



## TODAY'S TRANSFORMATIONAL MISSION

# Opportunity Abounds to Bring More People Better Care

By RICHARD J. GILFILLAN, MD

**T**imes of great change and uncertainty breed opportunity. Entrepreneurs create new ways to meet customer needs. Leaders of established organizations explore new ways of operating. One common solution to the challenge created by change is to partner with other organizations with capabilities that fit new marketplace demands.

American health care illustrates this phenomenon well today. Alternative care delivery and reimbursement models challenge us to discover new ways to deliver better outcomes. Exchange-based insurance products demand value networks at a time when we are just learning how to best measure quality and value. As a result, we are changing our business and clinical models without really knowing what care systems work best or how the outcomes will be evaluated. Amid all this change and uncertainty, it is no surprise that we have unprecedented levels of entrepreneurial startups, mergers, acquisitions and consolidations.

As with many other Catholic health systems, Trinity Health, based in Livonia, Michigan, believes that today's challenges are merely the entrance fee for taking on great opportunities to advance our mission. In fact, we believe there has never been a better time for Catholic health care to have a positive impact on our communities and the people we serve. These

new models offer the opportunity for us to be rewarded for what our mission now calls us to do — provide excellent coordinated care to as many people as possible. This objective seems to be the natural evolution of the challenge our founders overcame as they spread across the country to provide direct acute patient care to individuals in need.

