

**Living in the  
World of  
Accountable Care  
and Reform:  
The Top Ten Ways  
Healthcare is Likely to  
Change**

Craig E. Samlitt, MD, MBA  
President & CEO, Dean Clinic  
MMS: State of the State's Healthcare Forum  
October 18, 2012

**Our Vision and Strategy**  
Introducing Dean Clinic and Our Vision for Transforming Healthcare



## An Introduction to Dean

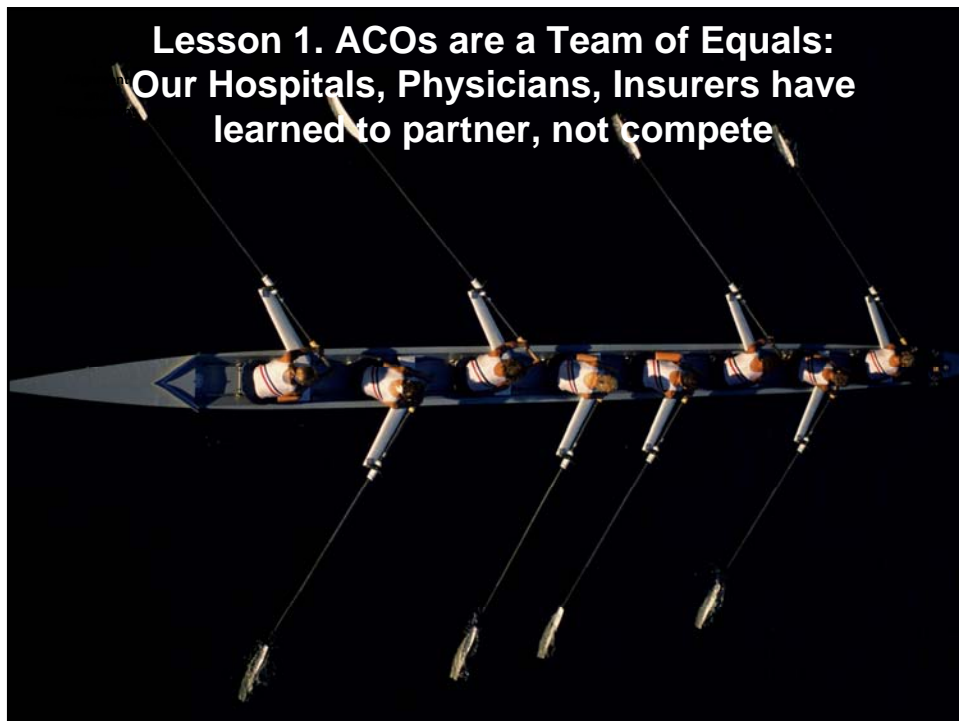
- Dean is one of the largest integrated healthcare systems in the Midwest
  - December 31, 2011 LTM revenue of \$1.3 billion; EBITDA of \$50+ million
  - 500+ physicians providing over 1.5 million ambulatory visits per year in more than 60 locations.
  - Estimated 30% service area market share by physician services
- Virtually integrated delivery system since 1912 via strategic partnership with SSM Health Care and co-ownership of four joint venture subsidiaries
  - **Dean Health Plan:** Largest HMO in Wisconsin. 300,000 members
  - **Navitus Health Solutions:** 2+ million member PBM
  - **Wisconsin Integrated Information Technology and Telemedicine Service (WIITS):** EHR, Other Technology and Medical Business Intelligence Assets
  - **St. Mary's Dean Ventures:** Rural physician network and Ambulatory Surgery Center Division
- A Vision to Transform Healthcare

## Dean's Vision and Focus



# Our Lessons

The Top Ten Lessons We've Learned Along the Journey from Volume to Value

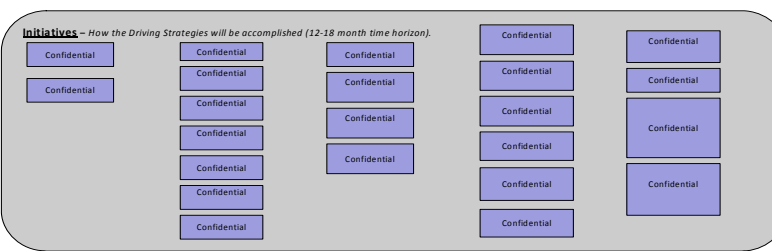
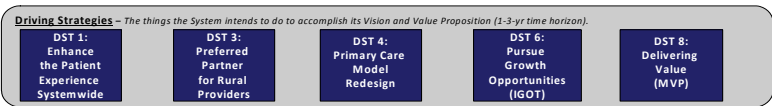


