

# **Beyond ACO's and Integration to Excellence**

**Washington, D.C.  
November, 2016**

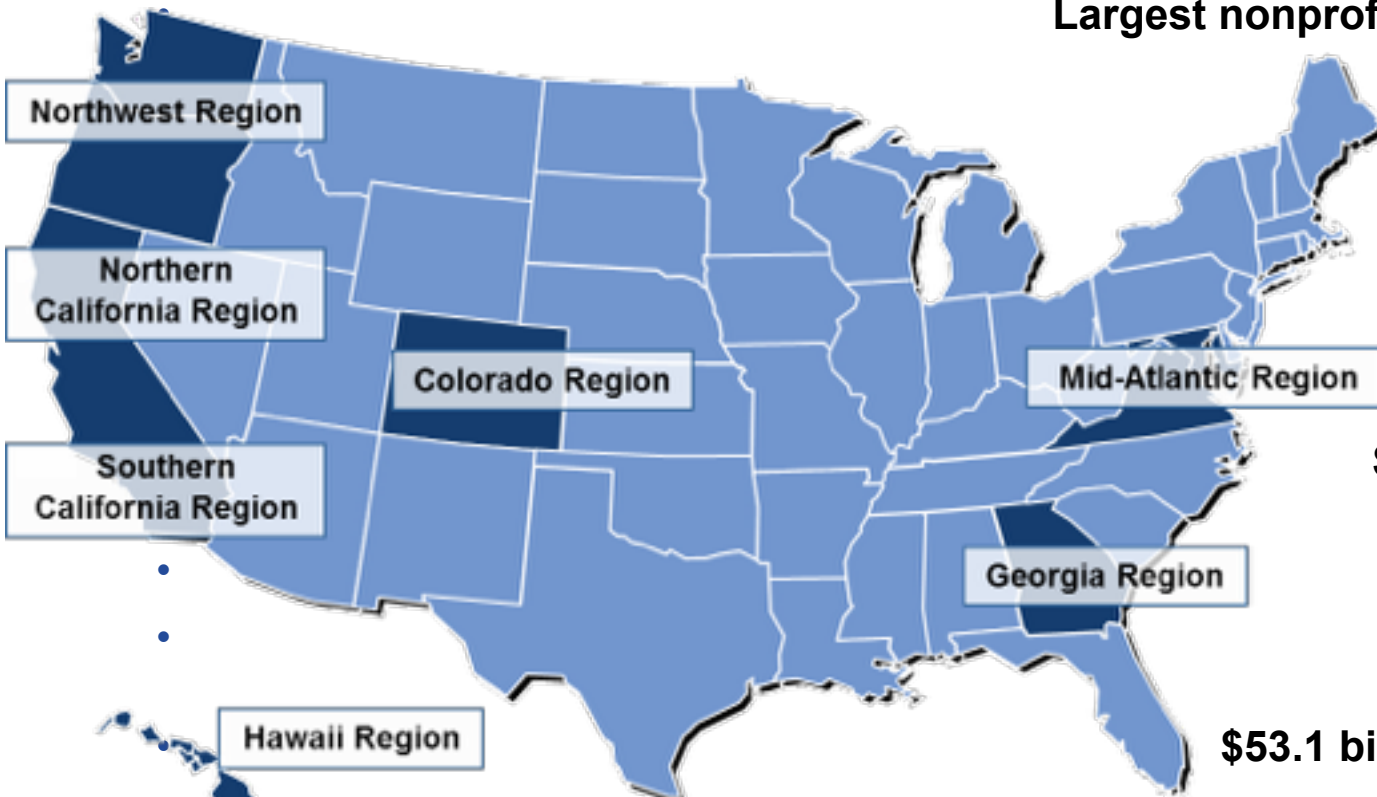
**Jack Cochran, MD**



**“Our greatest responsibility is to be good ancestors.”**

**Jonas Salk**

# About Kaiser Permanente



**Largest nonprofit health plan in the U.S.**

**Integrated health care delivery system**

**9.3 million members**

**17,000+ physicians**

