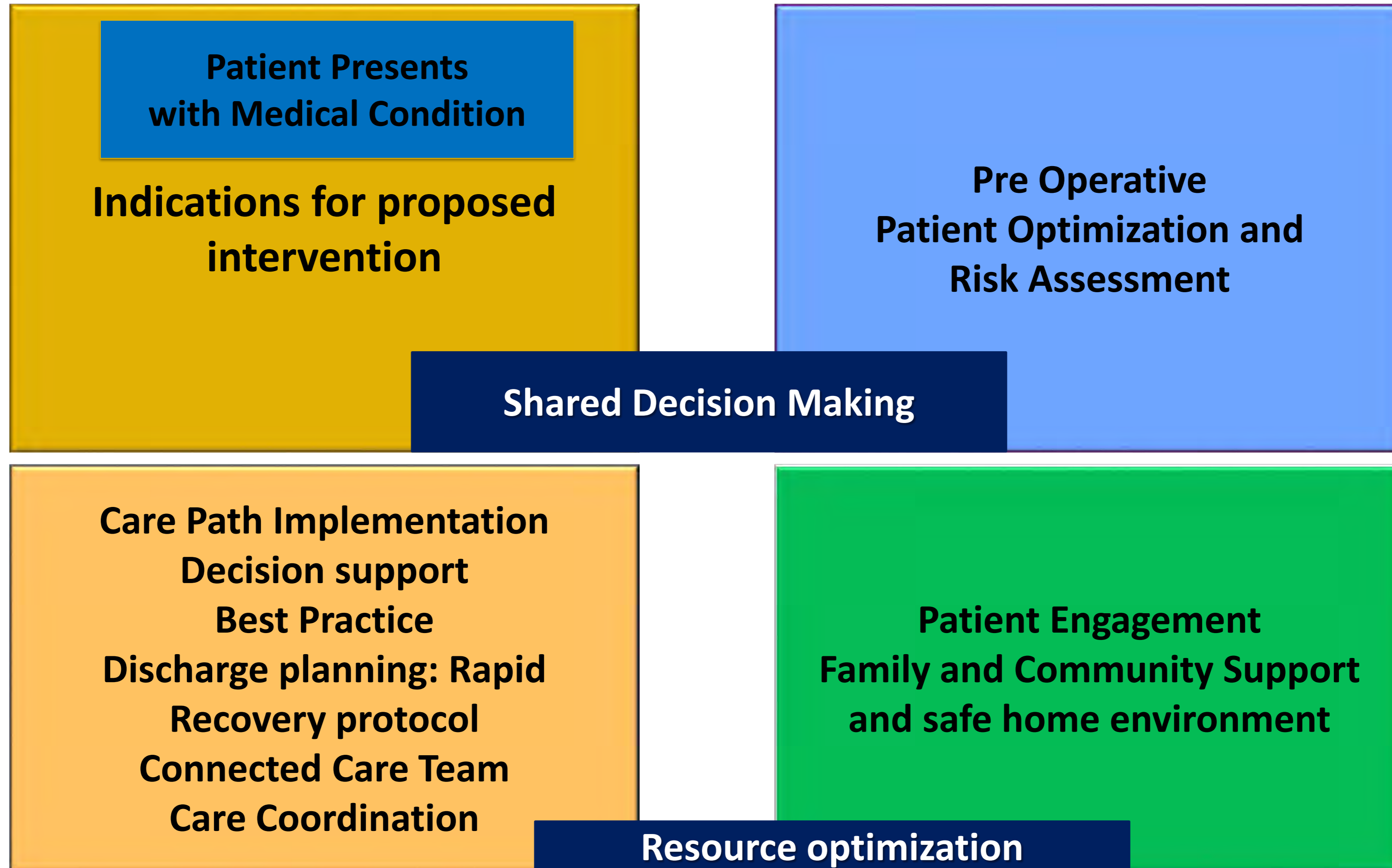
## Build a Network for Optimum Care Coordination (owned or partnered)

- Have and clarify a consistent Plan of Care across the continuum, built around the needs of the patient
- Build a robust information and communication infrastructure
- Determine appropriate location for care delivery
- Minimize time in an institution (terrible triad)
- Build a team and have role clarity
- Manage logistics of care transitions
- Ensure appropriate follow up and handoffs
- Have clear metrics, be transparent and improve daily