## Lesson 1: Our Hospitals, Physicians and Health Plans learned to partner, not compete

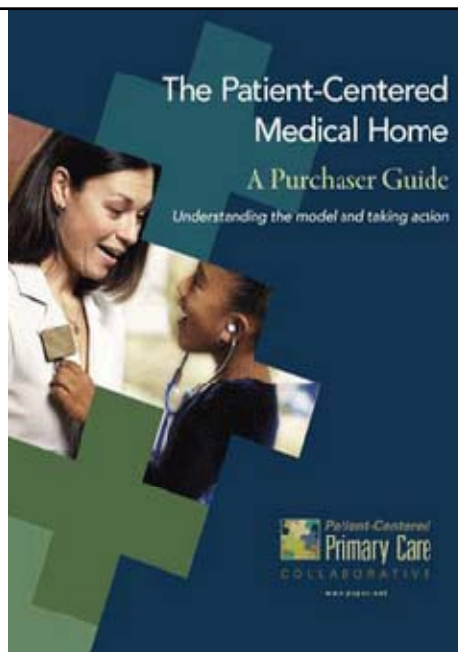
DHS/SSMWI Integrated System Strategy Roadmap 2011-2014 Confidential -- DRAFT (4/13/11)

**Vision** – A picture of how the Integrated System will look and act five years in the future (20+ years time horizon).  
 We will be passionate about keeping our patients healthy, exceptional in caring for them when they are sick and efficient in providing them with the best value and service.

**Value Proposition** – How the Integrated System will be different in a way that is meaningful and valuable to those it serves (3-5 year time horizon).  
 Our System will be the best value in U.S. health care: Best in quality, service, and efficiency.



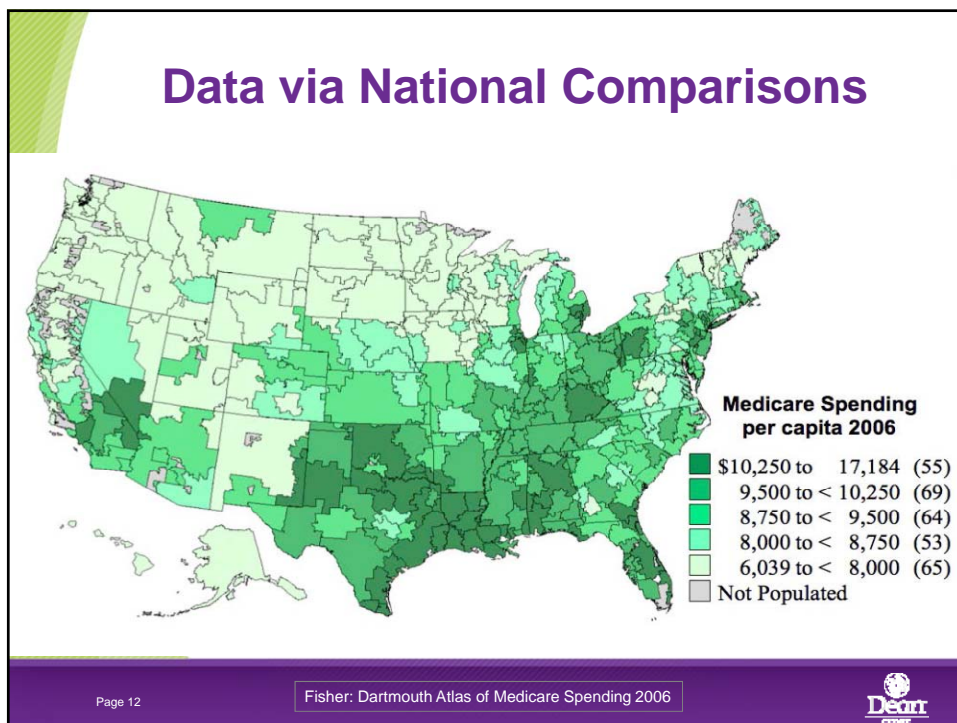
**Lesson 2: We invested heavily in primary care, recognizing that delivering of better care at a lower cost starts with wellness, prevention and care coordination**