**48,000+ nurses**

**174,000+ employees**

**Serving 8 states and the District of Columbia**

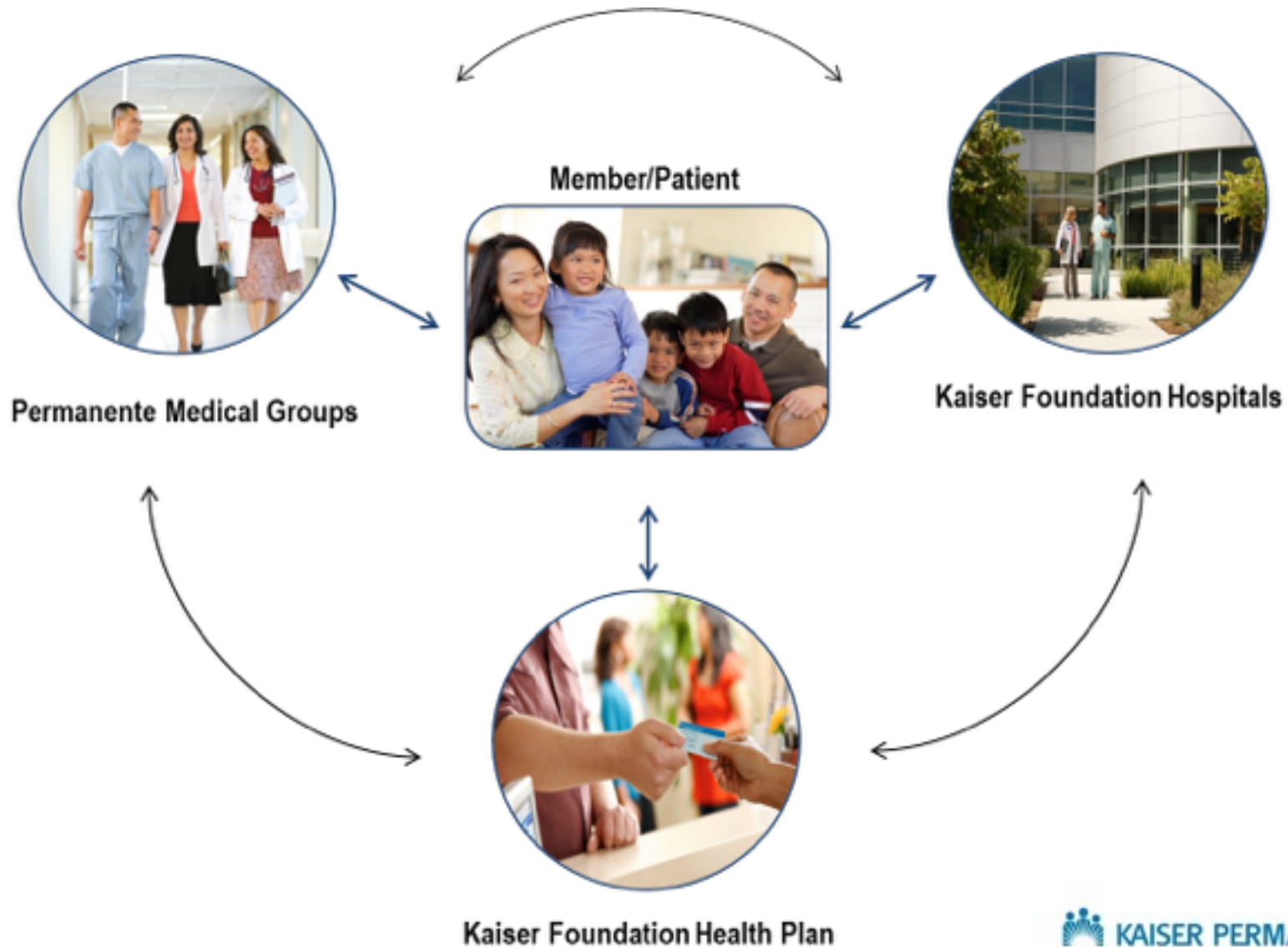
**38 hospitals**

**600+ medical offices/  
outpatient facilities**

**\$53.1 billion operating revenue\***

- **Scope includes ambulatory, inpatient, ACS, behavioral health, SNF, home health, hospice, pharmacy, imaging, laboratory, optical, dental, and insurance**