# Care Redesign Opportunities Exist Across the Care Continuum

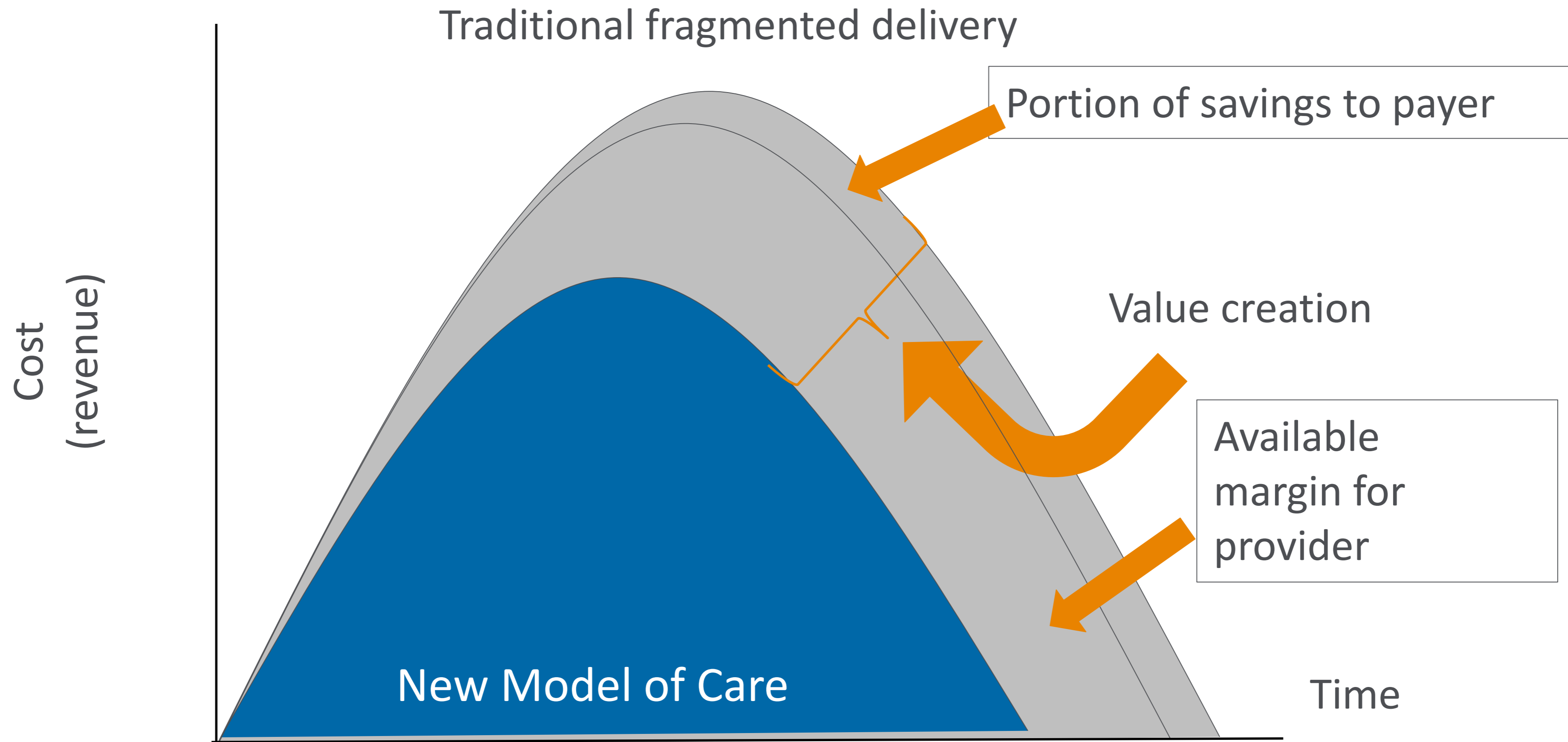
## Develop a System to Optimize the Clinical Pathway






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# The Business Case: Value is Created by Better Episode Management through Care Redesign