**Lesson 3**

**We've become  
reliant, even  
insistent, upon the  
availability and use  
of data.**



# via Local Comparisons

### DEAN CLINIC OMA Metric Stoplight Report

Comparison of Primary Care (PC), Internal Medicine (IM), and Southern Region IM  
Report period ending May 31, 2011


Note: Values shown are for the most recent reporting period.

	QUALITY										SERVICE		GROWTH		FINANCIAL					
	Diabetes Care		IVD*		HTN		Preventive Care				Overall Rating	Communication	Access	Corporate	MyChart/Enrollment	Utilization (YTD)	ROI (YTD)			
	HbA1c Testing Clerk 74.4%	LLC Testing Clerk 80.3%	Nitroglycerin Clerk 85.2%	BP Control Clerk 80.7%	LLC Testing Clerk 91.8%	BP Control Clerk 79%	Cholesterol Control Clerk 80.3%	Cholesterol Screening Clerk 77%	Fluoridation Clerk 92.4%	Prostate Exam Clerk 92.4%	Tobacco Cessation Clerk 82.2%	Chiropractor (Clerk 3)	Chiropractor (Clerk 1)	Overall Rating Clerk 80.2%	Communication Corporate	Access Corporate	MyChart/Enrollment Clerk 19.7%	Utilization (YTD) Clerk 79%	ROI (YTD) Clerk 21%	
PC East Region	73.3%	90.6%	86.9%	48.3%	88.7%	71.5%	83.2%	75.1%	88.9%	55.4%	86.3%	38.3%	73.9%	80.6%	60.2%	7,178	58	27.5%	83.2%	32.8%
PC South Region	67.2%	86.0%	83.0%	50.1%	83.2%	71.5%	76.5%	67.8%	86.9%	59.6%	82.9%	29.0%	78.2%	83.4%	66.5%	5,400	18	20.9%	81.6%	31.7%
PC West Region	76.8%	89.0%	87.5%	61.8%	90.1%	78.3%	84.7%	72.3%	88.9%	65.5%	86.7%	54.6%	78.5%	84.3%	62.4%	5,208	55	36.2%	81.7%	37.2%
Primary Care (PC)	73.0%	89.2%	86.2%	50.1%	87.9%	74.5%	82.6%	74.4%	88.5%	57.6%	85.8%	43.0%	76.6%	82.6%	62.6%	6,159	48	25.9%	82.3%	34.6%
Dean PHIM	76.8%	90.4%	88.0%	51.4%	91.5%	80.8%	84.1%	79.3%	84.3%	63.4%	N/A	N/A	79.1%	84.8%	62.5%	4,588	57	40.3%	79.5%	47.9%
East IM	80.6%	92.6%	88.9%	60.1%	92.9%	71.4%	83.0%	79.5%	93.4%	69.8%	N/A	N/A	80.6%	84.2%	56.9%	4,588	82	39.8%	82.1%	42.7%
Southern Region IM	68.3%	83.7%	81.0%	48.4%	81.3%	70.3%	76.0%	70.7%	84.1%	51.7%	N/A	N/A	79.4%	84.0%	58.3%	4,588	38	27.3%	81.0%	33.7%