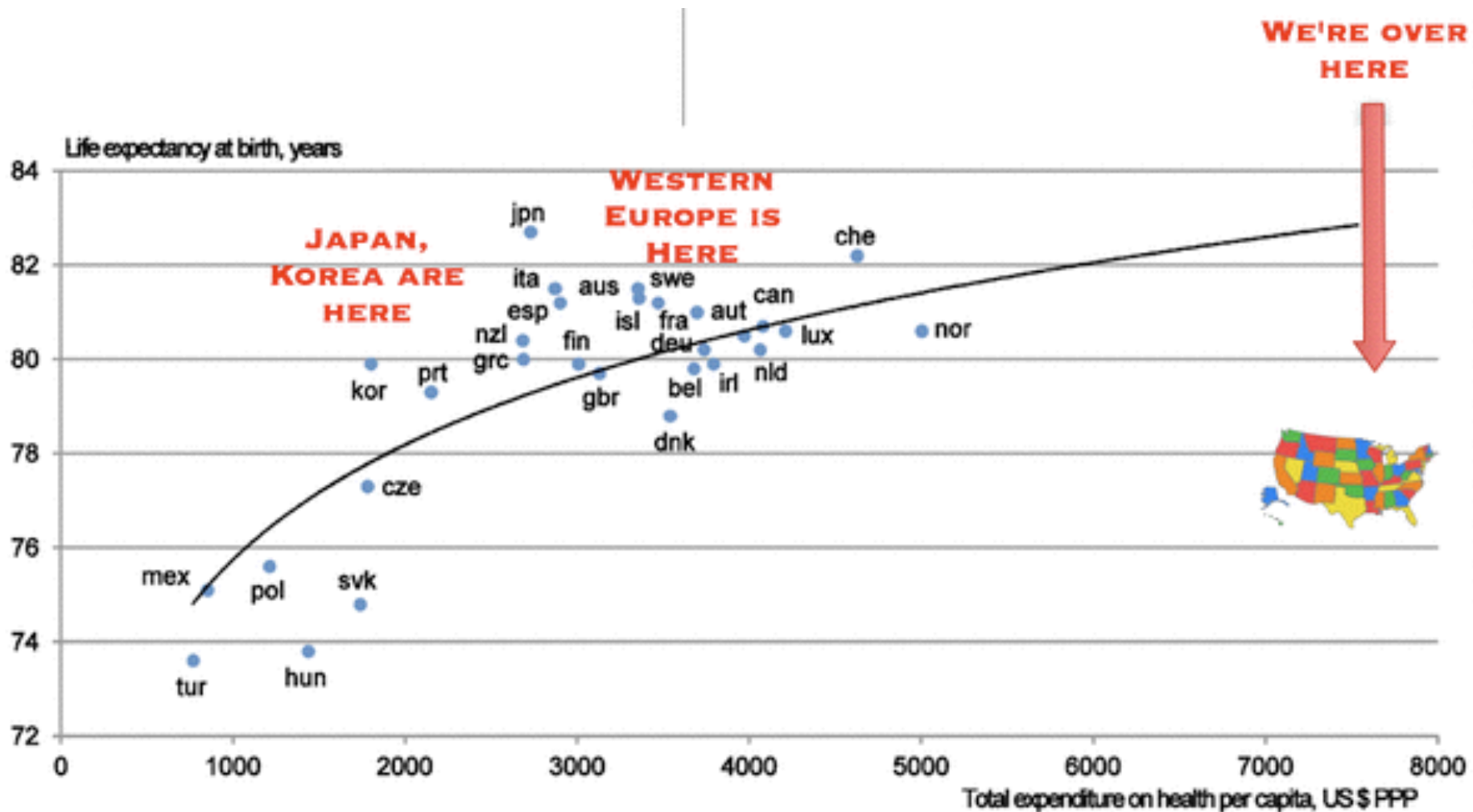
# Kaiser Permanente: An Integrated Care Delivery System



# Health Care's Common Challenges

- Access to / timeliness of care
- High costs
- Quality gaps and variation – overuse, underuse, misuse
- Increasing prevalence of chronic diseases
- Need for improved coordination across “system”

# U.S. Against the World: Spending vs. Life



# Institute of Medicine's Six Major Challenges

**“Organizations will need to negotiate successfully six major challenges.”**

- Redesigned care processes based on best evidence
- Effective use of information technology
- Knowledge and skills management
- Development of effective teams
- Coordination of care across conditions, services, and settings
- Use of performance and outcomes measurement for continuous improvement and accountability



**“...if we could actually get our health-care system across the board to hit the efficiency levels of a Kaiser Permanente... we actually would have solved our problems.”**

