Transition to an Integrated Academic Health System

Mike McGlade, Senior Associate Dean for Administration and Director of Finance, University of Nebraska Medical Center

Cory Shaw, Executive Vice President and Chief Operating Officer, Nebraska Medicine
Organizational Structure: Nebraska Medicine & UN System

Clarkson Regional Health Services

University of Nebraska Board of Regents

Nebraska Medicine

University of Nebraska Medical Center

University of Nebraska System

UN Lincoln
UN Kearney
UN Omaha

UNMC Physicians

College of Allied Health Prof
College of Public Health
College of Nursing
College of Medicine
College of Dentistry
College of Pharmacy
College of Graduate Studies

The Nebraska Medical Center

Bellevue Medical Center

UNMC Institutes & Centers
FPB Cancer Center
Monroe Meyer Institute
Many, many others

UNMC Sub-Corporations
UNeMed, UneHealth
MCDC, CCDC
Our Mission

Our mission is to lead the world in transforming lives to create a healthy future for all individuals and communities through premier educational programs, innovative research and extraordinary patient care.

OUR VALUES

reflect who we are and why we’re here.

ITEACH

Innovation
Search for a better way. Seek and implement ideas and approaches that can change the way the world discovers, teaches and heals. Drive transformational change.

Teamwork
Respect diversity and one another. Communicate effectively and listen well. Be approachable and courteous. There is no limit to what we can achieve when we work together.

Excellence
Strive for the highest standards of safety and quality in all that you do. Work to achieve exceptional results.

Accountability
Commit. Take ownership. Be resilient, transparent and honest. Always do the right thing and continuously learn.

Courage
Make the tough decisions. Have no fear of failure in the pursuit of excellence. Admit mistakes and learn from them.

Healing
Show the empathy you feel. Be selfless in caring for patients, one another and the community.
Circa 2010
Why Rethink the Model?

• Emerging challenges within and between physician, hospital and academic enterprises
  – Pressure on clinical operating margins for both Nebraska Medical Center and UNMC Physicians but not a crisis
  – Rapidly expanding gap between clinical and faculty compensation
  – High dissatisfaction among private and academic medical staff with hospital leadership
  – Hospital leadership retrenchment with respect to hospital “support” of academic mission
  – Deteriorating relationships within University academic leadership

• First discussion initiated with UNMC Physicians BOD summer 2010
# Physician Compensation and Productivity

Prioritization of Improvement Initiatives: Practice Operations

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- **No benchmark available**
- **High Performer/Compensation (>50th percentile)**
- **Moderate Performer/Compensation (25th-50th percentile)**
- **Low Performer/Compensation (<25th percentile)**
Three Imperatives

• Dramatically improve the quality, safety, and experience for patients, families, learners, physicians and staff.

• Create an integrated operating model durable enough to thrive in changing environment

• Transform operations to improve financial performance by $120M annually:
  – Anticipate top line pressure from governmental and commercial payers
  – Compensate clinical work of physician faculty and health system employees at market rates
  – Infrastructure investments in facilities and technology
  – Liberate working capital for academic development
Transition 2012 - 2016
Nebraska Medicine Governance

• Revised board composition to reflect additional contribution of UNMC Physicians by Board of Regents

• New directors with backgrounds and experiences to support health system not a hospital or faculty practice.

• Governance roles for Chancellor and Dean
Executive Leadership

• CEO for the clinical enterprise; prefer MD

• Direct Dean engagement in health system executive office

• Align physician, acute care, ambulatory and other operating units under single executive

• All clinical staff employed by Nebraska Medicine
• Physician/Manager team leading all operating units via service lines

• Dyad management model across patient care continuum
Science and Research Fund

- Accumulated working capital from UNMC Physicians totaling $120 million in 2014
- Not transitioned to health system balance sheet
- Controlled and governed by the Dean and COM Chairs for academic development
Integrated Academic Health System: Physician Enterprise

NewCo Board

NewCo Physician Enterprise Executive

Employed AMC - based

Employed Other

MSO

Referring Partners

Contract for Administrative Services

Clinical Chair

Clinical Chair

Clinical Chair

Clinical Chair

Group A

Group B

Group C

Group D

Group E

Group F

Group G

Group H
Academic Chairs and Nebraska Medicine
Selection of Clinical Program/Clinical Service Leadership

The Department Chair(s) associated with a clinical program/service and the Medical Services Executive will share responsibility and create a process for jointly identifying and appointing both the administrative and clinical leaders of a clinical program/clinical service.

Design

Selection

- The clinical leader position of a clinical program/clinical service will be considered a separate position from that of the academic positions of chair or division chief. However, an individual may hold both positions simultaneously.
- Individuals appointed as a clinical leader of a clinical program/clinical service must hold an appointment as a faculty member (UNMC College of Medicine, full, part-time or volunteer) and meet the qualifications as per UNMC faculty policy. They will be employed by the clinical enterprise for the effort required to accomplish the goals of the position.
- The Chair(s) and Medical Services Executive must reach consensus before an offer or the appointment is made of either the administrative or clinical leader of a clinical program/clinical service.