Stoughton IM	62.3%	80.2%	81.9%	69.6%	87.3%	73.6%	85.2%	69.4%	100.0%	72.3%	N/A	N/A	79.1%	81.0%	61.2%	4,588	14	22.6%	81.7%	41.2%
Sun Prairie IM	61.8%	84.9%	82.2%	45.0%	79.7%	72.1%	75.4%	70.7%	89.5%	39.5%	N/A	N/A	77.6%	81.7%	60.7%	4,588	4	31.4%	80.2%	34.6%
West IM	79.0%	89.4%	89.1%	50.9%	88.5%	74.1%	82.7%	78.8%	92.0%	61.7%	N/A	N/A	74.8%	80.8%	60.7%	4,588	44	43.4%	83.3%	36.0%
Internal Medicine (IM)	74.3%	88.7%	86.0%	49.9%	88.0%	74.3%	81.0%	76.1%	87.8%	50.5%	N/A	N/A	78.6%	83.2%	59.2%	4,588	50	36.7%	81.4%	39.9%
Stoughton IM	62.5%	88.3%	87.7%	48.1%	85.3%	73.5%	71.9%	77.2%	80.0%	60.0%	N/A	N/A	83.3%	84.8%	67.5%	4,588	38	26.2%	81.7%	33.7%
West IM	82.0%	88.0%	86.7%	49.2%	89.5%	71.0%	76.1%	77.3%	N/A	61.6%	N/A	N/A	79.7%	79.1%	49.2%	4,588	38	32.7%	77.5%	35.8%
Stoughton IM	73.1%	86.0%	88.7%	52.4%	89.4%	76.8%	82.2%	77.0%	85.7%	67.1%	N/A	N/A	75.9%	83.1%	48.6%	4,588	38	32.6%	79.8%	33.2%
West IM	68.6%	78.5%	75.9%	39.3%	81.8%	64.0%	61.4%	60.9%	85.7%	37.5%	N/A	N/A	74.4%	76.7%	71.3%	4,588	38	19.4%	82.8%	41.2%
Stoughton IM	68.3%	81.2%	77.9%	62.7%	82.3%	63.6%	62.2%	66.2%	75.0%	42.3%	N/A	N/A	76.6%	77.3%	46.3%	4,588	38	26.0%	79.8%	21.2%
West IM	69.6%	80.4%	81.5%	62.2%	80.8%	75.7%	86.6%	81.8%	100.0%	35.4%	N/A	N/A	88.7%	89.7%	68.8%	4,588	38	38.2%	77.8%	31.8%
Stoughton IM	60.4%	80.5%	71.8%	40.9%	76.4%	58.5%	67.9%	64.1%	48.0%	48.0%	N/A	N/A	86.7%	90.3%	58.4%	4,588	38	21.8%	86.5%	42.0%
West IM	20.0%	80.0%	60.0%	0.0%	100.0%	66.7%	77.0%	41.7%	25.0%	44.1%	N/A	N/A	45.0%	69.4%	71.9%	4,588	38	14.8%	82.1%	26.4%
Stoughton IM	59.0%	100.0%	81.6%	76.0%	N/A	83.3%	91.6%	64.4%	100.0%	40.0%	N/A	N/A	75.4%	85.7%	46.1%	4,588	38	38.2%	74.7%	36.7%
West IM	20.0%	80.0%	60.0%	80.0%	100.0%	100.0%	66.7%	54.5%	100.0%	50.0%	N/A	N/A	86.7%	90.7%	55.0%	4,588	38	27.1%	86.7%	28.5%
Stoughton IM	58.1%	77.4%	48.4%	67.7%	66.7%	62.2%	67.3%	60.5%	88.9%	33.8%	N/A	N/A	79.4%	88.5%	72.5%	4,588	38	19.0%	80.3%	33.9%
Southern Region IM	68.5%	83.7%	81.0%	48.4%	81.3%	70.3%	76.0%	70.7%	84.1%	51.7%	N/A	N/A	78.4%	84.0%	58.3%	4,588	38	27.3%	81.0%	33.7%