**President Barack Obama  
TIME, July 29, 2009**



# Meet Teacher Dan

**\$7,300** Salary increase 2002 – 2012

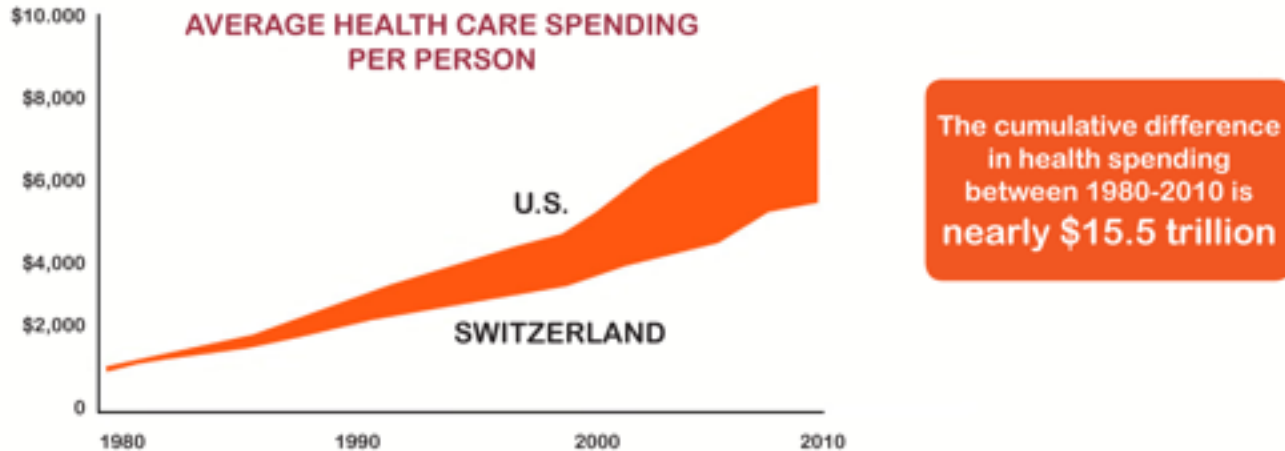
**-\$15,418** Inflation

**-\$4,296** Health benefit contribution increase

**-\$12,414** ~~Actual salary change~~



# What We Could Have Saved If We Had Matched the Next Highest Country



Note: Per capita spending amounts are adjusted for differences in the cost of living total U.S. savings are adjusted for CPI inflation.

## WITH \$15.5 TRILLION WE COULD:

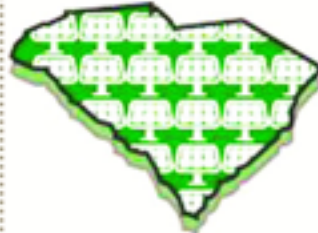
Transform our \$11.6 trillion federal debt into a \$3.9 trillion surplus



Send 175,401,721 students to a four-year college



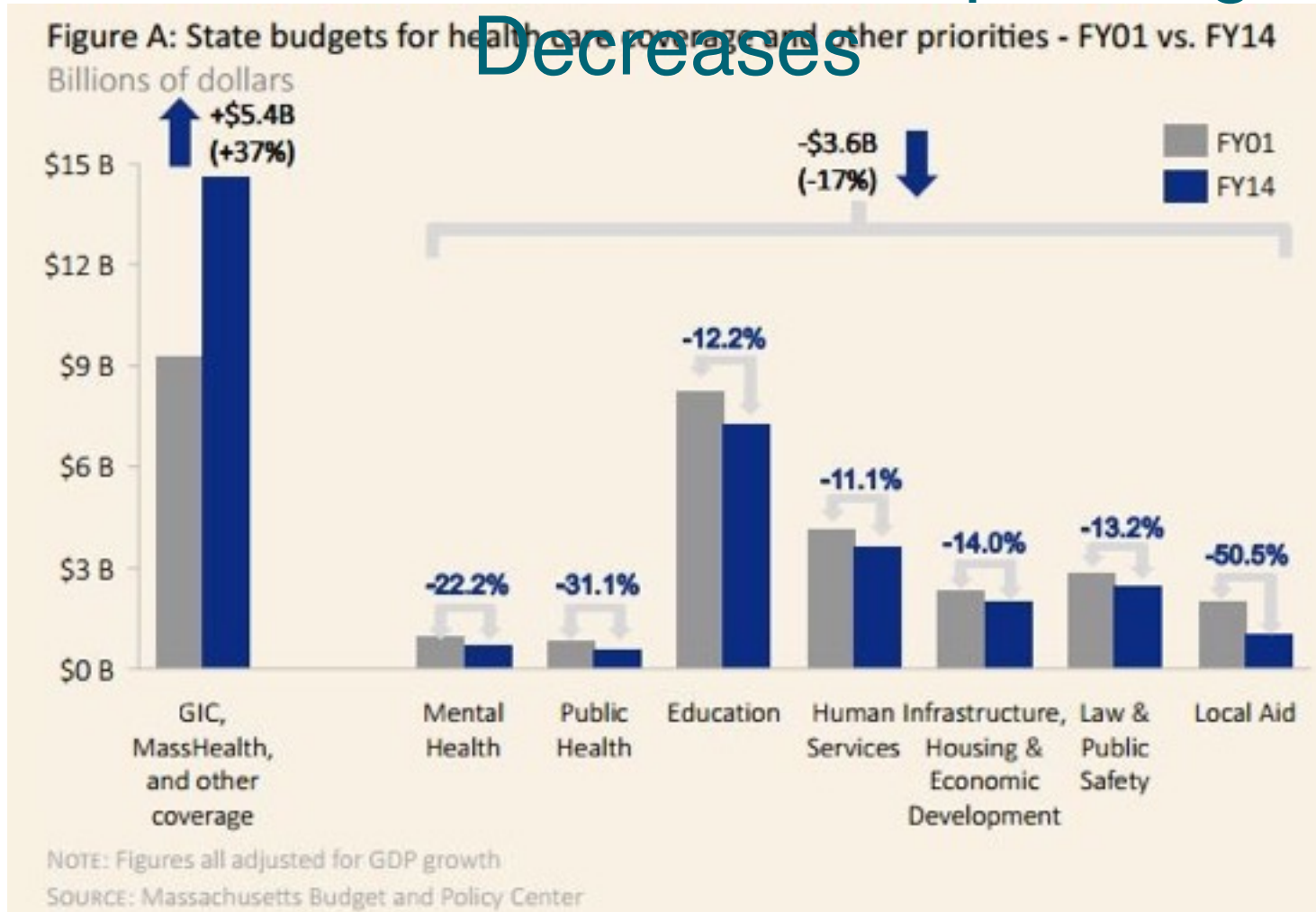
Cover an area the size of South Carolina with solar panels, generating more power than the U.S. currently uses