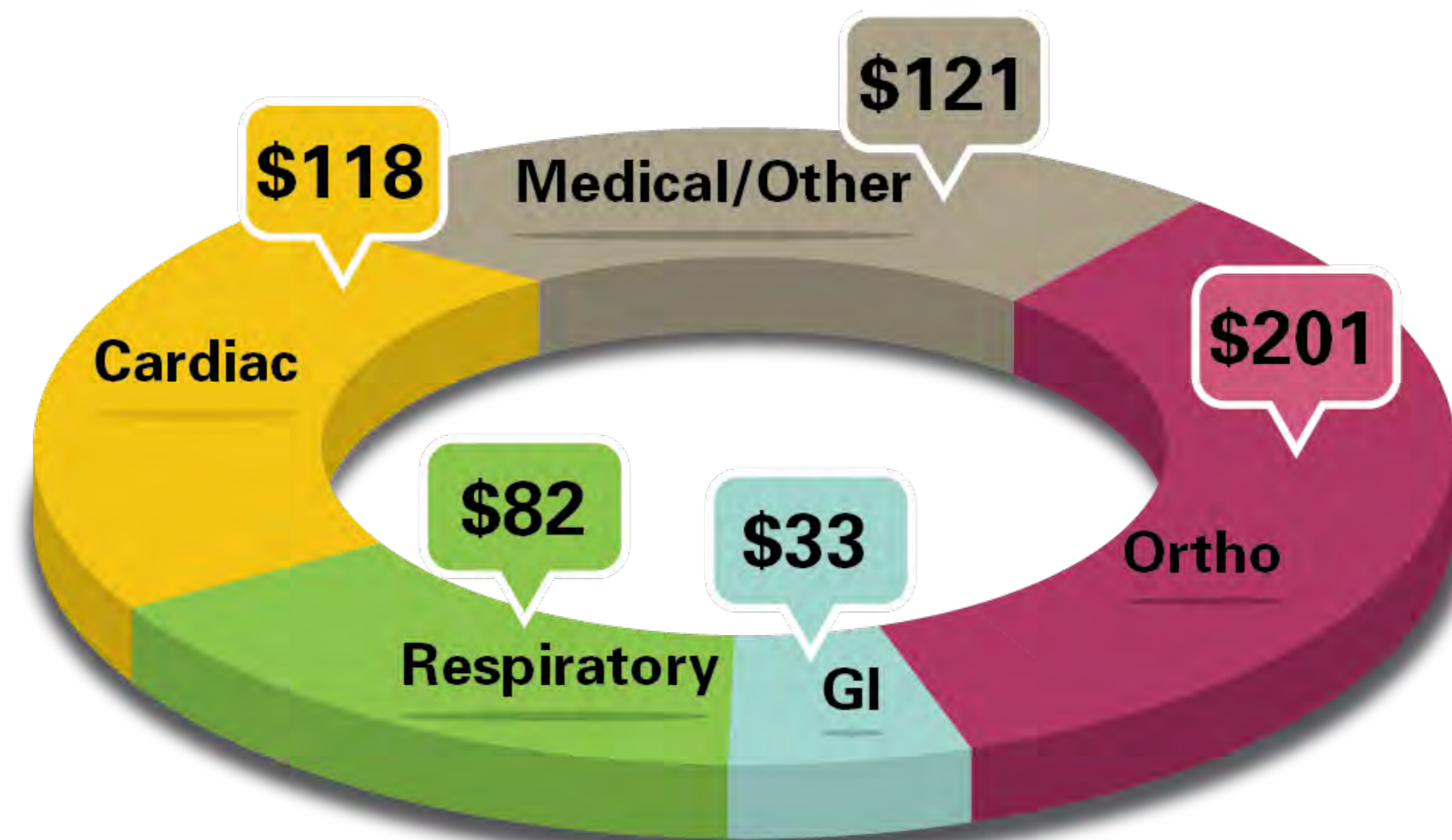


# We operate one of the largest episode-based payment programs in the nation

-  **43** Model 2 Bundled Payment Care Improvement (BPCI) hospitals
-  **13** Model 3 Skilled Nursing Facilities (SNF)
-  **2** Comprehensive Joint Replacement (CJR) sites



