Atlantic General Hospital & Health System

2015 Presentation to the Worcester County Commissioners

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Atlantic General Hospital & Health System

Our Mission:

To create a coordinated care delivery system that will provide access to quality care, personalized service and education to improve individual and community health.

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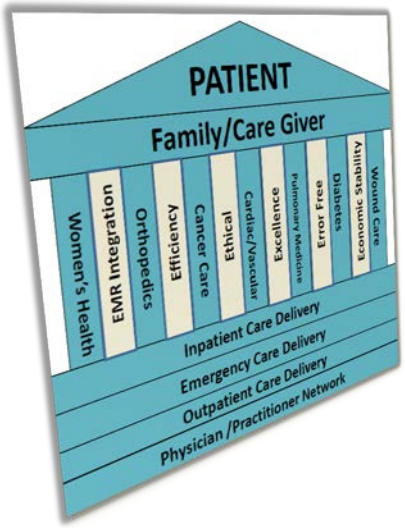
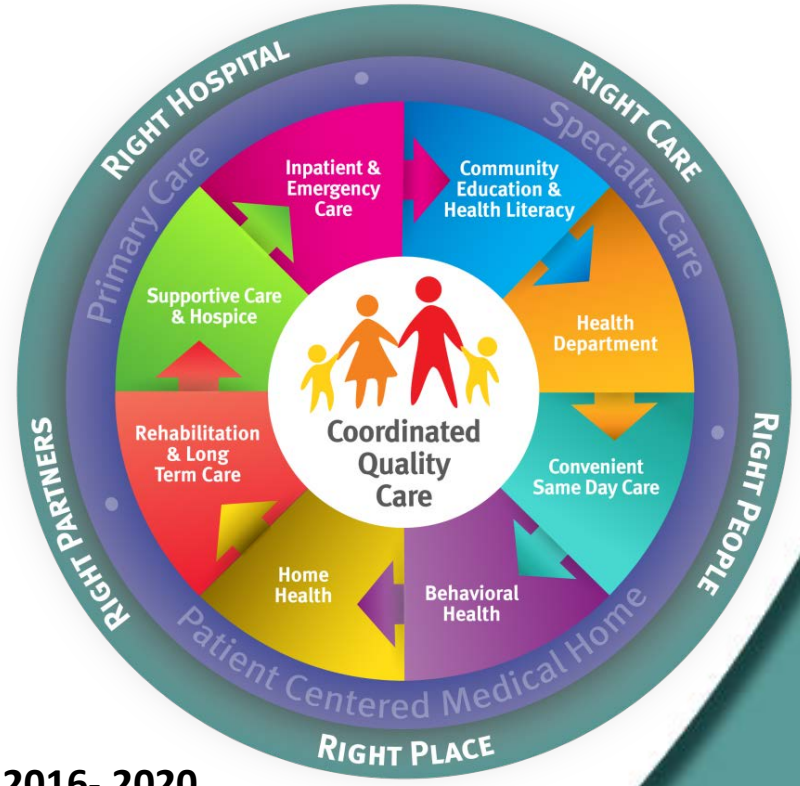
2020 Strategic Vision



2011- 2015
Strategies



2016- 2020
Strategic Plan

Michael Franklin, FACHE
President/CEO

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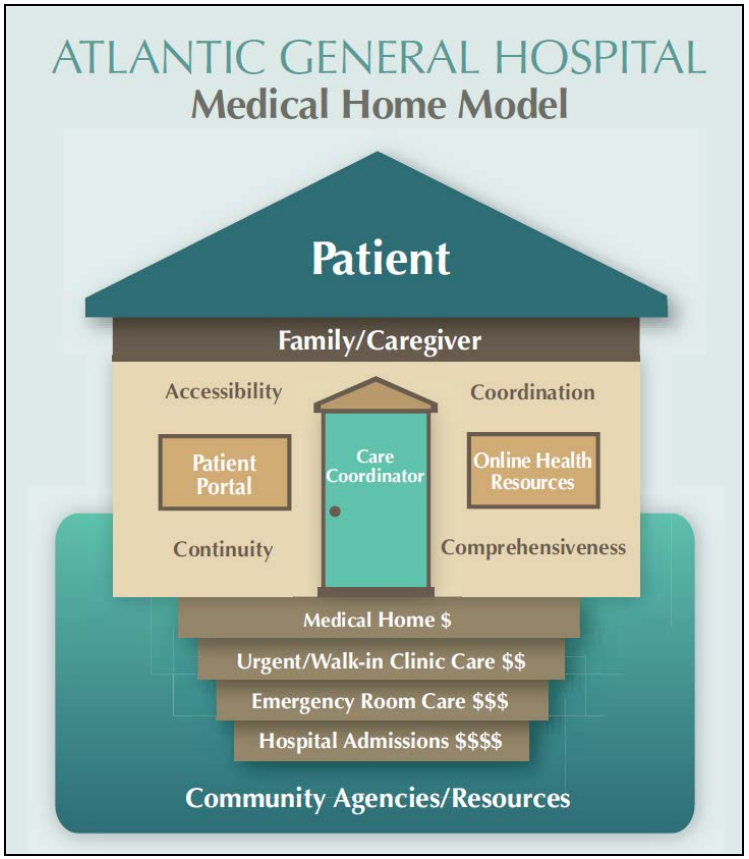
2011-2015 Patient-Centered Medical Home



Recipient of the Maryland Rural Health Association's 2013 Outstanding Rural Health Program

- PCMH has provided services to over 400 patients since program launch in January 2013.
- Readmission rates for program patients is <10% (nat. average is ~19%)

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Pioneers in Health Literacy Improvement

Health concepts should no longer be confined to health and biology classes.

Health Literacy Integration:
Weaving health concepts into existing math, science, reading and social studies lessons to increase students' exposure to this information, thus increasing their understanding.

- **2014 Successful pilot with 2nd graders at Ocean City Elementary School**
- **2015 Pilot continuation at OCES and other elementary schools throughout Worcester County**

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Pioneers in Health Literacy Improvement

2014 Post-test results indicated a Statistically significant increase in healthy literacy:

- **63% increase** in the number of students able to recognize the term "heart healthy"
- **41% increase** in the number of students that knew how to take their heart rate
- **100%** of students being able to identify "My Plate" (80% at pretest)
- **58% increase** in the number of students reporting how to talk with doctors or nurses about their health
- **76.5%** of students believing that advertisements can change the way
- that kids think about food

Pilot is being extended into curriculum in all 2nd grade classes in Worcester County public schools and expanding into grades 1 through 5 in pre-identified schools during the 3rd and 4th terms of this school year

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Pioneers in Health Literacy Improvement

Faith-Based Medical Home Partnership: A Vision of the Possible

OCEAN CITY TODAY
January 6, 2012

Hospital, worship centers partnership leads to improved health.