Buy everyone in the world 4 iPads



# Massachusetts Health Care Spending Increases While Other Spending Decreases



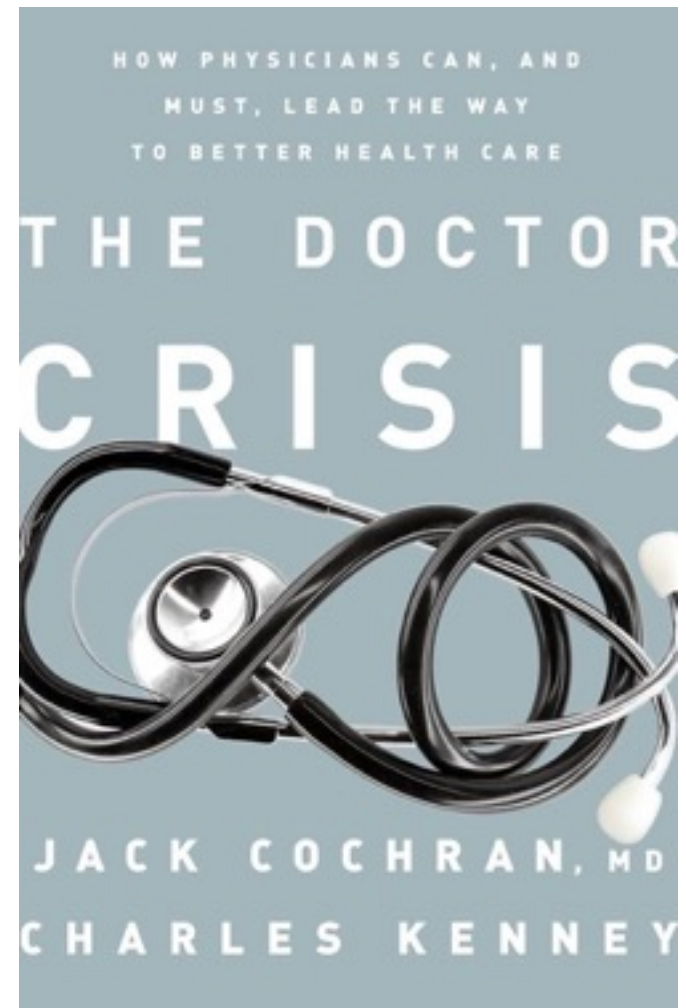


**Is Excellent Good Enough?**

**Exponential Growth in Knowledge,  
Technology, and Information (↑  
Complexity)**

**Physician Career Dissatisfaction**

**Ageing Population and More  
Co-Morbid Patients  
