

The Geisinger Model: Innovations in Healthcare Delivery

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Geisinger Health System

GEISINGER—An Integrated Health Services Organization

Provider Facilities

Geisinger Medical Center & Geisinger Shamokin Area Community Hospital
Geisinger Wyoming Valley Medical Center
Geisinger Community Medical Center
Geisinger Bloomsburg Hospital
2 Nursing Homes
3 Surgery Centers
79K admissions/OBS & SORUs
1,623 beds

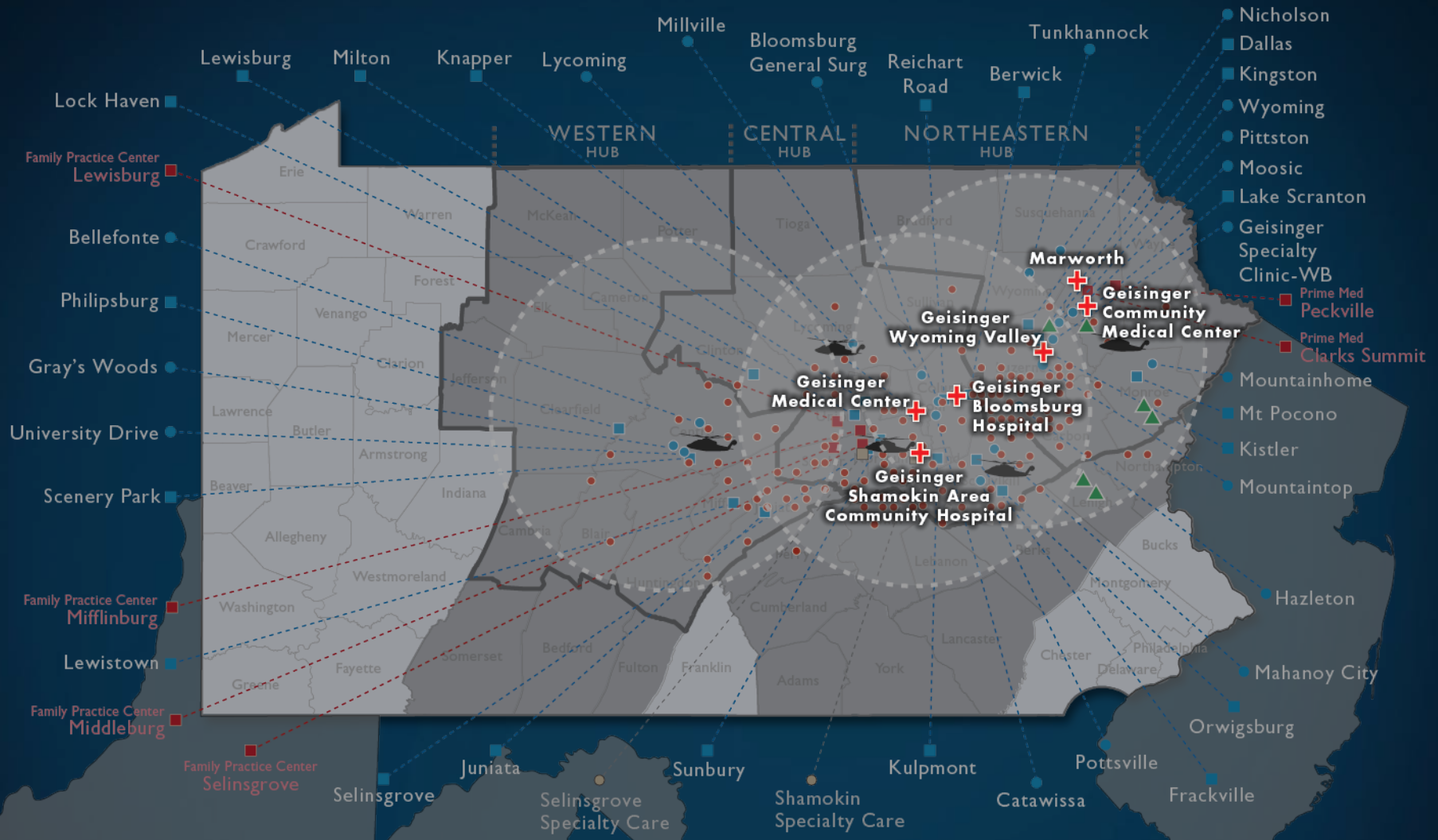
Physician Practice Group

Multispecialty group
~1,020 employed physicians
~700 advanced practitioners
78 primary & specialty clinic sites (44 community practice sites)
~2.4M clinic outpatient visits
~410 resident & fellow FTEs

Managed Care Companies

~463K members (including ~77K Medicare Advantage members and ~112 Medicaid members)
Diversified products
~37K contracted providers/facilities
43 PA counties

Geisinger Health System coverage area



- + Geisinger Inpatient Facilities
- Contracted ProvenHealth Navigator Sites
- Non-Geisinger Physicians with EHR
- Geisinger Health System Hub and Spoke Market Area
- Geisinger Medical Groups
- Ambulatory Care Facility
- Geisinger ProvenHealth Navigator Sites
- Geisinger Specialty Clinics
- Geisinger Health Plan Coverage Area
- ▲ Careworks Convenient Healthcare
- LifeFlight Bases