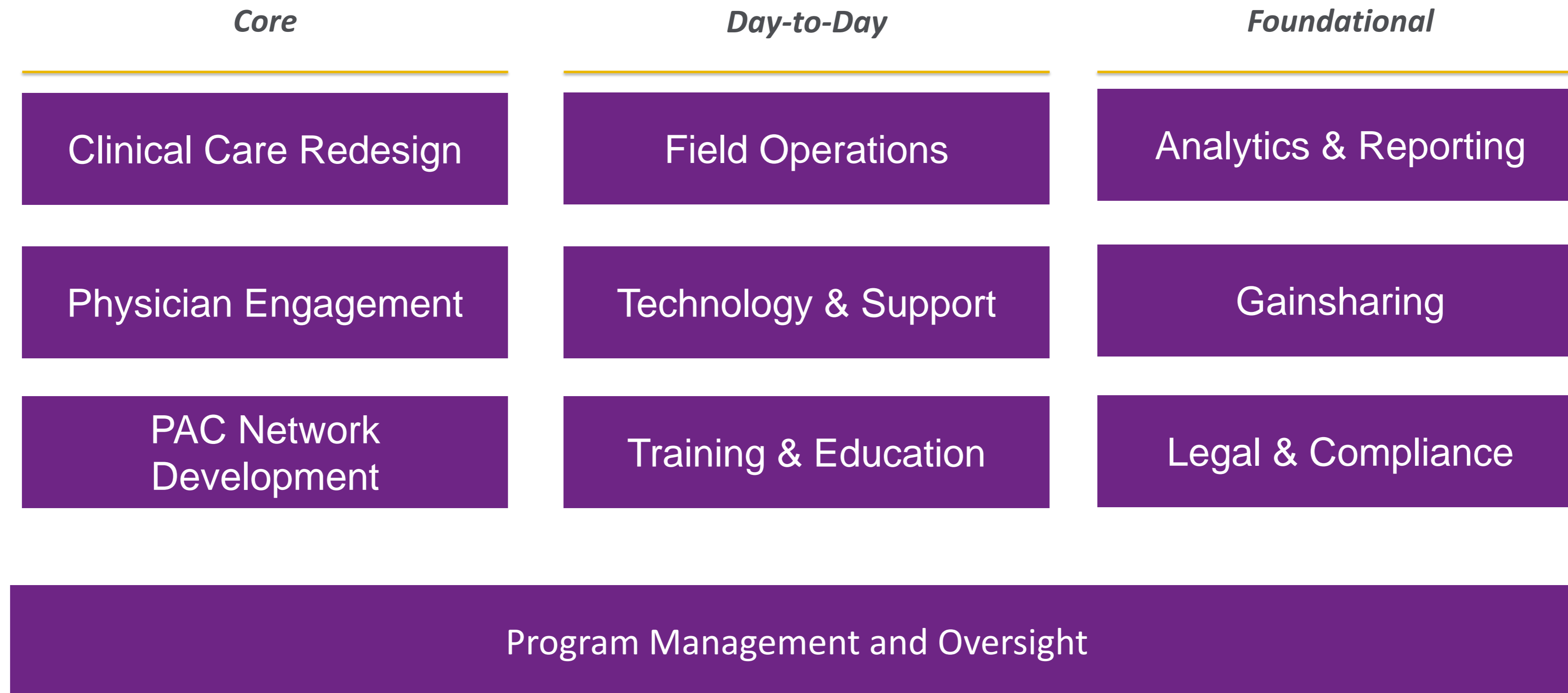
The impact of BPCI and CJR programs on our organization is becoming more significant



(in millions)