LEGEND  
■ Exceeding Goal  
■ Within 5% of reaching goal  
■ More than 5% below goal  
■ No goal established or N/A

NOTES  
 \* IVD: Ischemic Vascular Disease Care  
 \*\* Division: For New Patient Growth (YTD), this is the Specialty for both Primary Care (e.g. all Family Medicine) and Specialty Care (e.g. all Ob/Gyn).

Page 13



# and via Individual Comparisons

view - Microsoft Internet Explorer

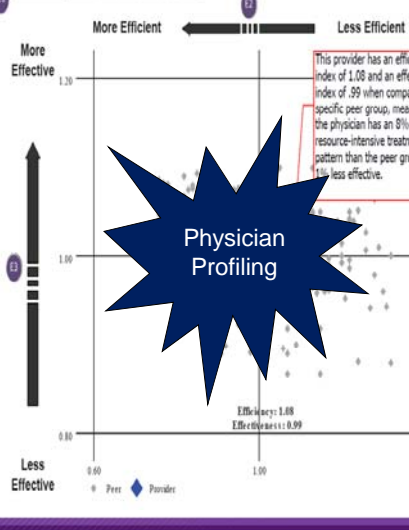
Physician N=(186)	Specialty	N Returned FY06	Would Recommend Rank out of (145)	FY06	Clinic Goal FY06	Clinic Goal FY08
	PEDIATRICS	30	1	93.33%	80%	80%
	INTERNAL MEDICINE	72	2	91.55%	80%	80%
	INTERNAL MEDICINE	71	3	91.30%	80%	80%
	INTERNAL MEDICINE	4	4	91.11%	80%	80%
	PEDIATRICS			90.62%	80%	80%
	INTERNAL MEDICINE			90.48%	80%	80%
	INTERNAL MEDICINE			90.44%	80%	80%
	CARDIOLOGY			89.71%	80%	80%
	INTERNAL MEDICINE			89.29%	80%	80%
	OB/GYN			89.09%	80%	80%
	FAMILY PRACTICE			88.46%	80%	80%
	INTERNAL MEDICINE			87.68%	80%	80%
	OB/GYN		13	87.32%	80%	80%
	INTERNAL MEDICINE	63	14	87.10%	80%	80%
	INFECTIOUS DISEASES	47	15	86.96%	80%	80%
	INTERNAL MEDICINE	77	16	86.84%	80%	80%
	CARDIOLOGY	38	17	86.49%	80%	80%

Public Unblinding of Data

### Efficiency and Effectiveness Grid

More Efficient ← | → Less Efficient

More Effective ↑ | ↓ Less Effective




This provider has an efficiency index of 1.08 and an effectiveness index of 0.99 when compared to the specific peer group, meaning that the physician has an 8% more resource-intensive treatment pattern than the peer group and is 1% less effective.

Physician Profiling

Efficiency: 1.08  
Effectiveness: 0.99

Peer (grey diamond) Provider (blue diamond)

Page 14



## Lesson 4: We've learned that Meaningful Use of IT is not sufficient. Optimal Use is key



## and that that the world is becoming virtual

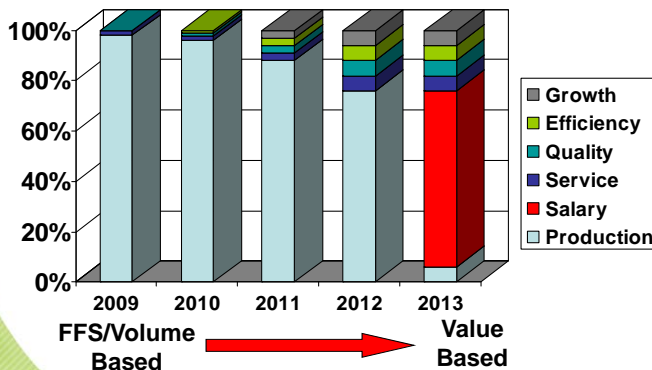
### Social Media Landscape





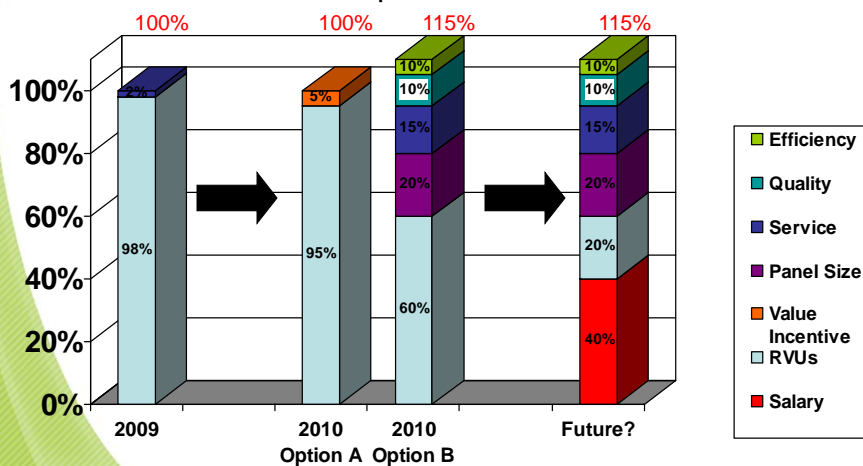
## Lesson 5: We learned a hard lesson that you can't pay for volume in a value-based world

Dean MD Compensation Model Transformation 2009 to 2013



## Especially in primary care.

Dean PCMH Compensation Model Transition





Lesson 6: "We learned to grow square watermelons rather than sacred cows."

