

## Green Health System Case Study

### *A multi-state health system moves in several integrated directions at once*

#### Assessing the Situation

Green Health System is one of the nation's largest multi-state, faith-based health systems. The system is divided into six regions across eight states. Several years ago, Green Health System acquired Hope Health, a regional health system that included a prestigious academic medical center. Green aspires to nothing less than to "lead the way in reaching the full potential of the U.S. healthcare system."

Green Health System already has established:

- A strong ongoing process improvement methodology, with between 80 and 100 annual performance optimization teams and year-on-year savings of five percent
- Hope Health Plan, which covers 40 percent of the commercial patients in the former Hope Health's region
- A lean management team
- A leading position as measured by market share, community survey of patients' preference, and profitability for most of its regions
- A strong culture of performance and service
- An integrated multi-specialty physician group that meets 50 percent of the former Hope Health's patients' primary care needs and 60 percent of its patients' specialty needs

Green Health System's CEO acknowledges, "We are very good at what we do. But the state of health care in the U.S. requires us to be much better." At the highest level, Green's philosophy is to:

- Continue to add scale until there are no more positive returns to be gained from increased scale
- Continue to integrate physicians, health systems, and health plan activities until there are no more benefits to integrating further
- Continue crossing traditional lines between faith-based and other forms of health care; between the information possessed by patients, physicians, and health systems; between the health system and its allies and partners
- Leverage scale, expertise, technology and information to deliver highly individualized, effective and sensitive health care.

Green's CEO notes, "Our biggest constraint is ourselves."



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## Determining the Options

Green Health System's aspirations for optimizing performance include "everything an individual health system can do, everything an alliance of health systems can do, everything a multi-specialty physician group can do, everything a health plan can do, and more." Options under consideration include:

- *Restructuring central and regional goals and responsibilities.* Green sees opportunities to integrate activities more closely across the organization. It expects to manage itself less in regions and more as one integrated organization. Green expects to continue to optimize roles and responsibilities as the journey from volume to value continues.
- *Leveraging clinical expertise.* Recognizing the expertise of physicians across its organization, as well as the clinical resources available within the former Hope Health's academic medical center, Green plans to develop specialized centers that, regardless of physical location, can serve the needs of Green's networks, physicians, and patients. Plans include:
  - A centralized telemedicine center that can offer virtual office visits, virtual ICU, and specialist consults to emergency facilities and physician offices
  - A personalized medicine center emphasizing genomics and individual and family care plans
  - A population health transformation center that will experiment with predictive modeling, pilot projects on electronic and dispersed location access (including pharmacy and community organization ties), and other pilots. The center will work closely with Hope Health Plan on its pilots to analyze impacts on total cost of care.
- *Adjusting the roles of system and network facilities and services.* The roles of hospitals, physician offices, e-visits, and other activities will continue to evolve. Each of these changes is expected to lower unit costs, lower per-member per-month costs, and improve quality, service, and access. For example:
  - Facilitating care in the most appropriate locations and venues based on patient diagnosis and needs
  - Further integrating pharmacy, behavioral health, and social services
  - Offering tailored approaches to employers for their employees and families



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## Moving Forward

As Green Health System realizes gains in performance optimization efforts, clinical transformation work, and population health management, it plans to:

- Analyze, track, and quantify the gains from the full range of its activities to define lessons learned and identify further opportunities
- Form a dedicated staff to promote idea transfers (e.g., past performance improvement projects that can be adapted to work elsewhere in the organization)
- Announce a for-profit subsidiary that will partner with an investment firm. The new venture will have two primary goals:
  - Consult to other health systems to disseminate Green’s knowledge and approaches
  - Develop new ventures based on patents and other knowledge from Green’s physicians and employees
- Develop a structured learning arrangement with two other national systems that have similar aspirations



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