Performance Evaluation

- Once appointed, the annual evaluation of individual’s performance as the administrative or clinical leader of a clinical program/clinical service will be the responsibility of the Medical Services Executive, but must reflect the input from each of the Department Chair(s) associated with that clinical program/clinical service.
- The clinical leader of a clinical program/clinical service will also undergo an evaluation of their performance as a faculty member by the Department Chair or their designee per UNMC faculty policy.

Escalation Process

- If consensus cannot be reached, the selection decision will be escalated.
Hiring of Physicians

Department Chair(s) or their designees (e.g., division chiefs) will work collaboratively with the associated Clinical Program/Service leadership in recruiting physician support for a specific clinical area of the clinical enterprise

Hiring

- The Chair(s) will be expected to take the lead for physicians who are expected to have full-time faculty appointment in the College of Medicine.
- The Clinical Program/Service leadership may with the knowledge/agreement of the Chair(s) take the lead for recruiting physicians whose contributions will focus nearly entirely on clinical service.
- For a specific clinical need, it is expected that priority will be given to candidates who will also contribute to the academic mission, assuming that their clinical skills and potential contributions are equivalent.
- The Chair and Clinical Program/Service leadership must reach consensus on the decision to hire an individual before an offer is made.
- This process does not apply to faculty (M.D., Ph.D., or other) who will not be involved in patient care and will be employed entirely by UNMC, where the Chair will retain sole responsibility for recruitment.

Performance Evaluation

- Once hired, a faculty physician’s annual performance evaluation will be the responsibility of the chair or designated division chief of the primary discipline of the faculty and must reflect input from each of the Clinical Programs/Services Directors with which that physician is associated. For non-faculty employed physicians, the Clinical Programs/Services Directors will be responsible for the physician’s annual performance evaluation.

Escalation Process

- If consensus cannot be reached, the hiring decision will be escalated.
Funds Flow to UNMC COM

- Integration of externally benchmarked Medical School operating costs and our own internal experience

- Single per Faculty Member Payment drives majority of funding

- Portion at risk based upon health system performance

- Distinct GME and Core Faculty Funding Streams

DDI Fund
Funding to COM
Dept Allocations by Dean
- $30,000 per MD
- $45,000 per PhD

Fixed Annual NM Funding
Directed by COM GMEC
Infused into Dept Comp Pools
Lessons Reinforced or Learned

- Timing and the right leadership matters…but don’t wait for the perfect moment, leadership team or crisis to move

- Be intentional about ending references to “hospital” and “faculty practice”

- COM/Faculty Practice: Approach this as a single discussion versus 16 department-level efforts

- Hospital: Clinical transformation and resource stewardship discussions pivoted when Chairs viewed themselves as integral to strategic and operational leadership

- Chairs: After a careful and honest evaluation of what you really “control” today you will likely find an integrated academic health system is a far more fulfilling system to lead within
Some problems....

• Structures enable but the right (or wrong) leaders ultimately determine organizational performance

• Big change led to equally big leadership turnover

• Lacking a cohesive faculty organizational structure has induced a sense of drift...we are going to need to revisit this decision

• Dyad leadership isn’t perfect..and it can be extraordinarily taxing on the individuals tasked to these roles
CELEBRATING ELITE NATIONAL QUALITY AWARD, AGAIN

September 14, 2017

Serious Medicine

Excellence Award from Vizient, Inc. for Quality Leadership Performance

Nebraska Medical Center is again honored to announce its recognition by Vizient, Inc., as a recipient of the 2017 Bernard A. Bimbaum, MD, Quality Leadership Award. The award recognizes Nebraska Medical Center for demonstrating superior quality and safety performance among more than 100 academic medical centers taking part in Vizient’s Quality and Accountability Study. Only twelve academic medical centers in the United States were recognized this year. Nebraska Medical Center is ranked eleventh and is the only health system in the region to earn this recognition.

“At Nebraska Medicine, the safety of our patients and the quality of care we provide to them comes above everything else,” says CEO Dan DeBehnke, MD, MBA. “To be recognized for something this important and for something we’re continually trying to improve upon validates the effort we’ve been making. Everyone who works here should be extremely proud of this honor, especially earning it for a second straight year.”

Here is the list of academic medical centers honored with the 2017 Bernard A. Bimbaum, MD, Quality Leadership Award:

- Mayo Clinic Hospital – Rochester
- NYU Langone Health
- Froedtert & the Medical College of Wisconsin- Froedtert Hospital
- Rush University Medical Center
- Penn State Health Milton S. Hershey Medical Center
- University of Utah Health
- UCH Health University of Colorado Hospital
- Lehigh Valley Health Network
- University of Texas Medical Branch at Galveston
- The University of Kansas Hospital
- Nebraska Medicine
- Oregon Health & Science University Hospital (OHSU)