Page 19



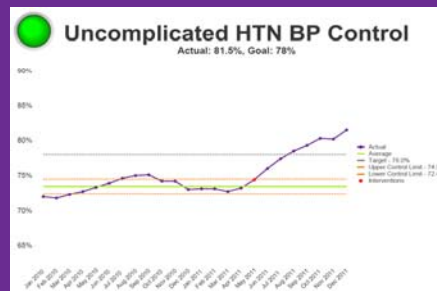
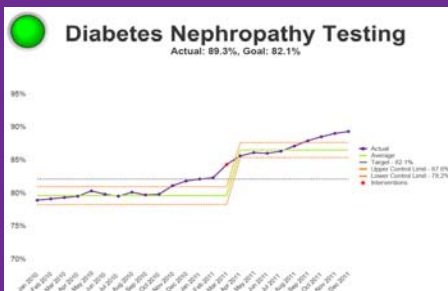
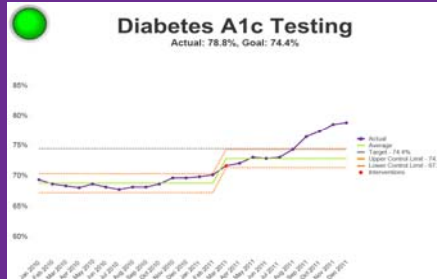
And we've used lean to transform our organization



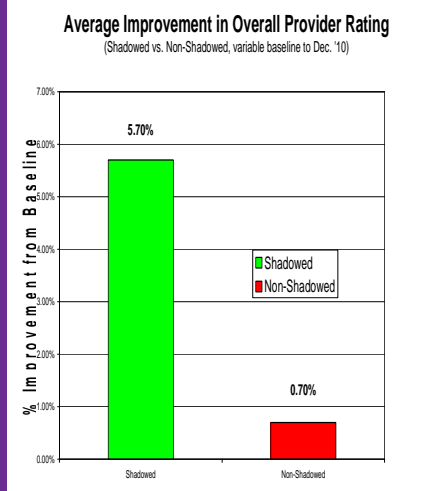
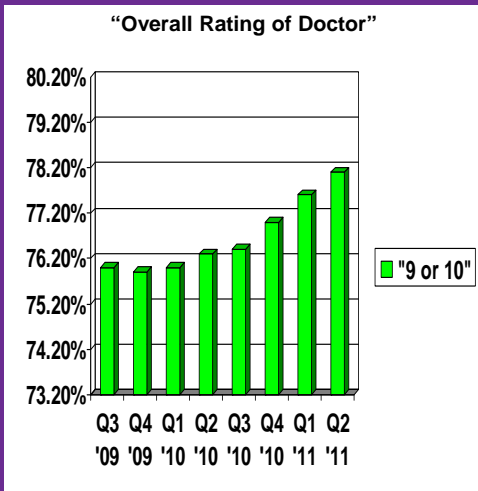
Page 20