Started at Berlin hospital, faith-based program aims to promote health living.

NANCY POWELL | Staff Writer

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ATLANTIC GENERAL 2020 VISION

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VISION

To be the leader in caring for people and advancing health for the residents of and visitors to our community.

MISSION

To create a coordinated care delivery system that will provide access to quality care, personalized service and education to improve individual and community health.

Reducing Potentially Avoidable Hospital Utilization (PAUs) Improves Care

PAUs are "Hospital care that is unplanned and can be prevented through improved care, coordination, effective primary care and improved population health."

PAU examples:

- **Readmissions/Re-hospitalizations (includes ER)**
- **Preventable admissions and ER visits (AHRQ PQIs, more)**
- **Avoidable admissions for skilled nursing facility (SNF) and assisted living residents beyond PQIs**
- **Potentially preventable complications**

"Admissions and ER visits for high need patients can be moderated with better chronic care and care coordination."

- Healthcare Financial Management Association

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Hospital Financial Overview

Hospital Assessments, Medicare Waiver & HSCRC

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Year over Year Comparison

FY13	
We Billed:	$119,611,769
We Received:	$95,207,833
Cost of Care:	$94,139,531
Operating Margin:	$1,068,302
Community Support:	$1,657,710
Total Margin:	$2,726,012
(State Assessment:	$4,432,310)

Admissions	3,086
Ave. Length of Stay (days)	4.2
Patient Days of Care	11,710
Emergency Visits	37,664
Laboratory Visits (outpatient)	29,529
Radiology Visits (outpatient)	26,860
Surgeries (inpatient/outpatient)	7,322
Physician Visits (AGHS)	68,962
Cardiology, Pulmonary, EKG, EEG visits (outpatient)	4,515

FY14	
We Billed:	$128,115,076
We Received:	$99,938,625
Cost of Care:	$101,574,098
Operating Margin:	($1,635,474)
Community Support:	$2,611,619
Total Margin:	$976,145
(State Assessment:	$4,636,388)

Admissions	3,337
Ave. Length of Stay (days)	3.7
Patient Days of Care	12,244
Emergency Visits	36,876
Laboratory Visits (outpatient)	31,563
Radiology Visits (outpatient)	27,256
Surgeries (inpatient/outpatient)	7,777
Physician Visits (AGHS)	82,999
Cardiology, Pulmonary, EKG, EEG visits (outpatient)	4,138

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Efficiency & Innovation

- **Partnered with Premier group purchasing organization to realize cost savings for supplies and contracted services**

$hared REWARDS
incentive program

- **Invited Associates to be our partners in increasing efficiency so we can continue with strategic initiatives and ensure our mission to the community**

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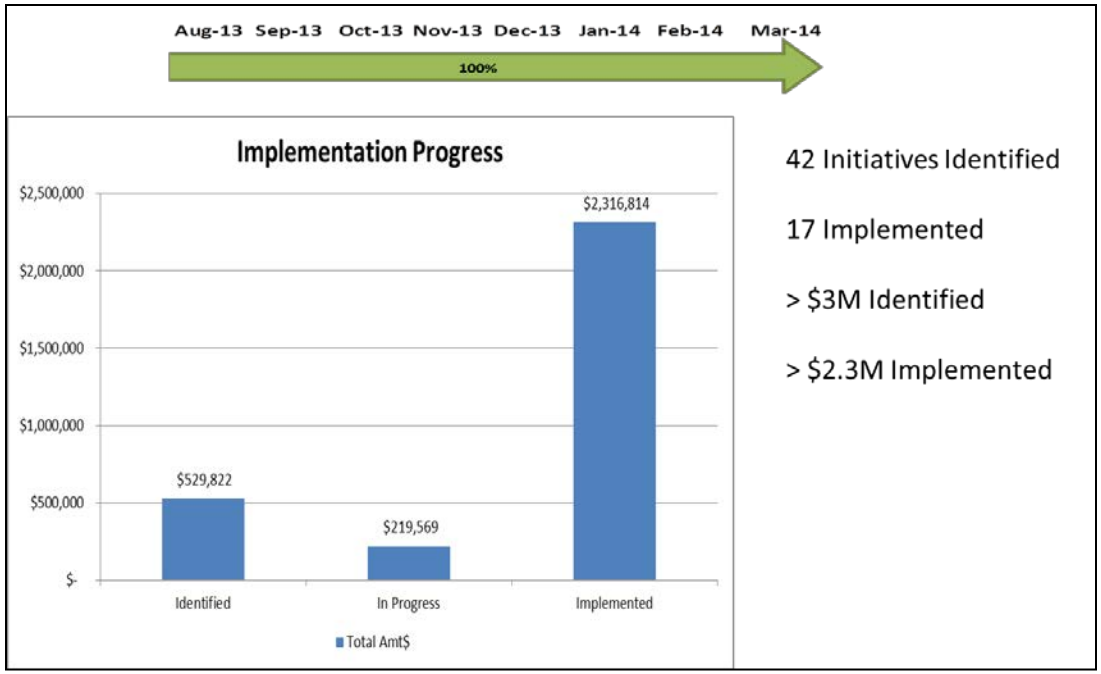
Efficiency & Innovation



Premiere Savings Opportunities

*Saved more than **$2.3 million**, more than double the goal.*

$hared REWARDS incentive program

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Community Impact

AGH/HS

The Economy & Quality of Life

- Maintains more than 800 year-round positions for local residents.
- Total Payroll of $40 million, which is spent in the communities in Maryland, Virginia and Delaware.
- Medical Staff of 220 includes:

Anesthesiologists/ Pain Management
Cardiologists
Dermatologist
Emergency Medicine
Family Practice Physicians
Gastroenterologists
General Surgeons
Gynecologists
Hospitalists
Intensivists
Internists
Oncologist/ Hematologist
Nephrologist
Neurologists
Nurse Practioners
Orthopedic Surgeons
Pediatricians
Physician Assistants
Psychiatrists
Pulmonologists
Radiologists
Rheumatologist
Urologist

