Getting Internal Buy-in for Your Physician Relations Program

Healthcare Marketing and Physician Strategies Summit
May 2, 2014
Agenda

• Background on Phoenix Children’s Care Network
• The Objective: Forming a Clinically Integrated Organization
• The Role of Phoenix Children’s Physician Relations
• Why We Were Successful
• Physician Relations, Looking Ahead
Phoenix Children’s Hospital Overview

- Arizona’s only licensed children’s hospital
  - 383 Beds
  - 70 Sub-specialties
  - 19,000 inpatient admissions
  - 78,000 ED visits
  - 197,000 outpatient visits
  - 15,000 surgical procedures
  - 235 Employed Physicians

- Recognition
  - Top Children’s hospital in 2012 Leapfrog Survey
  - US News World Report

Valence Health
Market Trends Impacting PCH

- New Sources of Competition
- Challenges to Independence
- Consolidation and Integration
- New Reimbursement Models
- Accountable Care and Health Care Reform

Changing Environment for Pediatric Care

- Competition Intensifying
- Battle for Independence
- Battle for Relevance
- Downward Pressure
HOW ARE PAYERS DIFFERENTIATING CIO PARTNERS?

- Product specific requirements
- Competitive price points
- Attractive geographic coverage
- Superior performance on key network metrics
  - Quality/patient safety
  - Cost
  - Satisfaction

Payer

Value Based Products
- Targeted population
- Targeted benefit package
- Targeted payment mechanism

KEY QUESTION:
How do we make the transition to value-based care?
Evaluated Strategic Options

- **Realities**
  - Need to align with other CI networks
  - Adult systems control supply of newborns
  - Provide a larger geographic presence
  - Opportunity to provide/align key service lines
  - Partner with adult systems to jointly contract with payors
  - Create value based products that are marketable to payors

- **Actions**
  - We took steps to generate options for analysis
  - Wide range of models including equity and physician owned
  - Best options vary based on key market opportunities
  - Ultimately evaluated 3 alternatives

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**Evaluated Options**

- Maintain Hospital centric focus
- Join existing ACO/CIO
- Develop pediatric focused CIO
Our Decision

Develop a PEDIATRIC clinically integrated organization

- Not viable to just be a hospital – doing nothing is unsustainable
- No real options to join existing ACO/CIOs
- Market opportunity to develop a pediatric only CIO aligning pediatricians, specialists and ancillary providers along with PCH to form the Phoenix Children’s Care Network (PCCN)
- Grow volume by becoming an indispensible VB partner with other health systems and payors
Clinically Integrated Organization Overview

A clinically integrated organization is an effort among physicians in collaboration with a hospital or health system to develop active and ongoing clinical initiatives designed to improve the quality of health care services and control costs.

Why a clinically integrated organization?

- Fosters collaboration between physicians and hospitals to increase quality and efficiency of patient care
- Allows provider networks that include independent physicians and hospitals to participate in collective negotiations with health plans without antitrust risk
- Presents a powerful business model and clinical strategy to thrive in the advent of consumerism, pay-for-performance, accountable care and quality report cards
- May allow hospitals through CIO to legally provide additional office practice support to physicians members beyond just managed care contracting, such as information technology system infrastructure
Key Success Factors for CIOs

- **Strong physician leadership**
  - Governance and Operating Committees

- **Physician engagement and buy-in**
  - Participate in Committee activities
  - Contribute to program development
  - Engaged in performance improvement and population health management

- **Value proposition for all stakeholders**
  - Improved or stable reimbursement
  - Access to data and improved care coordination to promote high quality, efficient care delivery
  - Ability to remain independent
  - Access to other value-added support services

- **Frequent communications to participants**
  - Varied methods employed – mail, fax, electronic, in-person
Typical Process for Building a CIO

• Create legal entity
  – Existing IPA or PHO
  – New organization

• Recruit physicians for participation in the CIN
  – Solicit existing members in the provider organization
  – Contact physicians on staff at the participating hospital/health system
  – Recruit physicians in the community

• Obtain signed Participation Agreement or Amendment

• Complete credentialing process (optional)

• Accomplished by using Provider Relations reps employed by the CIO
  – With newly formed organizations, this position will also be a new employee
  – Individuals may come from practice environment, health system or health plan
Organizational Chart - 2014