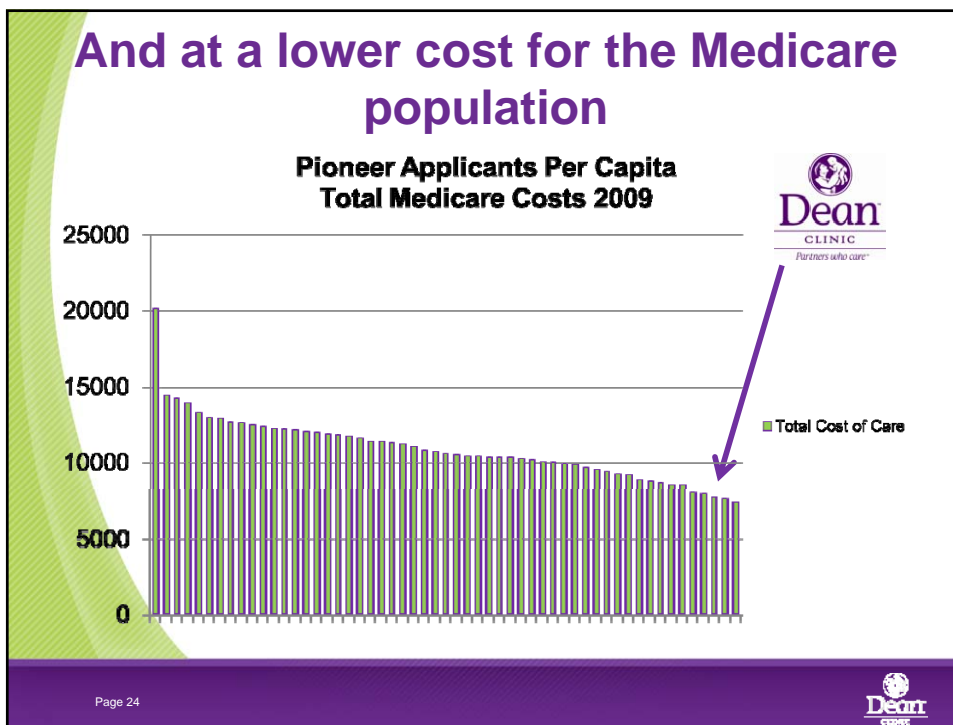
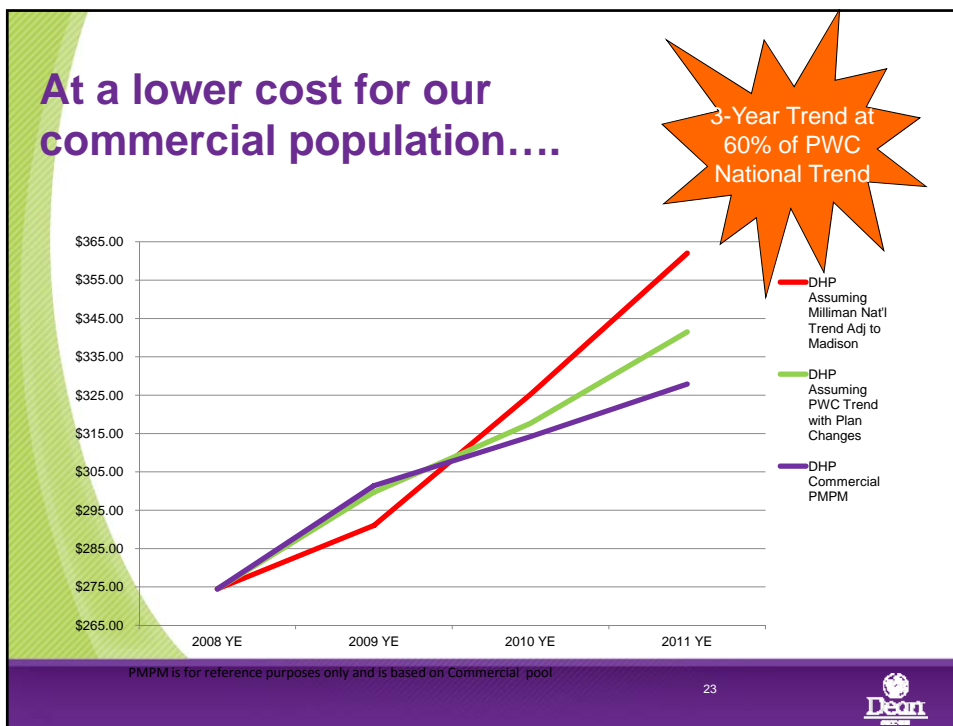