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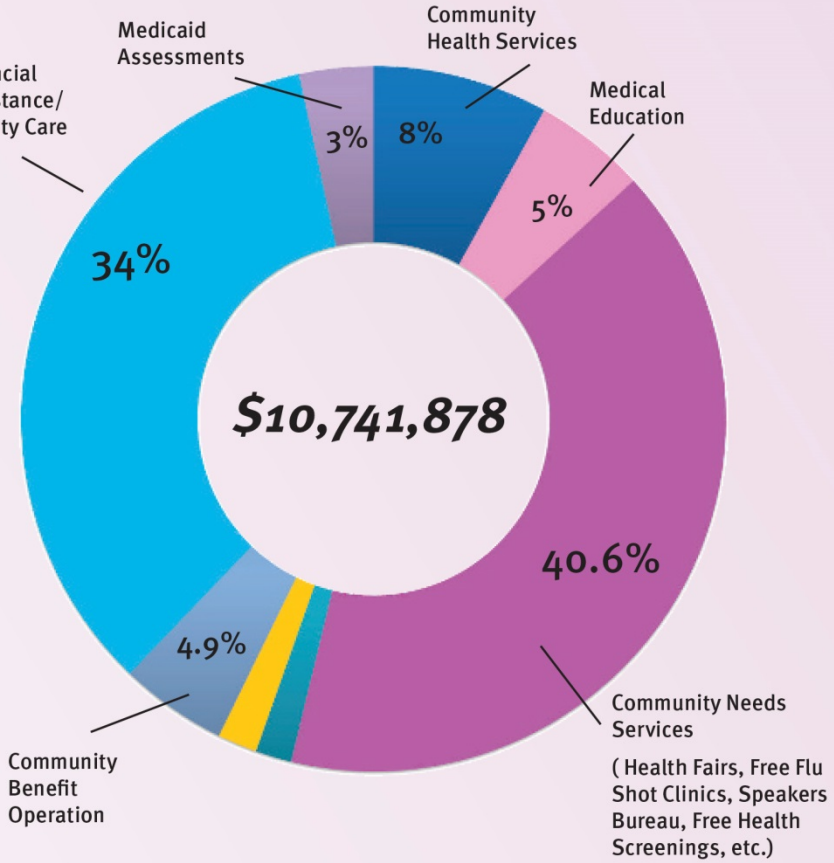
Community Impact

FY 14 Community Benefits

Mission-driven health education and services provided to the community free of charge, or at reduced cost, from July 2013 through June 2014.

At a cost of more than $10 million, our associates had 68,813 encounters with the community.



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Community Impact

Dollars infused into local business economy in Fiscal Year 2012:

$82,391,717

Dollars infused into local business economy in Fiscal Year 2013:

$88,425,434

Dollars infused into local business economy in Fiscal Year 2014:

$94,721,141

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State Assessments

	FY 12	FY13	FY14
• **MHIP**	**$764,926**	**$760,828**	**$656,827**
Maryland Health Insurance Plan			
• **HCCF**	**$828,174**	**$1,068,142**	**$1,016,638**
Healthcare Coverage Fund			
• **BPW (HSCRC)**	**$2,142,700**	**$2,150,804**	**$2,218,256**
Board of Public Works (HSCRC)			
• **BPW**	**$357,300**	**$364,388**	**$376,195**
Board of Public Works			
• **NSP II**	**$85,900**	**$88,148**	**$95,472**
Nurse Support Program II			

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Quality & Patient Safety

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Patient Safety- 2014

- Hand washing compliance greater than 90%
- Reduced urinary track infections and urinary catheter days by more than 50%
- Reduced Ventilator Associated Pneumonia to Zero
- Mandatory Flu Vaccine achieved 98.9% compliance
- Zero Central Line infections in 10 months
- MRSA and VRE reduced by 50%

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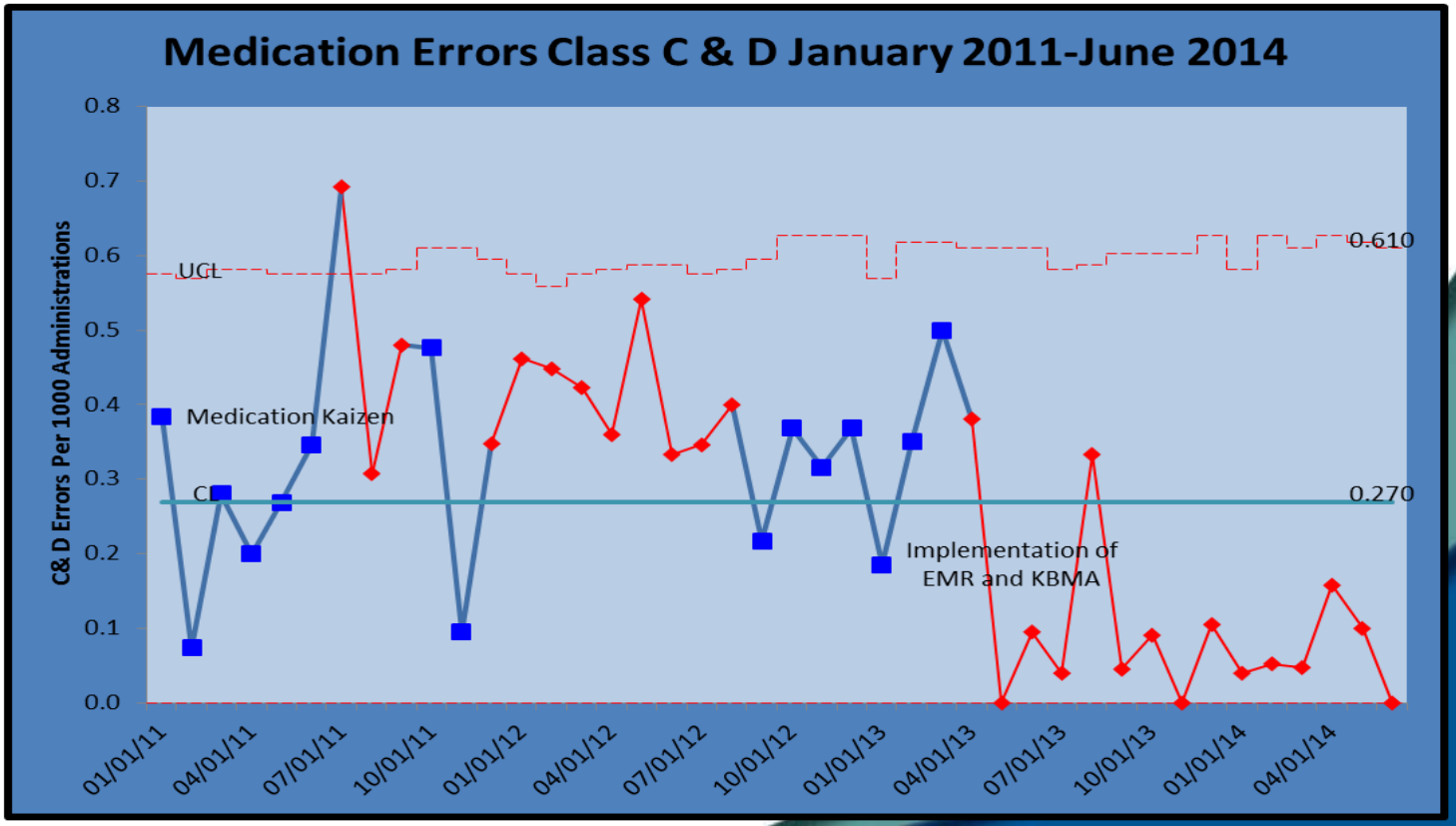
Patient Safety Highlights

