



# Montefiore

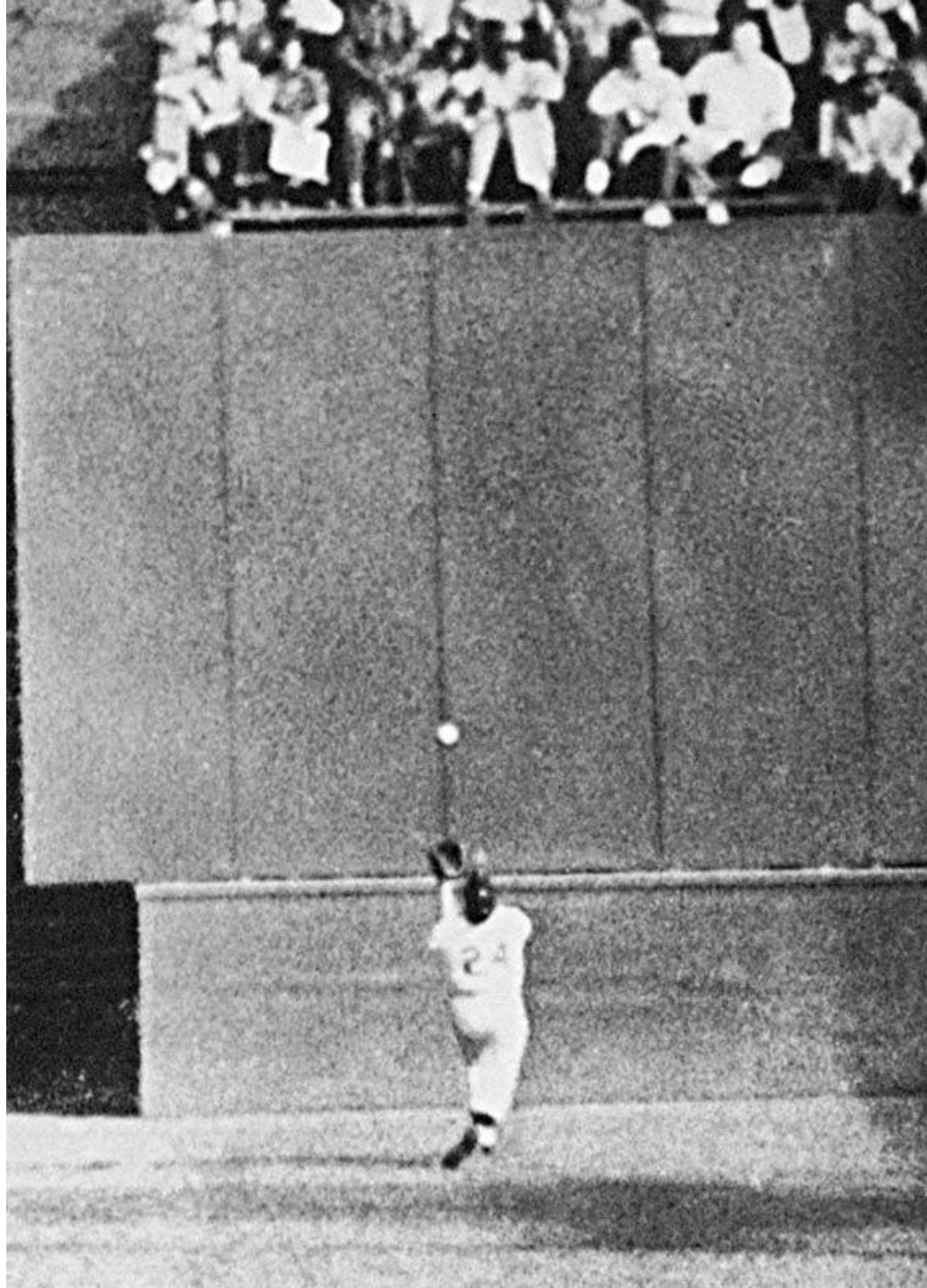
THE UNIVERSITY HOSPITAL FOR  
ALBERT EINSTEIN COLLEGE OF MEDICINE

## Practice and System Change

**Ingredients that  
make payment reform work**

Robert Wood Johnson Foundation/AcademyHealth  
Payment Reform Meeting  
Washington, D.C.  
February 27-28, 2014

Andrew D. Racine, M.D., Ph.D  
Senior Vice President and  
Chief Medical Officer  
Montefiore Medical Center





This is payment and  
delivery system  
reform



“If you dislike change...  
you’re going to dislike irrelevance  
even more.”