(↑ Complexity)**





# Complexity of Knowledge



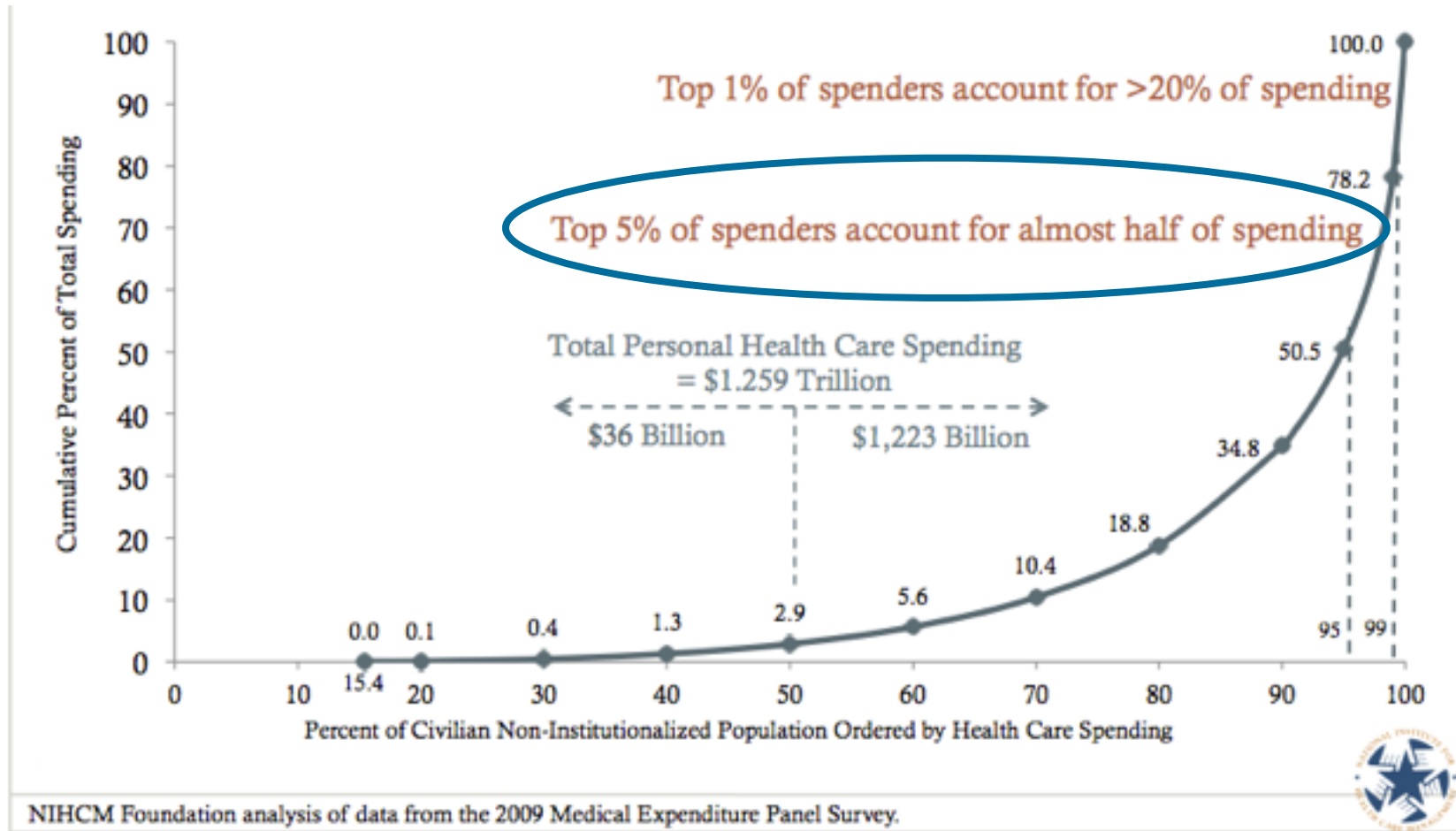
# Doctors Are Dissatisfied

**68%** Feel Negative about the  
Current State of the Medical  
Profession

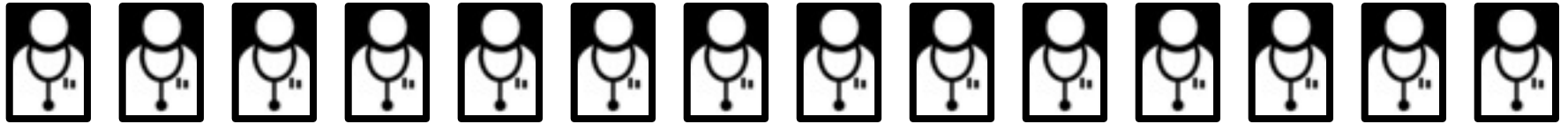
**77%** Feel Negative about the  
Future of the Medical Profession