- **Reduced Hospital acquired wounds- Presented at Maryland Patient Safety Center, 2014 Maryland Nursing Association (Circle of Honor)**
- **Reduced medication errors with implementation of a closed loop medication system and Smart infusion pumps. (2015 Circle of Honor award)**



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Outcomes in Medication Safety Events Category C & D

- **86% Reduction in Medication Errors!!!**
- **Potentially Avoidable Utilization went from $962,500 annually down to $140,000!!!**

Year	Medication Error Rate per 1,000 Administrations	Average Medication Safety Events per Month
2011	0.33	8.2
2012	0.38	9.2
2013	0.18	3.8
2014 YTD	0.06	1.3

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Reducing Readmissions Strategic Initiatives

- **Patient Centered Medical Home**
- **Transitions in Care for both AGHS and non AGHS pts**
- **Readmission prevention team. Currently at 11.7 % compared to 13.8% in 2013 but our target is 10.8% reported by CRISP-Maryland HIE.**
- **Ancillary Pharmacy**
  - **Improve patient compliance**
  - **Follow up compliance checks**
- **Transition Coordinator in the ED**
- **Condition "R"**
- **Use of telemedicine and protocols with LTC**
- **LACE prioritization**

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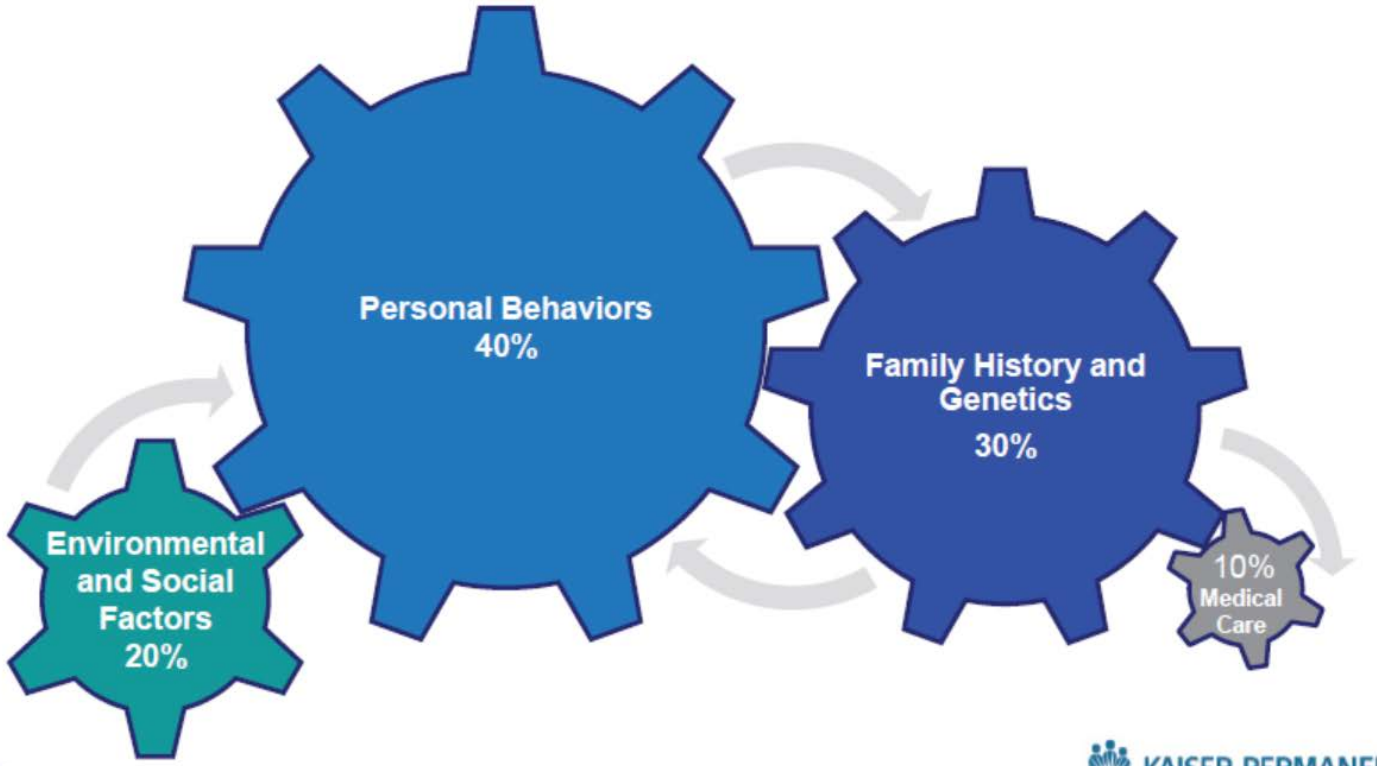
Health is About More Than Clinical Care

Health is driven by multiple factors that are intricately linked – of which medical care is one component.



