Healthcare Leaders Embrace Reform

Executive Panelists Brent Snyder, Bruce Smith, Carole Cotter, Steve Heck, Mary Cooper, MD, and George Conklin

Given the touch-and-go prospects for healthcare reform during the months planning Scottsdale Institute's Spring 2010 Conference, our topic "Healthcare Leaders Embrace Reform" was a big gamble. But what a payoff. From the first executive session to the final town hall, the seventeenth annual SI conference was unabashedly the best ever in its mix of timeliness, content, presenters and participant interaction.

The good news is the conversation continues. This issue highlights conference presentations on some of the hottest topics related to healthcare reform, meaningful use and the HITECH stimulus. SI members can also access all the presentations and audio recordings on our website at www.scottsdaleinstitute.org. Once you log in simply click at the top left of the homepage on "Presentations and Audio Files" and for other resources like background reading. One thing we haven't figured out yet is how to duplicate the stunning weather and beautiful setting of the Camelback Inn. Maybe next year.

'No big deal'

Following Wednesday's welcome luncheon on the Camelback Patio with its mountain view, an executive panel of five CIOs and a CQO moderated by Steve Heck, VP, Impact Advisors, discussed how their organizations—CHRISTUS Health, Lifespan, Advocate HealthCare, Adventist Health System and Sharp HealthCare--are achieving meaningful use of IT in the context of historic healthcare reform.

When CHRISTUS Health Senior VP and CIO George Conklin declared that "HITECH is no big deal," he summed up what all the panelists said from different perspectives: quality outcomes have always been the lead determinant of their organizations' IT strategy and meaningful use if anything has accelerated the journey to that goal.

The blue-ribbon panel also included Mary Cooper, MD, JD, chief quality officer, and Carole Cotter, CIO, LifeSpan, Bruce Smith, senior VP and CIO, Advocate HealthCare, Brent Snyder, Esq., CIO, Adventist Health System, and Bill Spooner, senior VP and CIO, Sharp HealthCare.

Following the executive panel, attendees selected one of three executive presentations emphasizing the theme of preparing IT-savvy executives for the transforming healthcare landscape. High-powered sessions were led by Paul Browne, senior VP and CIO, Trinity Health, Jean Chenoweth, senior VP, Thomson Reuters, and Jeffrey Rose, MD, VP, Ascension Health.

We concluded a chock-full first day with spouses and guests at a reception on the Sonoran Terrace.

Joel Shoolin, DO, and Jerry Osheroff, MD, huddle at the break.

Stan Nelson and panelists Paul Keckley, PhD, Dan Wolterman and Don Wegmiller

'Quality is a team sport'

Stan Nelson, chairman of Scottsdale Institute, opened the first full day of the conference with his now-famous "Five Minute" report, noting that SI embraces diversity in member organizations and sponsors because "if you do celestial navigation you need more than one star."

He introduced Carolyn Clancy, MD, director of the Agency for Healthcare Research and Quality (AHRQ), who, in an SI first, opened the morning session via Skype due to a last-minute scheduling complication. She focused on AHRQ's comparative effectiveness research (CER) which "is all about quality being a team sport."

AHRQ is investing in real-world research in key areas such as chronically-ill patients with multiple diseases—research that involves delivery systems themselves as the research platform.

Dan Wolterman, president and CEO of Memorial Hermann Healthcare System, followed Clancy with his own very impressive story on how the Houston-based, 12-hospital health system is achieving best practices.

When he arrived eleven years ago, Wolterman began transforming the organization's culture, recruiting key champions like Michael Shabot, MD, as senior VP and system CMO, and Robert Murphy, MD, as medical director of IS, to help "change behaviors. Everything we do must be evidence-based, whether clinical or administrative, and underlying all that is the IT system." Among other distinctions, that approach has enabled Memorial Hermann to grow its market share to 27 percent from 7 percent.

Quality improvements tell the real tale, however. Using a community case-management model, for example, the organization was able to improve outcomes for CHF patients so dramatically that it also cut costs by almost half. (More details about Memorial Hermann's astonishing clinical transformation are available in recorded presentations on the SI website.)

As a keynote follow-on, SI Vice Chairman Don Wegmiller facilitated a panel discussion on CER with Clancy, Wolterman and Paul Keckley, PhD, executive director of the Deloitte Center for Health Solutions, that included lively audience interaction.