Transforming Healthcare with Technology

- **> \$180 M invested** (hardware, software, manpower, training)
- **Running costs:** ~4.6% of annual revenue of > \$3 Billion
- **Fully-integrated EHR:** 44 community practice sites; 3 hospitals; 3 EDs; 4 Surgical Centers; 12 CareWorks retail-based and worksite clinics
 - Acute and chronic care management
 - Optimized transitions of care
- **Networked Patient Portal** - ~233,000 active users (37% of ongoing patients)
 - Patient self-service (self-scheduling, patient-entered data)
 - Home monitoring integrated with Medical Home
- **“Outreach Health IT”** – 6,460 users in 812 non-Geisinger practices
 - Remote support for regional ICUs
 - Telestroke services to regional EDs
- **Active Regional Health-Information Exchange (KeyHIE)**
 - 21 hospitals, 172 practices 70 long term care centers and 28 home health agencies, 550,000 patients consented, publish 600,000+ documents monthly, participants access 700+ patients monthly
- **e-health (eICU®) Programs**
- **Keystone Beacon Community**
 - HIT-enabled, Community-wide care coordination in 5 rural counties



Strategic Priorities

Quality and Innovation

- Patient Centered Focus
 - Patient activation (empowerment)
 - Culture of quality, safety and health
- **Value Re-Engineering**

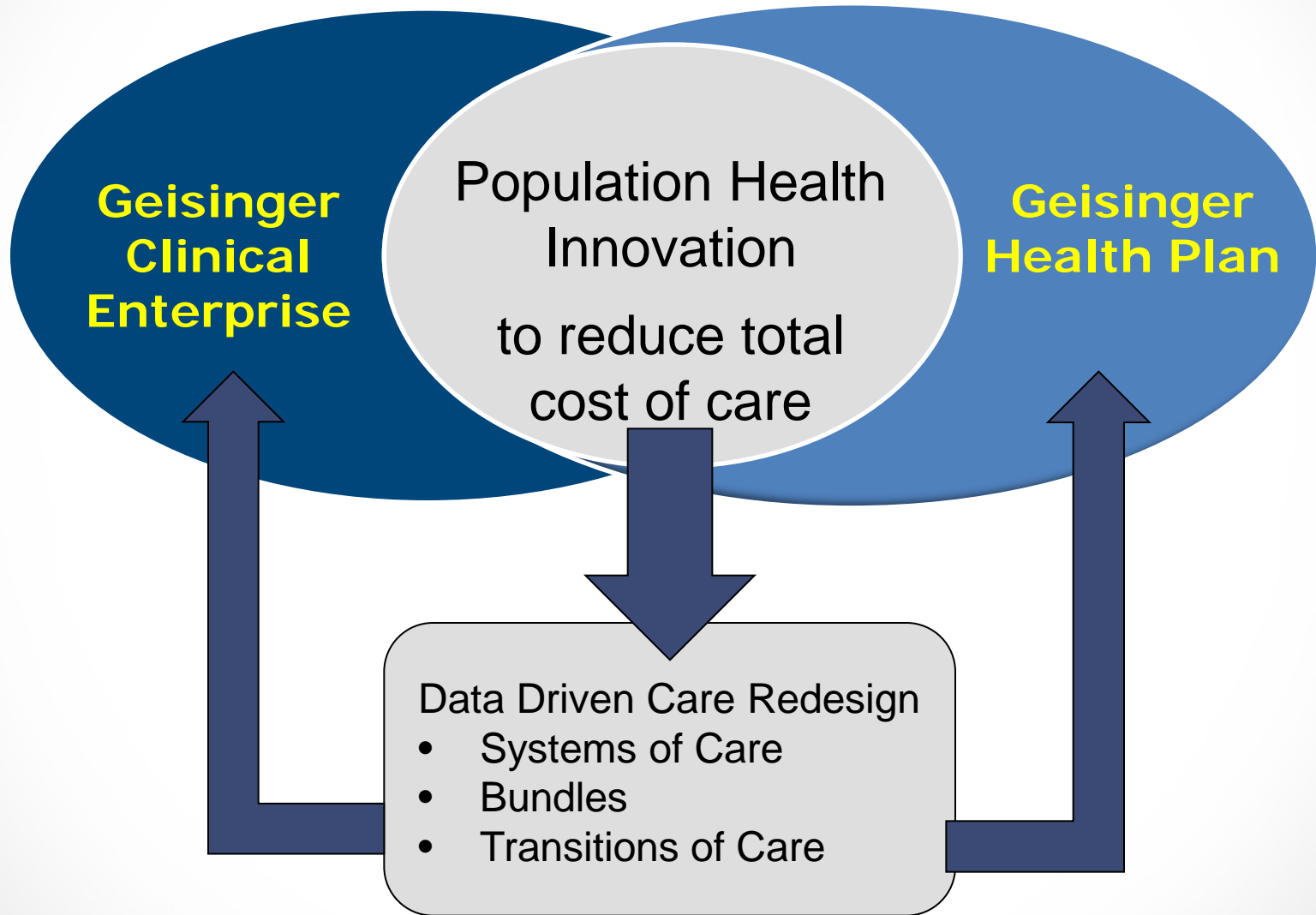
Market Leadership

- Extending the GHS Brand
- **Scaling and Generalizing Innovation**

The Geisinger Family

- Personal and professional well being

The Geisinger “Sweet Spot”