KAISER PERMANENTE®

Source: Determinants of Health and Their Contribution to Premature Death, JAMA 1993

Access to Primary & Specialty Care

Additional Primary Care Physicians & Nurse Practitioners recruited for

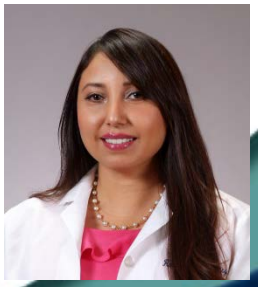
- *Ocean View*
- *Ocean City*
- *Fenwick*

Urology
James P. Cherry, MD
Berlin, MD

Dermatology
Curtis D. Asbury, MD
Selbyville, DE

Bariatrics
Alae Zarif, MD
Matthew Hofeldt, MD
Berlin, MD & West Fenwick, DE

Medical Oncology
Rabindra Paul, MD
Rupa Gupta, MD
Berlin, MD



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Cancer Care Services

- **Program began July 2010 we have seen significant growth in both physician visits and the total patient encounters for Outpatient Infusion Services.**

- **Medical Oncology and Hematology office visits increased from 961 in fiscal year 2013 to 1,527 in fiscal year 2014 -59% increase.**

- **2014 Cancer Registry data Melanoma, Breast, Lung, Prostate and Colorectal.**

- **Life-Saving Lung Cancer Screening**
  - **Out of pocket cost ~$175.00**
  - **Awaiting Medicare approval**

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Information Exchange, ICD 10 & Meaningful Use

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Meaningful Use Milestones

Hospital Go-Live occurred February 2012

Achieved CMS Stage 1A Meaningful Use – October 2012

- Resulted in $2 million in incentives

Achieved CMS Stage 1B Meaningful Use – October, 2013

- Resulted in over $1 million in incentives

Achieved CMS Stage 2 Meaningful Use – December 2014

- Includes Patient Portal allowing patients a single access point for inpatient & outpatient health information
- Resulted in ~$880,000 in additional incentives
- **AGH 1 of 164 U.S. hospitals to achieve Stage 2**

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Digital Connectivity Strategic Initiative

- **Maryland Broadband**

Invested in ultra-fast, digital connectivity to improve access to care

- Benefited eCare, ICU telemedicine program through University of Maryland

- **Allows for primary care access in remote areas of our region through telemedicine**

- **Innovative developmental health telemedicine care partnership with Kennedy Krieger Institute celebrates over 2 years of providing care**

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The Population Health Management Challenge

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Medicare Waiver & the HSCRC

- **Old Waiver**
  - Rate regulation of inpatient hospital care; fee-for-service

- **New Waiver**
  - Global payment system
  - Shift away from payment per admission and toward model based on payment per Medicare beneficiary
  - Increased focus on quality

New Waiver + **State Assessments** + **Increasing Costs** = need to be more efficient and innovative in care delivery

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Medicare Waiver

- **Maryland's Hospitals are supportive of the New Waiver Framework**
  - New waiver framework took 2 years and 2 weeks to develop and reach consensus.
- **New waiver framework provides Maryland with important opportunities**
  - The "Waiver" is important! It is currently worth $1.6 billion to Maryland.
  - Provides the chance to lead national policy innovation
  - Limits growth in health care spending for consumers
  - Pays a fair price for hospital services
  - Focuses on the **Triple Aim**
    - Improving the health of the population
    - Enhancing patient experience and patient outcomes
    - Reducing the healthcare costs of the population

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Medicare Waiver Challenges

- **Just a framework**
  - The state has articulated goals, but many important aspects are still to be created. It must be workable.
  - Needs to be modernized to adopt principles of "Population Health Management," not just monitoring of Hospital revenue.

- **The new limits are tight**
  - The cap imposed on the rate of growth in hospital spending for the next five years is half the rate of growth experienced in the last ten years.

- **Important missing pieces remain**
  - Critical policy tools like physician gain sharing opportunities were not included in the new waiver.
  - We must work to develop the additional policy pieces needed to make the framework manageable.

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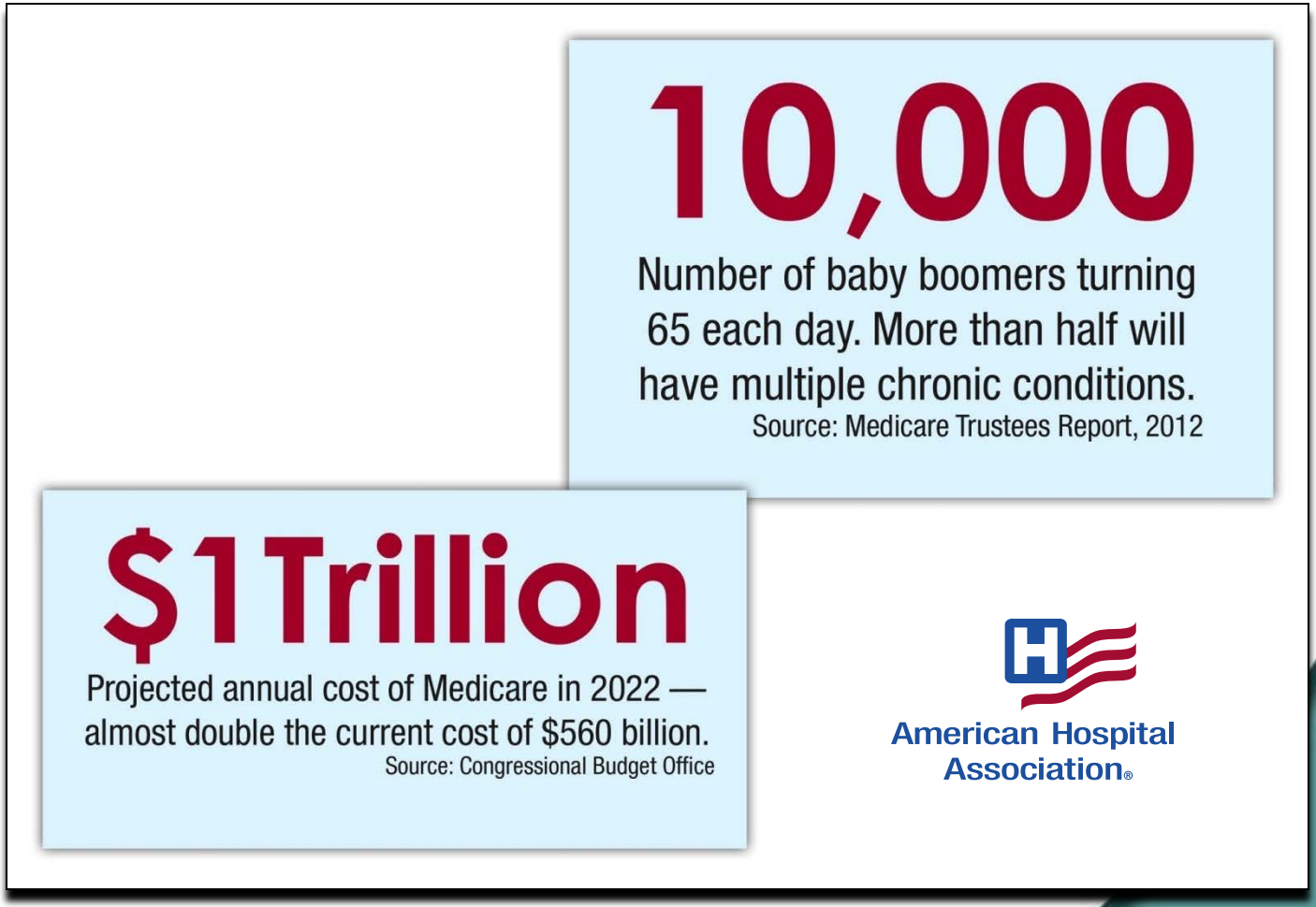
Medicare Waiver Challenges



