Viewpoint

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As healthcare undergoes a transformation to a value-based, accountable care model, John Porter may be blessed with just the right background to lead a major health system: He has none. Well, that is, he had no clinical or management training in healthcare and never aspired to a healthcare career, but he has spent his last 40 years running Avera, a Sioux Falls, S.D.-based health system with more than 300 locations— including 32 hospitals—in South Dakota, North Dakota, Nebraska, Iowa and Minnesota. And, over the years, has surrounded himself with an experienced leadership team with some 400 years of experience. John began his healthcare career after graduating from the University of South Dakota School of Law in the mid-1970s. He started at a small law practice in Yankton that served as legal counsel for the Presentation Sisters' healthcare ministry, the state hospital association and numerous healthcare-related associations. Eventually, he served on a health-system governing board, was part-time executive VP for the sisters running the healthcare ministry and began assembling corporate structures for healthcare organizations. By the mid-1980s he was out of law altogether. His real education and training has come during the 30-plus years Mr. Porter has served as a senior executive at Avera, a Catholic health system, and its predecessor organizations the Presentation Health System and the Benedictine Health System. "I just more and more became involved in healthcare administration. But I never contemplated a career in healthcare and never worked a day in my life on a hospital unit or in a clinic. I've always been at the system management level."

Avera has made a substantial investment in telemedicine technology and infrastructure, and has a 10-state footprint at the present time. Why the telemedicine focus and how do you envision this impacting healthcare in the future?

JOHN PORTER, PRESIDENT & CEO, AVERA

Avera has the most robust telemedicine program in the world that serves rural healthcare. It began at our flagship facility, Avera McKennan Hospital & University Health Center in Sioux Falls, as we pioneered our very first eCARE product line known as eICU® CARE. What began as an essential remote service to our smaller facilities throughout our vast geographical area evolved into a growing business-to-business service to clinics, hospitals, nursing homes, correctional facilities, schools and more. Today, we offer Avera eCARE product lines that include eCARE Consult (virtual physician visits), ICU, Emergency, Pharmacy, Long Term Care, Correctional Health and School Nurse with other plans in development.

South Dakota is sparsely populated, the 17th largest state geographically but 46th in population with slightly more than 800,000 people. In fact, there are actually more cows than people in South Dakota. Our bordering states are similar—North Dakota, Montana and Wyoming. So we realized there was a real need to develop telemedicine technology that would enable board-certified physicians to virtually care for patients across the miles.

Avera eCARE has actually changed the way care is delivered in our footprint, allowing sustainability in our critical access hospitals and clinics as well as a providing physician presence in small communities. Some of our intensivists are in Tel Aviv. eCARE has touched 970,000 lives since its inception and has saved an estimated $180 million in health care costs. We serve 259 sites in 10 states.

The healthcare related issues of Native Americans in the plains regions are well documented, including issues of access, suicide and payment, to name a few. Avera recently formalized its development efforts with Tribes in your area. How does this fit within Avera Health's larger strategy?

Ten percent of South Dakota's population is Native American. Our own roots go back to Irish and Swiss Sisters coming over as teachers of pioneers and Native Americans. They also provided healthcare services to Native Americans for more than 100 years. We're willing to do what we can. For example we just opened a dialysis unit in Wagner, S.D. in partnership with the Yankton Sioux Tribe and Indian Health Services and are assessing the possibility of virtual care on several reservations.

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South Dakota and Sioux Falls specifically has one of the lowest unemployment rates in the nation (about 2%). Does this fact make you think differently about technology investment?

For a health system our size, we have an average of 900 job openings at any given time. The workforce shortage is an epidemic in South Dakota, affecting not just healthcare but all employers. Everyone has job openings. Technology allows us greater flexibility with staffing because we're able to beam in healthcare providers to communities that would not be able to sustain a full-time specialist or medical care at all.

Our move into virtual medicine helps us recruit staff. We're also learning from battlefield technology how to deliver care more efficiently. And we're investing in education through scholarships and endowed chairs to bolster the workforce.

Avera has a very urbanized tertiary-level hospital, has international partners conducting ground breaking genetic research, is home to various residency programs and other very sophisticated medical technologies, yet 27 of the 32 hospitals in your system are Critical Access and a couple have an average daily census (ADC) of less than one patient. What are the management challenges dealing with such a diverse health system?

That's true and it calls us to seek innovative solutions. Because we cover over 72,000 square miles, we're challenged with serving an area that includes South Dakota's largest city of Sioux Falls, with an area population of 250,000 to small towns like Fairfax, S.D., with only 114 people.

It's not clear what the future holds for critical access hospitals, but what is clear to Avera is a commitment to serve our communities. That may mean technology solutions, different clinic and hospital models or community partnerships that provide innovative access points, such as our AveraNow face-to-face virtual visits available via kiosks in local grocery stores, as well as via phone, tablet or laptop.

As you mention, our genetic research is very key. Avera Institute for Human Genetics and our Avera Cancer Institute Center for Precision Oncology have formed key partnerships that include the MD Anderson Cancer Center, Netherlands Twin Register, Worldwide Innovative Networking (WIN) Consortium and more. We're providing personalized medicine—matching drugs to individual patients based on their genetic profile—in cancer care, pain management and behavioral health. In addition, we recently created our own twin register to facilitate genetic research. We are investing in this emerging science, because like telemedicine, we believe it's the future of healthcare.

What does the U.S. healthcare industry's move to population health mean for Avera, whose market is spread over a large rural region?

Avera has been piloting many programs over the past few years to learn more about how to be successful in population health—care transitions, coordinated care, ACOs and bundled payments. We own two insurance companies and we've developed a fully integrated, system-wide EMR.

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We feel like we have many critical components to be successful with population health and we've begun a process to determine how best to make this work. We're still in the infancy stages of population health, but we're confident that what we're putting in place gives us the foundation to be successful.

One of the themes of the recent Scottsdale Institute Conference was that health systems don't own all the pieces for accountable, coordinated care. What pieces does Avera own or not own? What kinds of partnerships have you joined as a result?

Avera has a very strong medical group of 876 employed physicians and providers ranging from primary care to 60 medical specialties such as orthopedics, oncology and neonatology. Avera owns facilities within the entire care continuum: a tertiary hospital, community hospitals, critical access hospitals, clinics, long-term care and senior living communities, fitness centers, home medical equipment outlets, and two insurance companies. Rather than joining existing partnerships, we serve as a catalyst in forming new partnerships, for example, through telemedicine and federally qualified health centers (FQHCs).

~ Chuck Appleby
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