**Total Program Size: \$550m**

# EBP PROGRAM STRUCTURE



# We are carefully managing the program and metrics we use for **BPCI**



## **Coordinating care post-discharge**

Dedicated patient navigators using technology to improve care pathways



## **Selecting optimal next site of care**

Evidence-based decision support tools for the right care at the right location



## **Creating high-value SNF networks**

Use of performance assessments to create skilled nursing facility (SNF) networks



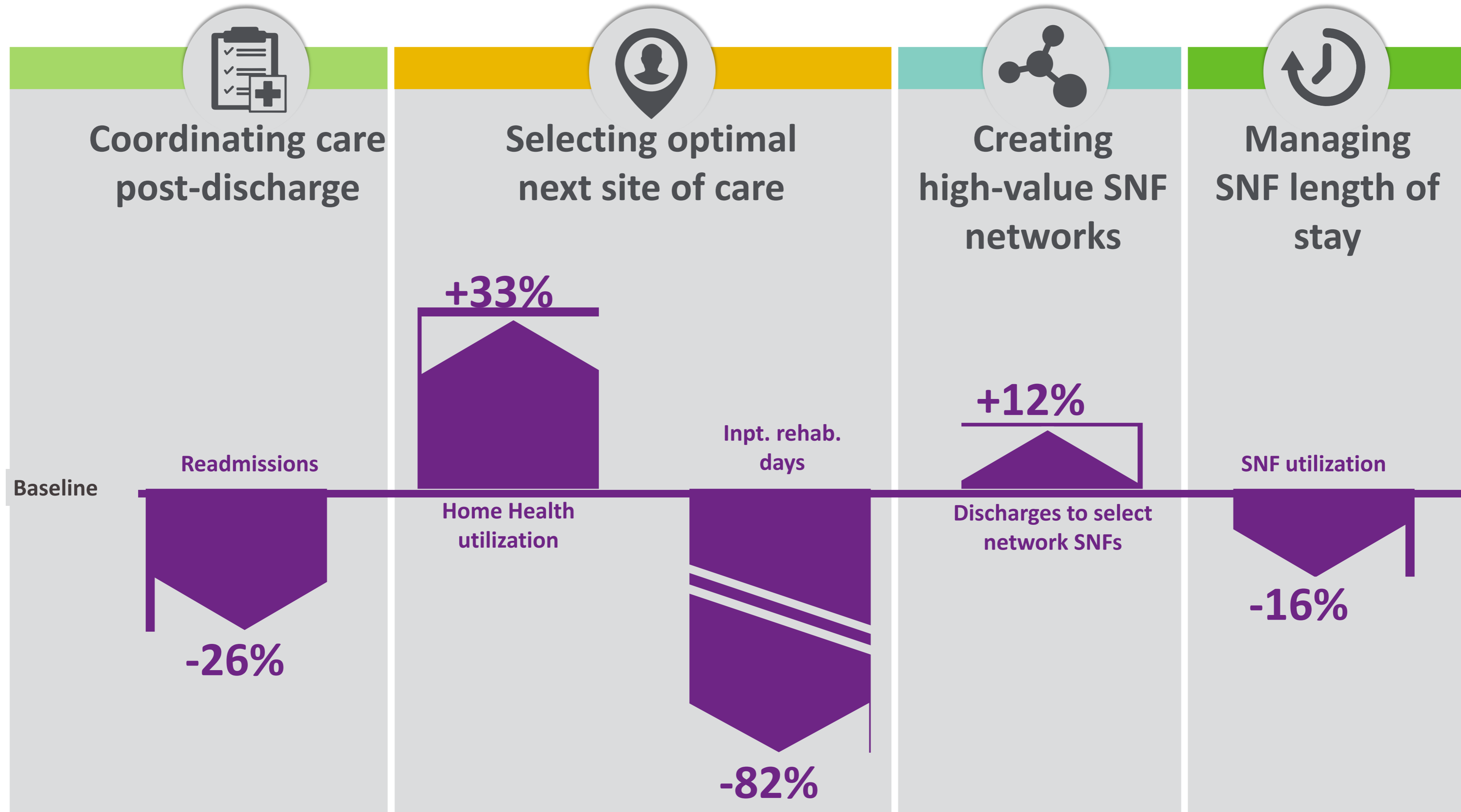
## **Managing Skilled Nursing days**

Ministries utilizing episodic guidelines to manage patient length of stay

# Evidenced-based Care Pathways

# Episode-Based Payments Change Care Delivery Significantly

Early Results





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# Episode Based Payment Design Should Recognize Potential for Unintended Consequences

- Avoiding Select Patients
  - High Medical or Surgical Risk
  - Poor support system
- Accelerate timing of surgical intervention
- Drive volume of low risk cases
- Under resource complex cases
- Stifle innovation
- Limit use of advanced technology
- Lower volume providers cannot manage risk