# Complexity of Patients



# Complexity of Patients



# Changing Mindsets, Changing Care Delivery



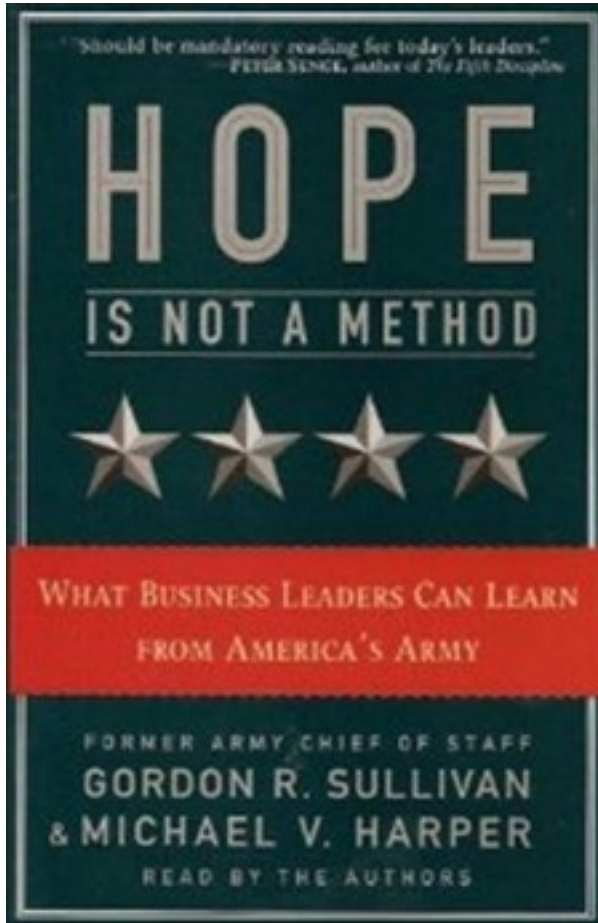
## Industrial Age Model of Care

- One patient at a time
- Only know about patients who appear in your office
- No use of IT
- Limited use of “extenders”



## Information Age Model of Care

- Accountability for panel/  
population
- Transparency
- Use of EMR, registries, internet
- Team care (including patient)
- Moving care out of doctor’s  
office



**We are in a “fertile verge ... a place of encounter between something and something else.” We stand between a bureaucratic industrial society and an information society. The skills we have used all our lives are falling short of helping us face the new world; it is a time of great opportunity but also of ambiguity and uncertainty. In times like this, management is not enough. Ours is a time for leadership.**

**G. Sullivan & M. Harper**

$$OO + NT = COO$$

# Asking New Questions

**From** How many patients can you see?

**To** How many patients' problems can you solve?

**From** How can we encourage and convince patients to get required prevention?

**To** How can we create systems that significantly increase that patients get required prevention?

**From** How often should a physician see a patient to optimally monitor a condition?

**To** What is the best way to optimally monitor a condition?

# Information



## PEOPLE

**Patient-centered focus**  
**Integrated teams**  
**Coordinated care**  
**Connectivity – Outreach**



## PROCESS


**Clinical evidence**  
**Guidelines & protocols**  
**Risk stratification**  
**Process maps**



## TECHNOLOGY

**Registries**  
**Electronic Health Record**  
**Patient Portal**  
**Decision Support**  
**Advanced Analytics**  
**Intelligence**





# **“Mathematics is the New Science of Medicine”**

**J.Cochran, C. Kenney ,P. Grundy, and J. Merenich May  
14, 2015**

# Proactive Office Encounter



## Pre-Encounter

- Identify missing labs, screenings, kp.org status, etc.
- Provide member instructions
- Contact member and document encounter in HealthConnect™



## Encounter

- Vital sign collection & documentation
- Identify and flag alerts for provider
- Prepare patient for exams
- Pre-encounter follow-up



## Post-Encounter

- After visit summary, care instructions, follow-up appt, educational materials, access to kp.org
- Follow-up contact and appointments

# America's Best Medicare Health Plans

- Kaiser Foundation Health Plan of Southern California
- Kaiser Foundation Health Plan of Northern California
- Kaiser Foundation Health Plan of the Northwest
- Capital Health Plan
- Kaiser Foundation Health Plan of Hawaii
- Kaiser Foundation Health Plan of Colorado
- HealthSpan Integrated Care
- Kaiser Foundation Health Plan of Georgia
- Kaiser Foundation Health Plan of the Mid-Atlantic States
- Geisinger Health Plan

# Kaiser Permanente's Key Success Factors


- Clear, agreed upon mission
- Clinical leadership
- Transparent measurement
- Culture of learning
- Aligned incentives
- Facile, flexible technology



**Healer**

**Leader**

**Partner**



**To us, leadership is everyone's business.  
Leadership is not about a position or a place.  
It's an attitude and a sense of responsibility for  
making a difference.**

**Kouzes and Posner**

# Leadership Essentials

## Traits

- Integrity
- Professional Respect
- Communication
- Emotional Intelligence
- Resolve

