

VIEWPOINT

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Dr. Marc Harrison—a third-generation physician whose son is now in medical school—took the top job at Intermountain Healthcare in October 2016. Intermountain is a Utah-based not-for-profit system of 23 hospitals, 170 clinics, a medical group with 2,300 employed physicians and advanced-practice clinicians, and a health plan. Almost immediately he launched a comprehensive reorganization of the storied health system. A specialist in pediatric critical care, Dr. Harrison held leadership positions at Cleveland Clinic prior to joining Intermountain, most recently as Chief of International Business Development for Cleveland Clinic, developing and implementing international strategy, and as CEO of Cleveland Clinic Abu Dhabi, where he oversaw the establishment of 12 institutes, five centers of excellence and more than 30 medical and surgical specialties. Earlier roles at Cleveland Clinic included service as Chief Medical Operations Officer, involving oversight of a broad range of clinical operations worldwide for the system, and as Chairman of Pediatric Critical Care. Dr. Harrison earned an undergraduate degree at Haverford College and a medical degree at Dartmouth Medical School. He completed a residency and fellowship in pediatric critical care through the University of Utah School of Medicine, working primarily in the critical care units of Intermountain's Primary Children's Hospital. Dr. Harrison later received a master's of Medical Management from Carnegie Mellon University and completed additional study in management at Harvard Business School.

You recently celebrated your two-year anniversary as president and CEO of Intermountain Healthcare after serving in executive leadership positions at Cleveland Clinic. How are the two organizations alike or different from clinical, governance and cultural perspectives?

They both represent the best of what each organization does. Both organizations are great at providing extraordinarily complex care. What's phenomenal about Intermountain is the daily emphasis on vision and mission. Every day our people are focused on helping people live the healthiest lives possible, with an emphasis on population health and value. We're extraordinarily innovative too, and that extends to the companies we've spun off. I've never seen a board like Intermountain's. They hold us accountable and even encourage us to forego revenue to keep healthcare affordable.



MARC HARRISON, MD
PRESIDENT & CEO,
INTERMOUNTAIN HEALTHCARE

In a relatively short time you've led a major reorganization at Intermountain. What is your vision for the organization and how has that translated into a concrete strategy across the health system?

It's less a vision for the system than for the people we serve. We want a model that achieves the quantitatively healthiest people at the quantitatively lowest cost. Quality divided by cost equals value. We've done that, taking out redundancies and aligning incentives. We're in the business of keeping people well and taking care

of them when they're sick. We've put in place measurement tools for those elements. A big part of this mission is recognizing U.S. healthcare spends 90 percent of resources on acute care; 10 percent on the 80 percent that impacts a person's health is not a very good investment. Now we're helping people by addressing food insecurity, housing and education. All these areas are necessarily done in partnerships.

Even renowned health systems like Intermountain can develop pockets resistant to innovation and change. What has been the most difficult part of the job so far?

We've got great people and they've done what they've been asked to do. A few can take it the wrong way, but the world has changed, standards are different, the bar is raised. Ben Franklin said, "When you are finished changing, you're finished." We don't want to be finished. The time to make change is when you're strong. I haven't made a single move without the board's 100 percent backing. These are really smart people who understand where the world is headed. For example, one board member is a bank president who oversaw the move to ATMs and online billing. These folks get it. They've shown a lot of courage in supporting significant change.

What experiences at Cleveland Clinic prepared you the most for taking on the top job at Intermountain?

Being CEO of Cleveland Clinic Abu Dhabi. It was a very difficult, massively complicated project that took five years. I worked with an interesting board most of whom were Emirati and were extremely demanding. Everybody was motivated by mission. I was there during the Arab Spring, which was interesting for a nice Jewish boy from Pittsburgh. It was a bit of a crucible, a hard place to be and I learned a lot of perseverance. Still, the people there are wonderful, and I still communicate with the friends I made there.

Intermountain is a founding member of Civica Rx, previously Project Rx, a not-for-profit generic drug company created this year to combat shortages and high prices of life-saving medications. Six other leading health systems have joined Intermountain to either directly manufacture or sub-contract manufacturing of 14 hospital-administered generic drugs. How far along has Civica Rx come in its first year and what is in store for 2019? What kind of impact do you think it will have on the drug market and healthcare generally?

Civica just officially became a company in September, so most of the past year was spent setting up corporate structure including the board. I'm feeling very confident we'll have product in 2019. More than a third of U.S. hospitals have expressed interest or signed on with Civica Rx. We've been working very hard on creating this company because there's an



enormous need for it. In just the coming year, at Intermountain, we're expecting a 12 percent to 15 percent increase in pharma costs.

Intermountain has had its own health plan, SelectHealth, for many years. How do you internally balance the conflicting incentives of a health plan and a provider organization? What percentage of your reimbursement is under at-risk contracts?

Previously we didn't have the CEOs of both the health plan and the provider organization sitting at the same table. Yet there's only one P&L that matters. So, we brought the head of our health plan to senior leadership meetings. Intermountain's CFO asked Patricia Richards, who heads SelectHealth, "Pat, how much cost do I need to take out so you can be competitive?" We've put everybody on the same team. SelectHealth represents 30 percent of our business. That said, we're very careful to keep provider financial discussions separate from the health plan side. I don't feel like there's a conflict. Forty-one percent of our reimbursement is at risk. Except for Kaiser, we're about as high as anyone in the industry. We're over the tipping point. That's why we're focused on social determinants of health, retention of patients and members, and not over-utilizing resources.

Intermountain has a long and storied history as a pioneer in IT, especially in development of the electronic health record going back to the 1960s. How does Intermountain maintain its edge in the world of consumer-centered digital health?

I don't deserve any credit, but everyone who came before me does. Conventional IT continues to play a huge role in our success, but we're focusing more and more on social media and digital health in the coming year.



The Intermountain Gardner Transformation Center is the home for institutes that train healthcare leaders seeking to transform the way care is provided.



We recruited Kevan Mabbutt from Disney for the newly created position of Chief Consumer Officer. We'll be rolling out a true consumer-centered digital-health initiative in 2019 that we call the Digital Front Door Project. Look, our consumers are demanding this and we're going to need it because we're consumers too. It goes both directions.

Intermountain has just opened a new Center for Transformation. What specific strategies will the new center pursue and how do you see it changing Intermountain and how it delivers care and wellness?

It's going to change us through three major programs. One is an Advanced Training Program that's always been terrific but is being updated in the areas of change management, and how we operate services in a value-based environment. Second are clinical programs. Historically we've had laboratories of innovation, but they've been

dispersed and siloed. With the new Center we've located them centrally so we can manage them uniformly. Third, Intermountain's Institute for Healthcare Leadership, which Dr. Charles Sorenson (former Intermountain CEO) has graciously agreed to lead, is focusing on bringing in administrative personnel to learn care-based methods of management. We just graduated our first cohort.

*~ Chuck Appleby
Director of Publications & Communications
cappleby@scottsdaleinstitute.org*



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7767 Elm Creek Blvd. N., Suite 208 • Maple Grove, MN 55369

Phone: 763.710.7089 • Fax: 763.432.5635

scottsdale@scottsdaleinstitute.org • www.scottsdaleinstitute.org