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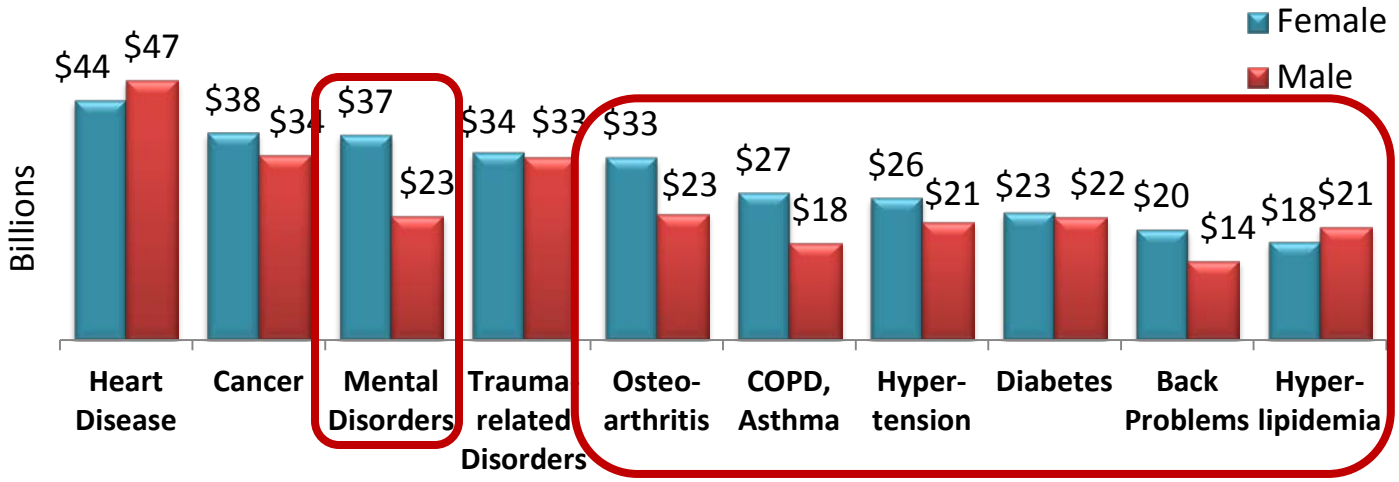
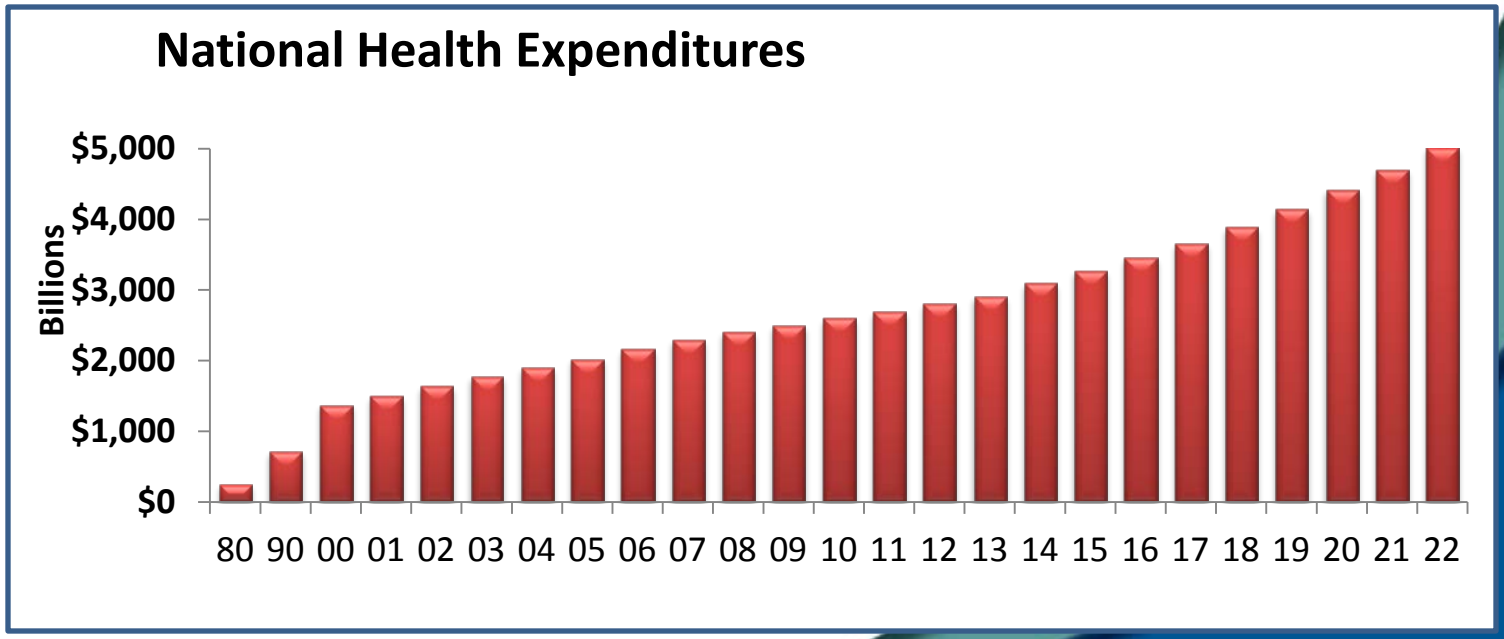
Top 10 Most Costly Conditions - Adults