Mitch Morris, MD, Stan Nelson, Denis Cortese, MD, Mark Laney, MD, and Peter Neupert

Mike Boswood, Erica Drazen, Andy Hurd and Tom Sadvary

'Massive, disrupting, confusing'

Two compelling panels on the impact of reform sandwiched lunch: "Evolving Roles for Providers and Patients" and "Improving Quality under Declining Reimbursement and Increasing Mandates."

Paul Keckley provided an update on "Health Reform and Disruptive Innovators," declaring that few people realize what a "massive, disruptive, confusing and pervasive force" reform will be. Everything rides on how the law is executed, he said, and the next 10 years will see three waves of activity: 1) From 2010 to 2023, we start collecting the $1.6 trillion to pay for reform and the Secretary of HHS creates 11 major new entities; 2) 2014-2017, the biggest test occurs when 32 million more people enter the insurance market; 3) 2018, HHS makes adjustments.

Keckley said hospital and health-system executives should ask, "How do you get every nickel out of operations you can?" Also, be conscious of these themes:

- Discussion centers around 5 percent unemployment as full employment and that will translate into bigger Medicare cuts;
- The White House believes this health system is being "gamed" for ill-gotten gain or "profit without purpose" and will be vigilent in trying to eradicate it;
- Young Generations X and Y believe government is the best operator of healthcare, a trend that favors single-payer in the future.

An HIT Policy Expert Panel concluded the day with important updates on how HITECH anticipates health reform and the steps to align your organization with both, the EHR-certification process and how quality drives meaningful use (whose final rule is due out in June). That richly overflowing content was followed by SI's traditional evening reception and dinner on the Sonoran Terrace.

Friday morning again provided the perennially provocative breakfast executive roundtables and Town Hall. David Classen, MD, VP at CSC, Gregory DeBor, a client partner at CSC, and the Deloitte Center's Keckley, tackled the "Late Breaking News" of healthcare reform, including what we can learn

Lou Diamond, MBChB, and David Classen, MD, tackle health reform.

from the Massachusetts experience of mandating universal coverage.

In response to a question from Kevin Wardell, president of Norton Hospital in Louisville, Ky., on next steps for health system executives, Keckley said if he were a CEO:

- "I'm going to cut 30 percent of capital expenses;
- Redirect that money to physician alignment;
- Get way out ahead on comparative effectiveness research (CER);
- Aggressively reduce operating expense, assuming that total reimbursement will be 110 percent of Medicare rates;
- Take my operating model and fight, fight to expand the scope of practice of mid-level practitioners, including reintroducing mid-level nursing professionals;
- Be very aggressive on long-term care because readmission is just the tip of the iceberg;"
- "DSH" payments (disproportionate share of the uninsured) will also be cut, so "I'd be begging the states for more money."

Conclusion

SI Chairman Stan Nelson concluded the conference by thanking everyone for their enthusiastic participation and inviting them to the Fall Forum at Intermountain HealthCare in Salt Lake City.

The complete audio presentations for the conference are available on the SI website at www.scottsdaleinstitute.org.

APRIL 2010 SPRING CONFERENCE FACULTY LIST

MIKE BOSWOOD, President & CEO, Healthcare and Science, Thomson Reuters

PAUL BROWNE, SVP & CIO, Trinity Health

JEAN CHENOWETH, SVP, Thomson Reuters

CAROLYN CLANCY, MD, AHRQ, US Dept. of Health and Human Services

DAVID CLASSEN, MD, MS, VP, CSC and Associate Professor of Medicine and Consultant in Infectious Diseases, School of Medicine, University of Utah

GEORGE CONKLIN, SVP & CIO, CHRISTUS Health

MARY COOPER, MD, JD, CQO, Lifespan

DENIS CORTESE, MD, immediate past President & CEO, Mayo Clinic

CAROLE COTTER, CIO, Lifespan

GREGORY DEBOR, Client Partner, CSC, and advisor to Senate staff on health reform and ONC consultant

LOUIS H. DIAMOND, M.B.Ch.B., F.A.C.P. , F.C.P. (S.A.), VP & Medical Director, Thomson Reuters and chair, Quality, Measurement, Research and Improvement Council, National Quality Forum

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