Physician Relations department began Feb 2005

- Giff Loda
  VP, Network Development

- Bob Campbell
  CSO, SVP Strategic Plan & Bus Dev

- Dennis Lund, MD
  EVP, PCMG

- Lynda Christel
  Director, Physician Relations

  - Kim Sluyk
    Sr Physician Relations Rep

  - Heather Walton
    Sr Physician Relations Rep

  - Open position

  - Mindy Brandt
    Physician Relations Associate
**Service Line Model**

- **PSA** – 75% focus
- **SSA** – 25% focus

*Targeted sales activities are related to strategic initiatives*

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<th>Rep/Director</th>
<th>Territory</th>
<th>% of Time/Year</th>
<th>Focus</th>
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<td>Heather</td>
<td>• North East</td>
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<td>Cardiac, GI, Liver Transplant</td>
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<td>• North Central</td>
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<td></td>
<td>• North West</td>
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<tr>
<td>Kim</td>
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<td>75%</td>
<td>Neuroscience, Orthopedics, HEM/ONC</td>
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<td>• Southern AZ</td>
<td>25%</td>
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<tr>
<td>Lynda</td>
<td>• Central</td>
<td>50%</td>
<td>ED/Trauma, Surgery, Hospital relations</td>
</tr>
<tr>
<td></td>
<td>• Hospitals in SW</td>
<td>50%</td>
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Advantages of PCCN’s Model

• Why PCH’s Physician Relations team has been successful
  – Extensive understanding of the market
    • Payers
    • Competitors
  – Existing relationships with community-based pediatricians and their practice managers
  – Recognize key motivators for joining a CIN
    • Able to communicate the appropriate value proposition
  – Understand Value-added services that are desired
Why join PCCN: Value Proposition

- PCCN Member Benefits
  - Only CIO devoted exclusively to children
  - No capital investment to participate
  - Proactive approach to value-based contracting opportunities
  - Improved reimbursement linked to performance / outcomes
  - Access to patient healthcare data for improved patient care
  - Opportunity to collaborate with peers on improving quality and efficiency of care delivery
  - Improved relationship/better communication with PCH and peers
Why join PCCN: Value Proposition

• PCCN Value-Added Services
  – GPO for medical/office supplies (in process)
  – My PCCN Smartphone App (in process)
  – Enhanced communications through monthly e-newsletter
  – ICD-10 Training
  – Access to Valence Vision Quality Reporting platform
  – Utilization of PCH HealthPoint physician portal
  – Practice Managers Advisory Council (PMAC)
  – Access to physician lounge
  – Full medical library benefits
  – Listed on website
  – Promoted throughout valley
Building PCCN: The Role of Physician Relations

Conduct surveys (Jan - March 2012)

- First step to gauge interest of community-based pediatricians
- Physician Relations:
  - Identified physician targets based on “loyalty” PCH, practice size, geography, and other factors
  - Facilitated the interview process

PAC (May 2012-Apr 2013)

- Physician Advisory Council was formed to oversee the design of the CIO including the Operating Agreement, participation terms, entity name, other factors
- Physician Relations:
  - Identified physician candidates to serve on the PAC
  - Assisted in coordination of monthly meetings
  - Developed a targeted recruitment plan
Building PCCN: The Role of Physician Relations

Stand-up the CIO (April - July 2013)
- Formed the Board of Managers and Operating Committees (Network, Quality, Finance)
- Physician Relations:
  - Recruited physicians to serve PCCN’s governance
  - Supported monthly meetings
  - Initiated meetings with community physicians to promote CIO

Build the Network (May 2013 -->)
- Physician Relations:
  - Refinement of recruitment plan
  - Obtain signed participation agreements; facilitate credentialing
  - Hold 1 on 1 meetings; town halls; dinner presentations; lunch and learn sessions
  - Formed Practice Managers group to support engagement; monthly meetings
Current Allocation of Time

Example:
Messages during 1 Office Visit

- PCCN - 20%
- PCMG Svc Line - 20%
- Payer - 20%
- Healthpoint Training - 20%
- Valence Portal Training - 15%
- Issues - 5%
Overall activity

Over the years, there has been a shift from quantity visits to quality visits (eg. 60-90 min mtgs for PCCN).

In 2014, there’s an increased impact of PCCN to target total 300 pediatricians.

Physician Relations is the main “one-stop-shop” resource for anything PCH/PCMG/PCCN including value-add discussions, impact from payers and changes in the marketplace.
Our Accomplishments

• Built and grew membership April – Dec 2013:
  – PCCN Physician Membership: 461 physicians
  – Community-based Pediatricians: 118 physicians

• Formed Practice Managers Advisory Council – monthly meetings

• Completed IT surveys representing 347 physicians

• Sent out 112 credentialing applications

• Developed a formal network communication plan
Next Steps

• PCCN
  – Recruit dedicated physician leadership
  – Implement physician connectivity and data collection and operationalize Valence portal
  – Increase participation in PMAC
  – Recruit membership with targeted goal of 300 pediatricians by end of 2014
Thank you