## Lesson 7: We've learned that we can deliver better quality....

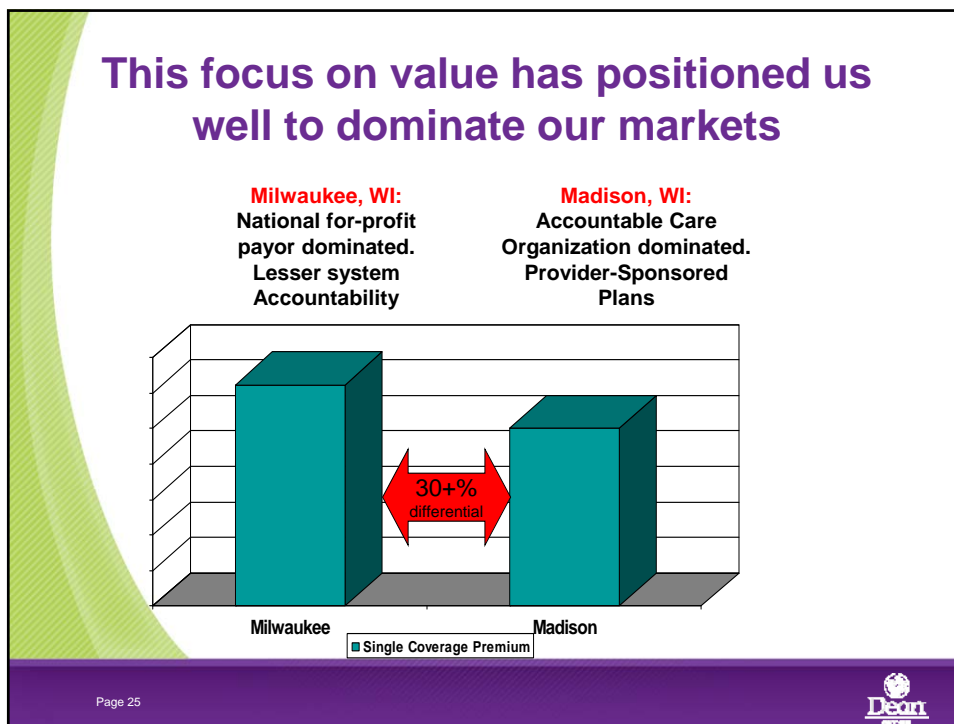


## And better service...









### Lesson 8. We've learned that there will be no where to hide, especially in a world of Health Insurance Exchanges.

Page 26

**Lesson 9 Finally, we've learned that ACO's should be a delivery system objective, not a payor relationship.**

The collage consists of four vertical panels. The leftmost panel is a cartoon by Rand (©99) showing a large 'HMO' sign with a lightning bolt striking it. A sign asks 'IS THIS THE HEALTH MAINTENANCE ORGANIZATION?' and another replies 'NO... IT'S THE HUGE MEDICAL OLIGOPOLY'. A sign at the bottom says 'ENTRANCE EXECUTIVES DOCTORS PATIENTS'. The second panel is the cover of the book 'What It Is How It Works' by Kongsveldt. The third panel is the cover of 'Patient-Centered Medical Home: A Purchaser Guide'. The rightmost panel is the logo for the 'Center for Healthcare Quality & Payment Reform' and 'Primary Care Collaborative'.

Page 27

**and there is some danger in the belief that the status quo will prevail**

The photograph shows a wide river with a rocky bank in the foreground. Two cows, one adult and one calf, are standing on the bank. In the background, a suspension bridge spans the river under a clear blue sky with some clouds. A few people are visible in the water.

Page 28


**Lesson 10: We've learned that keys to our value transition depends upon People, Process, Technology, Teamwork and Culture.....not Buildings**

**Data**   **Integration and Engagement**   **Leadership**

**EHR Optimization**   **Alignment of Incentives**   **Patient Centeredness**

**Skill in Physician Management**   **Primary Care Re-Design**   **Health Plan as Aligning force**

**Lean**   **Technology**

Page 29 

**“We must become the change we want to see”**  
Mahatma Gandhi

## Questions?

Page 31



## Contact information:

Craig E. Samitt, MD, MBA  
President and CEO  
Dean Clinic  
1808 West Beltline Highway  
Madison, WI 53713  
E-mail: [craig.samitt@deancare.com](mailto:craig.samitt@deancare.com)  
Telephone: (608) 250-1421

Page 32