Geisinger Transformation Initiatives

- ProvenCare[®] for Acute Episodic Care (the “Warranty”)
- ProvenCare[®] Chronic Disease
- ProvenHealth Navigator[®] (Advanced Medical Home)
- Transitions of Care
- PRIDE (Proven Innovation Drive for Excellence)

Where We Are Now (National)

- Unjustified variation in quality, access, and cost of care
- Unwarranted and fragmented care-giving
- An addiction to perverse payment incentives
 - Piece rate Medicare/Medicaid payment model
 - Driving up units of work
 - Driving up cost
 - Diminishing value and quality
- Transition to new payment incentives (predicated on fundamentally new care delivery models)

Where Do We Want to Be? (National)

- Affordable coverage for all
- Payment for value
- Coordinated care
- Continuous improvement/innovation
- National health goals, leadership, accountability

Where We Are Now (Geisinger)

- Consolidation of Providers
- Payer-Provider “Integration” Model Expansion
- Value Re-engineering
- Medical Tourism (i.e., Walmart ProvenCare®)
- Reference Pricing
- Bundling Episodic Care / ACOs
- Population Health (aka, ↓Total Cost of Care)

Where Do We Want to Be? (Geisinger)

- Distributed Data
 - Personalized Medicine/Genetics
 - Healthcare in the cloud
- “Activated” Patients/People
- Transparency and availability of standardized data on cost and quality
- New Provider Surrogates/Locations
- Social Network Enabling
- Behavior Change Analytics
- Generalizing Value Re-engineering

Next Steps (National)

- Medicare Advantage (Less Revenue)
- Expanded Medicaid Managed Care (Less Revenue)
- ? Effect of Exchanges
- ? Price Controls
- ? Regulatory Commissions
- Multiple Payment Incentive Experiments Plus Residual FFS
- Continued Provider/Payer Consolidation (And Political Push Back)
- Global Budgets for Medicare & Commercial Payer

Next Steps (Geisinger)

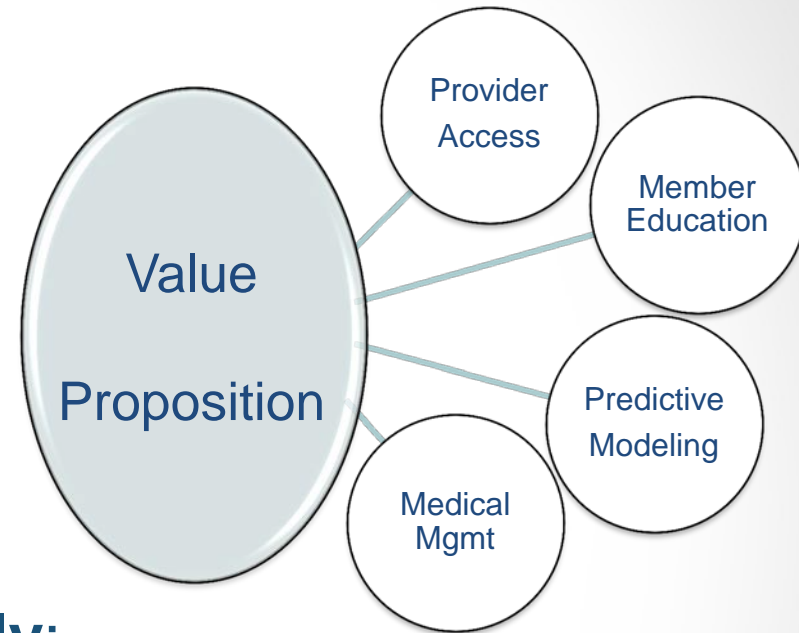
Market Leadership

- Extending the GHS Brand
- Scaling and Generalizing Innovation

Scaling and Generalizing Insurance Operations

Vertically:

- PA Medicaid Managed Care, 3/1/2013
- Medicare FFS to Medicare Advantage
- Positioning for Exchange Environment



Horizontally:

- Out of State Provider-Payor Partnerships
 - West Virginia TPA “Plus”
 - Eastern Maine TPA “Plus”/ Pioneer Consulting
 - NJ JV w/Meridian – Medicare Advantage
 - Delaware – Christiana Care



HEALTH SOLUTIONS™
powered by Geisinger

- Baseline Evaluation
- Volume to Value Action Plan
- Care Design and Delivery
- Population Health Data Analytics
- Financial Optimization

Early Evidence of Generalizability

- Bon Secours, VA
- University of West Virginia
- Eastern Maine Health System (EMHS)
- Christiana Care Health System
- University of Michigan
- Singapore
- Scranton