## Behaviors


- Clarity
- Consistency
- Collaboration
- Compassion
- Courage





# **Value Dissent**

# **Challenge Cynicism**



**Listen,  
Acknowledge,  
Challenge ...  
Repeat**

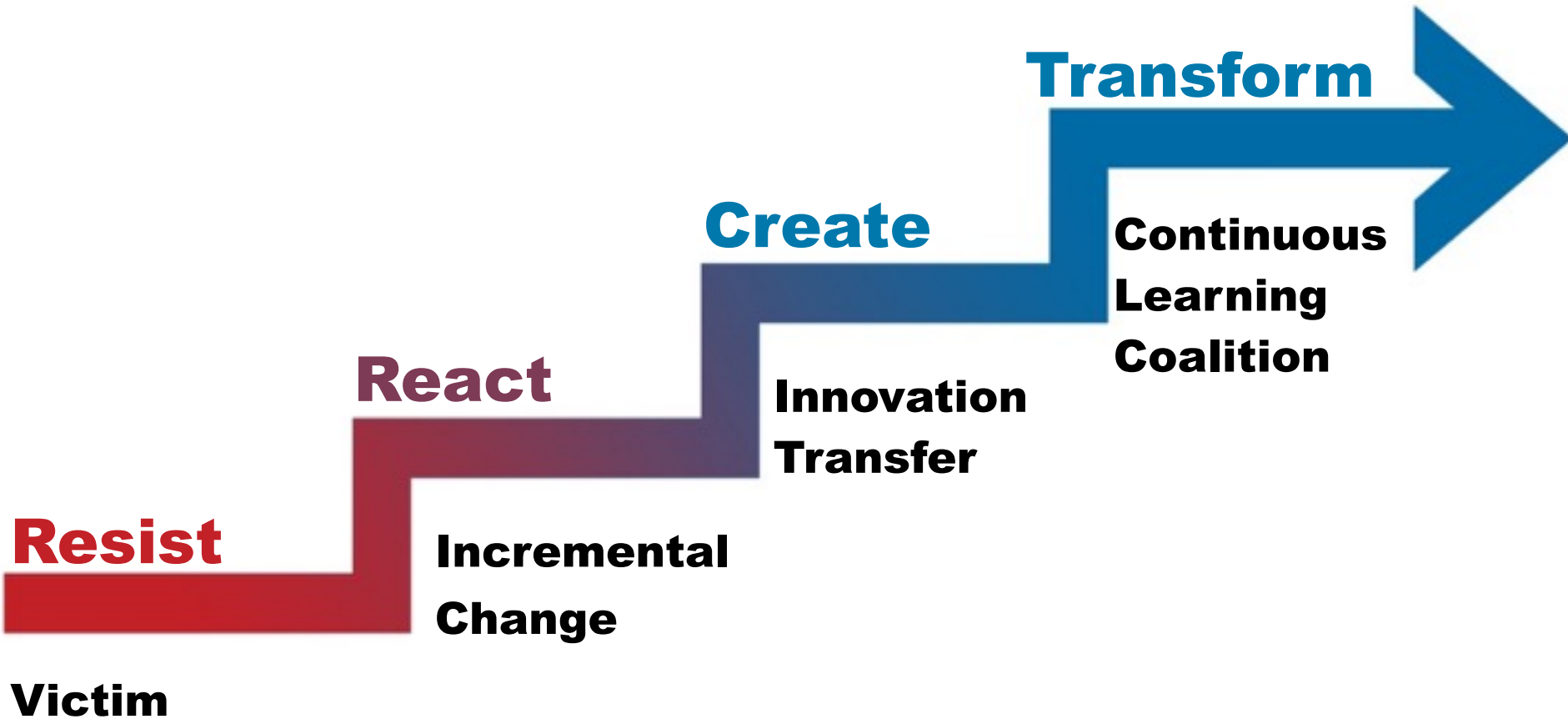
# Leadership in One Paragraph

Leadership may appear logical and straightforward: focus intensively on the right priorities, and things will click into place. But I found that leadership had all the unpredictability and complexity of a Rubik's Cube in the hands of a novice. To me, connecting dots was a logical and rational exercise, but it was quite different from managing the daily reality of highly complex and highly skilled independent human beings. My central lesson about leadership that emerged over time was that the challenge of leading competent, individual souls is not about logic or compulsion. It's about listening, respect, relentless adherence to values, and sticking to that approach every day - an approach that goes a long way toward repairing of wounded culture.

From "The Doctor Crisis: How Physicians Can, and Must, Lead the Way to Better Health Care"

J. Cochran & C. Kenney

# Achieving Transformation



**“Success is not final, failure is not fatal: it is the courage to continue that counts.”**

**Sir Winston Churchill**



# **Jack Cochran, MD**

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