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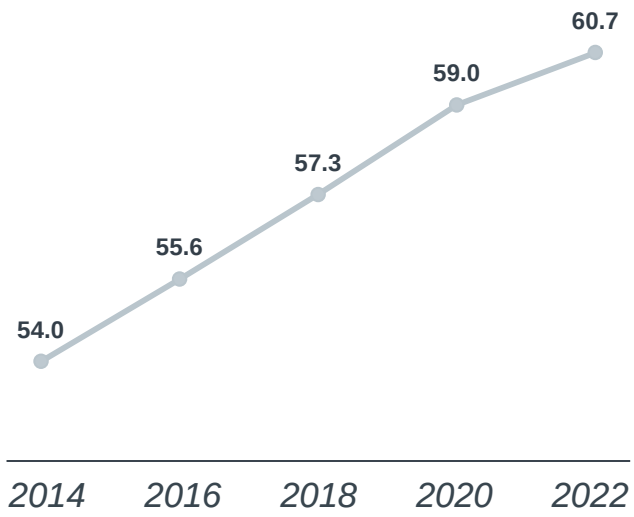
Medicare to Become Majority of Volume by 2022

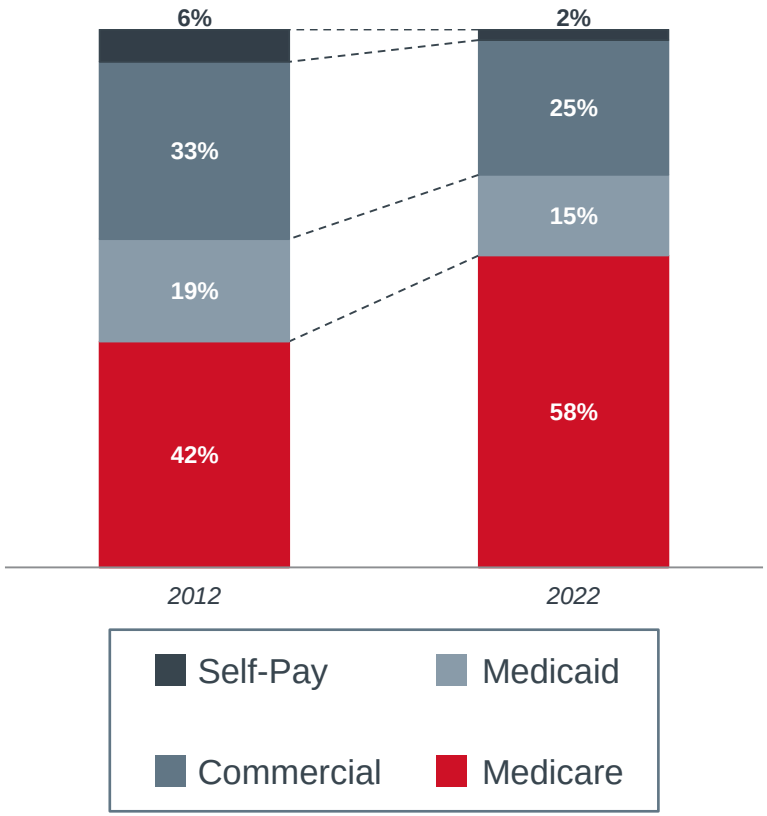
Projected Number of Medicare Beneficiaries

Millions of Beneficiaries



Average Inpatient Case Mix By Volume

n = 785 Hospitals



Source: CMS, "2013 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds," May 31, 2013, available at: http://downloads.cms.gov/files/TR2013.pdf; Health Care Advisory Board interviews and analysis.

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Community Alignment Strategic Initiatives

Clinical Affiliations & Vertical Integration

Goal: Continue to identify how the organization can align with appropriate healthcare partners to improve the healthcare delivery system in our community

- o telemedicine
- o partnership with rehabilitation centers home health agencies, long-term nursing facilities
- o partnership with independent providers within the Delmarva Health Network ACO

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Delmarva Health Network

An Accountable Care Organization (ACO)

Groups of healthcare providers who voluntarily work together to give patients high quality service and care at the right time in the right setting.

- After participating in a highly competitive application process, Delmarva Health Network (DHN) was approved to participate in the Medicare Shared Savings Program sponsored by the Centers for Medicare and Medicaid Services (CMS).
- Allows physicians and health care providers in (DHN) to work together to give patients high quality care
- By working collaboratively across the health care continuum to improve patient's health, Medicare should experience significant savings which will be shared with providers in the Network.

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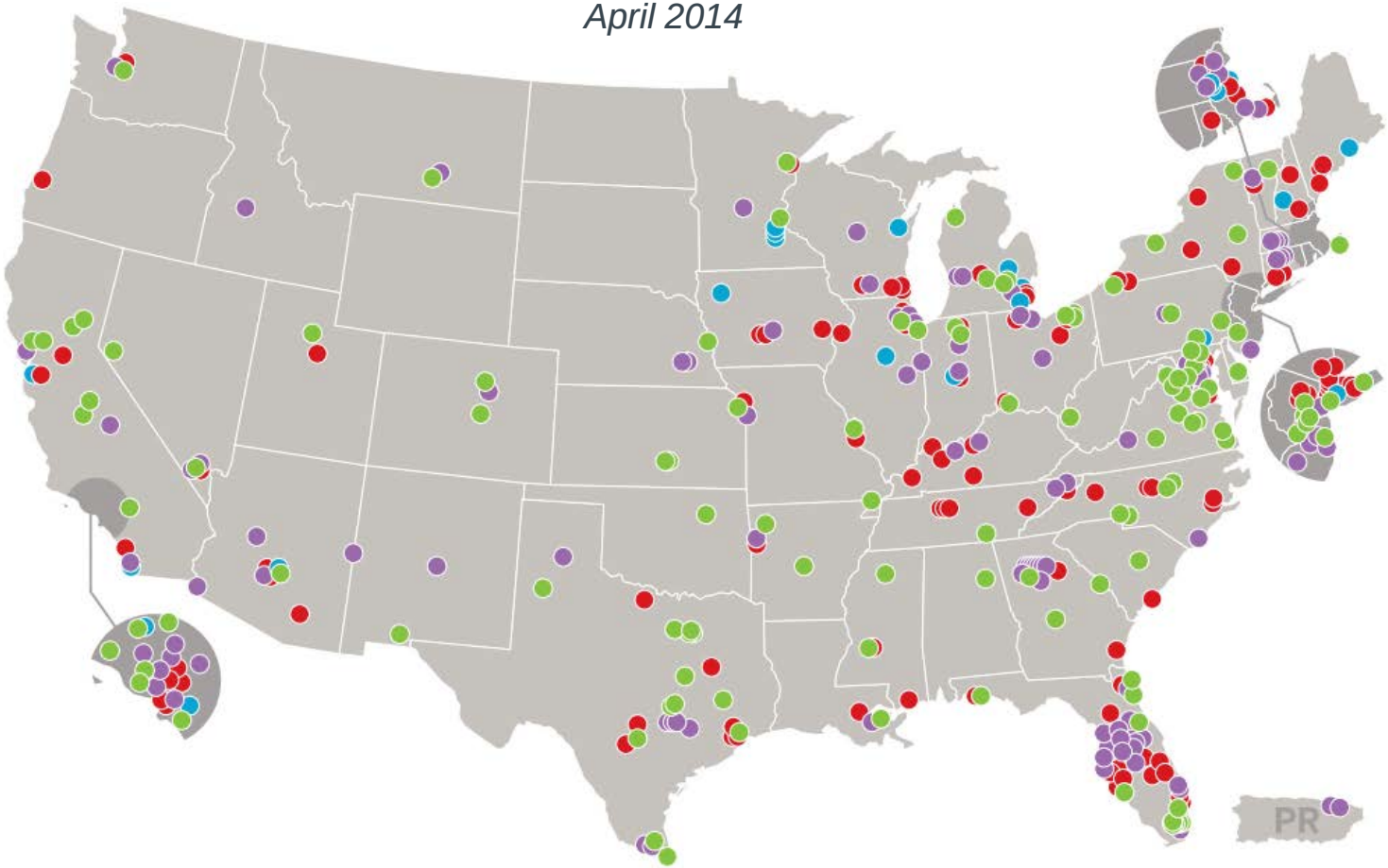
Where the Medicare ACOs Are