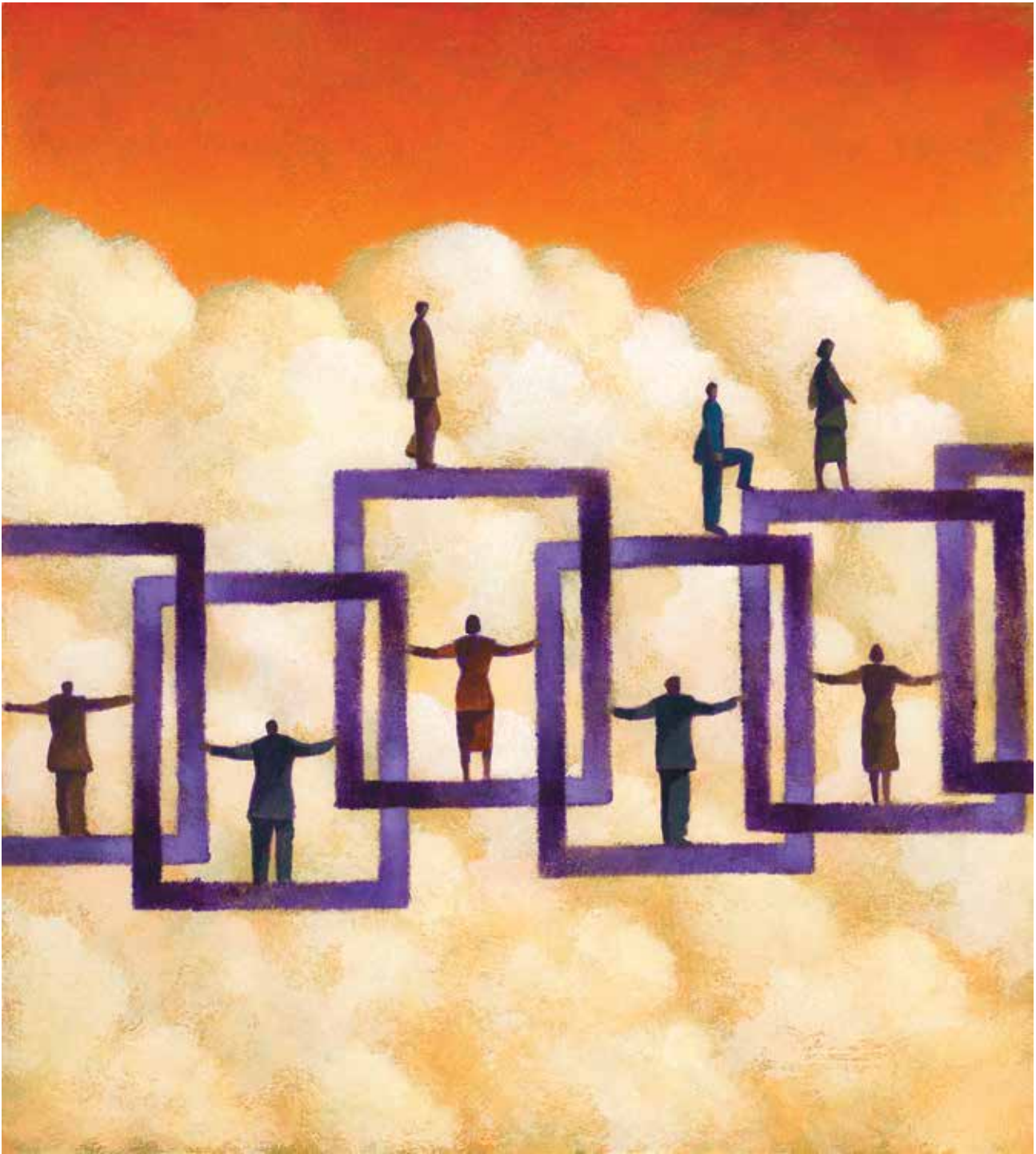
### BUILT ON A BOLD FOUNDATION

The story of Trinity Health, as with most of Catholic health care, began more than 150 years ago when congregations of women and men religious answered the call to help heal and minister to people in need across the United States. These women and men traveled far and under tough conditions to serve

others, especially vulnerable and marginalized populations. In the context of their times, these remarkable individuals built facilities and developed services from almost nothing, then continually looked at what they could do next to help more people. Their efforts have resulted today in Catholic health care providing 16 percent of all hospital care in our country.

It is inspiring to ponder what called these women and men to be so outrageously bold. Clearly, they were driven by their commitment to service, to being a healing presence in the communities they served. In pursuit of their mission, they were willing to take risks, some of which probably seemed extreme. At times, they were torn between going slower and trying to do too much too soon. They chose to err on the side of moving forward assertively. They understood they could not linger until the right choices became obvious and that inaction carried risks of its own. In the face of great uncer-

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tainty, they moved boldly forward.

Today we are poised upon this foundation to build the health care system that our country needs for tomorrow. There are great uncertainties and risks associated with transforming our system, but we do not come from a legacy of excessive caution. That is why, at Trinity Health, we have framed a strategic transformation effort to build a people-centered health system — designed and operated to put the needs of people we serve at

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the center of all we do. We believe this strategy injects the bold intent of our founding congregations' missions into our work today.

Delivering people-centered care will require us to have many new operational capabilities. We will build some of these ourselves; others we will gain through partnerships with organizations that have more experience and skill. Across Catholic health care, we have seen many creative approaches to partnerships. Systems are collaborating with for-profits and not-for-profits, creating networks of nontraditional alliances and forming subsidiaries in areas such as research, insurance, telemedicine, home health, information technology and physician practice management.

### **MISSION IN ACTION**

Our strategic plan, “People-Centered 2020,” puts our mission into action and includes several key components. The first is to transform the way we deliver and are paid for providing care. To accomplish this, we have moved aggressively to develop new internal capabilities like our accountable care organization expertise. Although the Centers for Medicare and Medicaid Services' post-Affordable Care Act reimbursement playbook is still evolving, we have established Medicare Shared Savings ACOs in 18 of our 21 Regional Health Ministries. We have built out a set of new population health management activities that are essential for operating a successful ACO clinical and business model.

We also are participating broadly in the CMS Bundled Payments for Care Improvement pro-

gram, with 53 facilities (38 hospitals, 12 continuing care facilities and three home health agencies) contracted for 40 different episodes of care as of Oct. 1, 2015. We are partnering with several different organizations that bring specific expertise in managing episode-based clinical models.

We also have partnered with other parties to build expanded provider networks. In Michigan, we partnered with Ascension to co-found Together Health Network, a physician-led, state-wide, clinically integrated network of 25 hospitals and hundreds of ambulatory centers and physician offices. The network enables its member hospitals, physicians and other providers to jointly participate in the launch of new health

plan products that give consumers greater choice and access to value-based health care services. Across our entire system, we have partnered with payers to establish 12 new value network products to date; with 18 more in development.