# Key Episode Design Concepts can Mitigate Risk

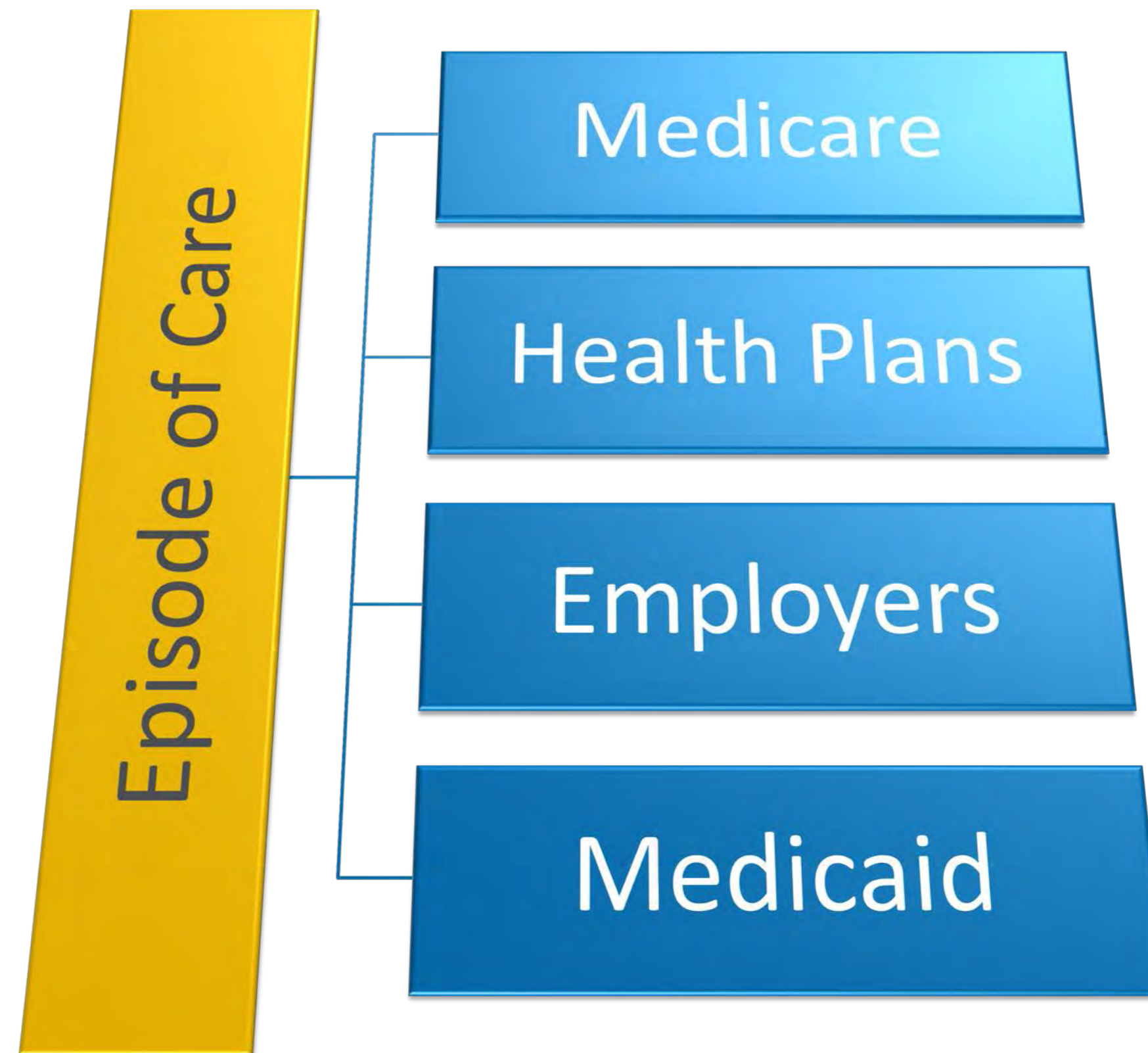
- Exclusion of non elective cases
  - Hip fractures
  - Prior hardware
- Exclusion of known outliers
- Volume threshold for risk acceptance
- Payment multiplier for complex cases
  - Medically complex
  - Surgically complex

# Optimizing Patient Care Leads to a High Value Offering to Patients and Payers

Improve Quality  
Reduce Cost

Care Path  
Care Coordination  
Connected Care

Clear Metrics  
Analytic capabilities



# Thank You



Trinity Health  
Livonia, MI