Gen. Eric Shinseki, United States Secretary of Veterans Affairs  
“Marines Turned Soldiers” *National Review Online* 12/10/2001

# Essential Elements

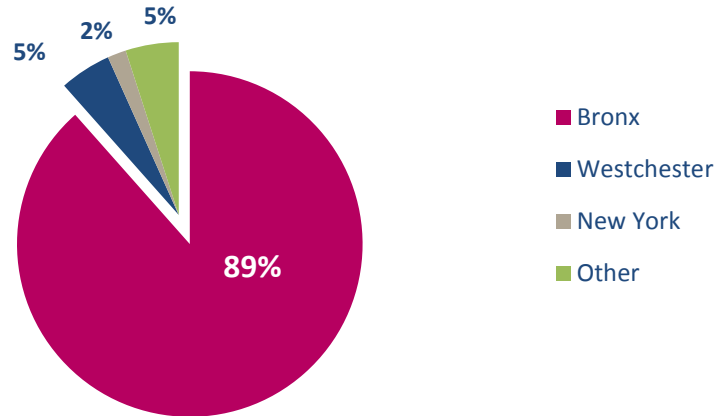
- Awareness of context
- Visionary leadership
- Architecture and Alignment
- Scale and Integration
- IT interface to drive quality and cost
- Government partnership