To develop the ability to manage full-risk capitation with payers, we established a joint venture, Trinity Health Partners, with Heritage Provider Network. Heritage has a 30-year history of successful contracting with insurers for full-risk capitation. This joint venture will develop care networks similar to ACOs, including primary care physicians, hospitals, clinics and other providers who join together to manage care for populations of patients. These networks will contract with insurers to assume full financial risk for managing these populations, which means they will be paid a set amount per patient and will be fully responsible for covering any costs that exceed the payment. The Heritage relationship provides us with access to operational capabilities that have demonstrated success under capitation arrangements.

During the past year, we have formed a clinical care partnership with Walgreens to explore new possibilities provided by retail vendors. They will offer their stores in our facilities in select markets — enabling outpatient pharmacy services and expanded prescription and disease management programs to support people's health, while at the same time increasing consumers' access and lowering overall health care costs. We also are partnering with the Sharecare company to provide a digital consumer engagement platform. It provides a state-of-the-art, online environment



that supports millions of people in their efforts to live healthier lives, and it helps them connect with physicians and remain personally engaged in their ongoing care.

Our plan also calls us to attempt to impact the transformation of our system nationally. That is why we joined with a group of Catholic health systems including Ascension, OSF Healthcare, Providence Health & Services, SLC Health and SSM Health, as well as other industry participants, to form the Health Care Transformation Task Force. Its goal is to bring together like-minded providers, payers, employers and patient advocacy groups to facilitate the path to transformation. Members include six of the nation's largest 15 health systems and four of the largest 25 health insurers. Together, we have committed to put 75 percent of our business into value-based arrangements that focus on better health, better care and lower costs by 2020. The task force has produced a number of policy recommendations, including several to CMS and the federal Department of Health and Human Services that we believe are helping to drive payment changes that support our transformation goals.

Our "People-Centered 2020" plan envisions significant growth in current communities, as well as expansion into new communities. Just as our founding congregations constantly reached out to new populations, we recognize that with the change and uncertainty in health care, there are significant opportunities to support existing Catholic health care ministries in communities that we do not serve today.

Our objective is not simply to be larger. It is to be an effective partner capable of bringing real value to regional Catholic health systems pursuing a similar mission. We believe we can provide significant economies of scale to some ministries, along with more sophisticated operational capabilities that allow them to continue their regional missions. These partnerships allow us to bring new ideas and competencies to smaller regional ministries faster. These are two-way partnerships. Within them, we share our knowledge and also learn from our new local ministries, identifying best practices that we can spread to other ministries in our system.

Our growth team, under Scott Nordlund, has developed a set of screening criteria to help us

identify appropriate partners. These criteria look at a full range of operational dimensions, but start with an evaluation of mission alignment.

On July 1, 2015, St. Joseph's Health in Syracuse, New York, became a part of Trinity Health. (See story, page 18). This partnership extends our healing ministry to central New York, complementing our presence in Buffalo and Albany. We also signed a definitive agreement with Saint Francis Care, a health delivery system anchored in Hartford, Connecticut, to join Trinity Health. This merger expands our ability to work with community physicians and clinicians, providing better care coordination for people across New England, and extends Catholic care in the region.

#### RESPONSIBLE RISKS

Our strategy, of course, is not without risks. Our board and our leadership team often reflect on our legacy. They recognize that those who founded our organizations answered the call to help heal and minister to communities across the United States and faced far greater risks. They led the way, leaving a legacy of bold leadership for us to follow.

All health care organizations and leaders, not just those in Catholic health care, are living in this challenging environment of constant change and uncertainty. We all are struggling with the same issues of how far to move and how fast. Based on how we are working together in the task force, and what I hear as I talk with other health system leaders, I believe we are poised at a point where a transformation to a people-centered health system is possible. As leaders, we know that today's challenges offer us the once-in-a-lifetime opportunity to make our health care system right for our children and our country.

My hope is that, individually and collectively, we will seize this opportunity. We will need to be creative internally and externally, and that includes rethinking our approaches to operations and partnerships and always assessing our choices for alignment with our mission. As mission-driven organizations grounded in service to our communities, Catholic health systems are perfectly positioned to lead the way and build this new system of health care.

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JOURNAL OF THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES

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Reprinted from *Health Progress*, September-October 2015  
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