23 Pioneer and 343 Shared Savings Program ACOs

April 2014



- Pioneer ACOs
- Shared Savings ACOs 2012 Cohort
- Shared Savings ACOs 2013 Cohort
- Shared Savings ACOs 2014 Cohort

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Source: Centers for Medicare and Medicaid Services; Health Care Advisory Board interviews and analysis.

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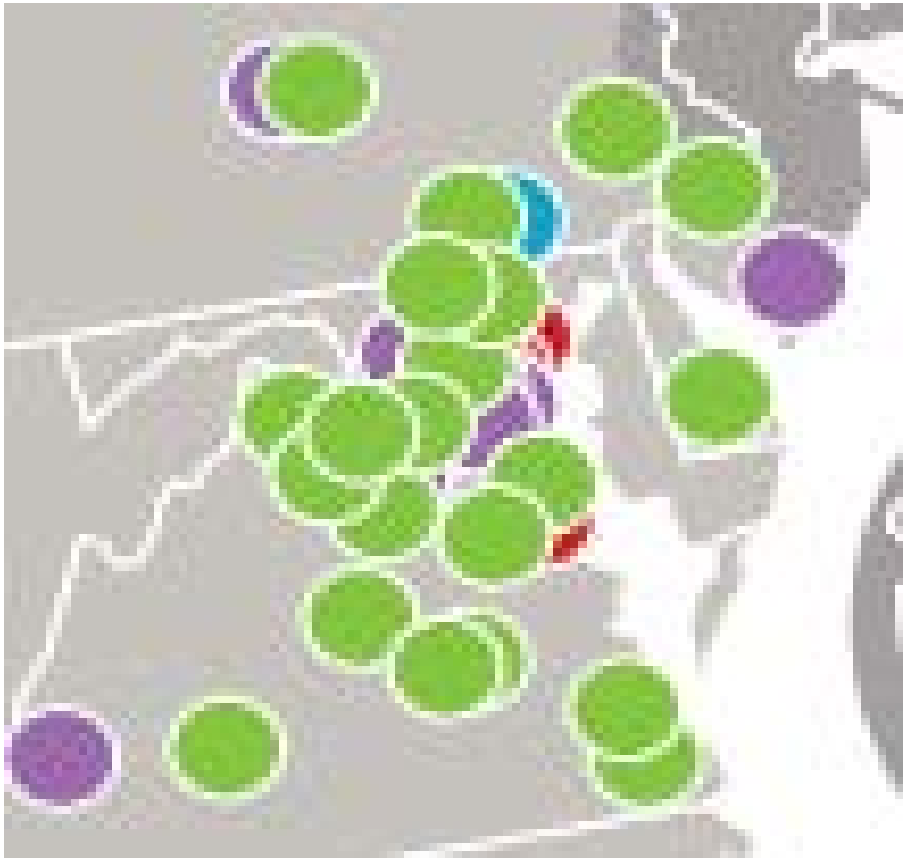

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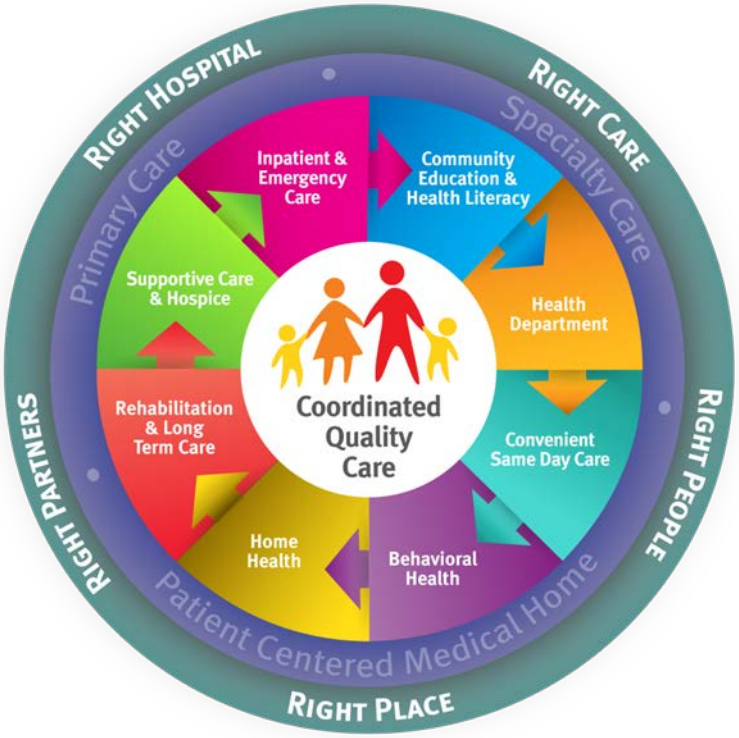

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