# Context

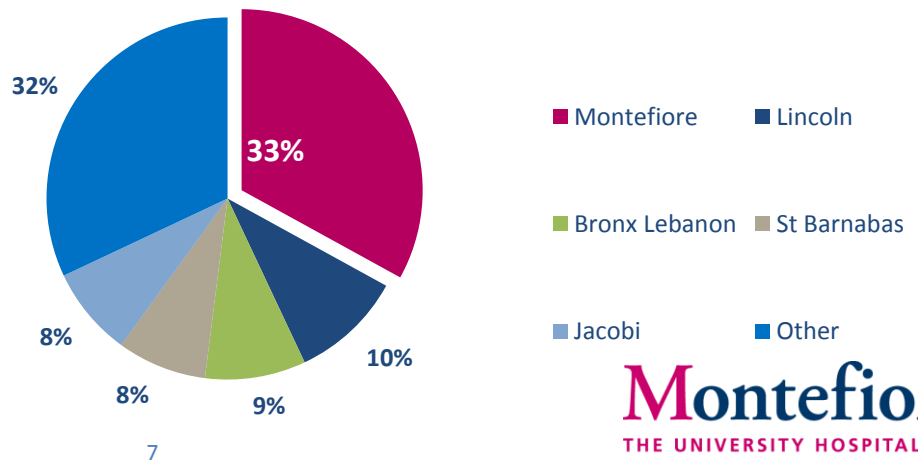
# Who We Serve

Bronx, NY – 1.4 Million Residents

**Montefiore Inpatient Discharges**  
By Patient Origin - 2010

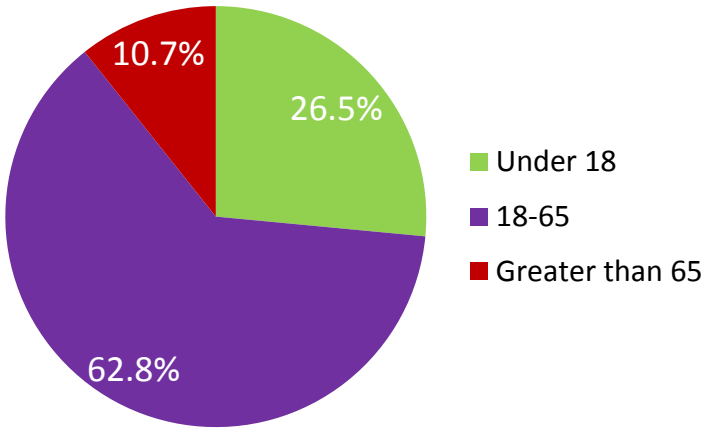


**Market Share of Inpatient Discharges**  
Bronx Residents - 2010

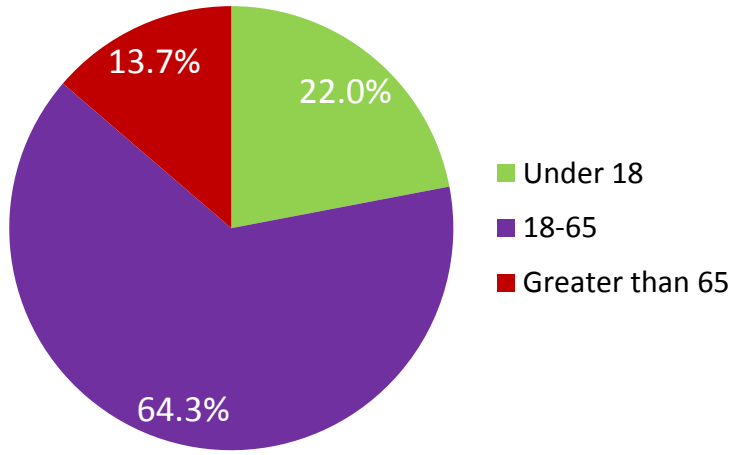


# Bronx Residents are younger...

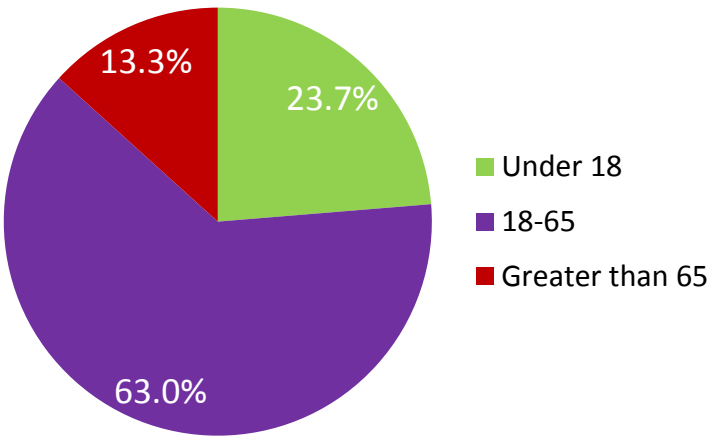
**Bronx**



**New York State**



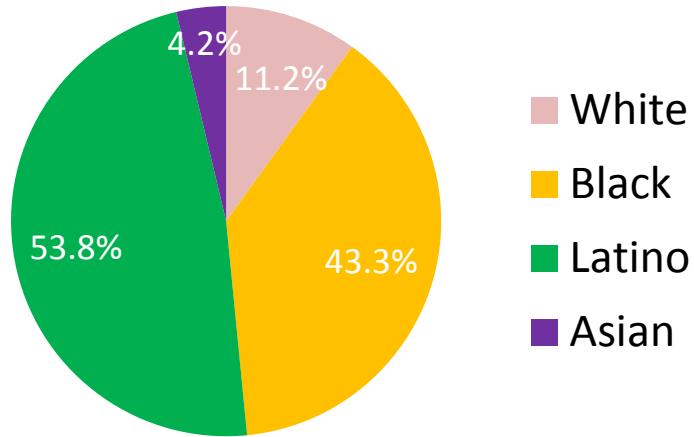
**U.S.**



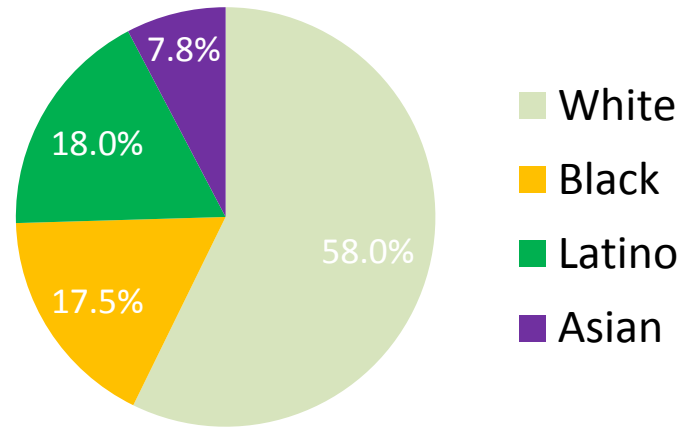


# ...more ethnically diverse...

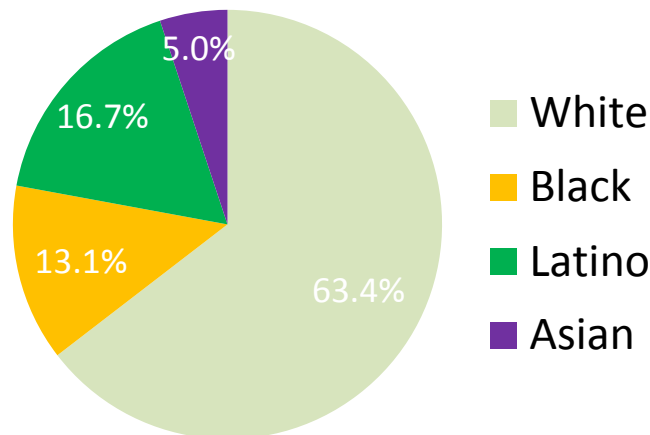
## Bronx



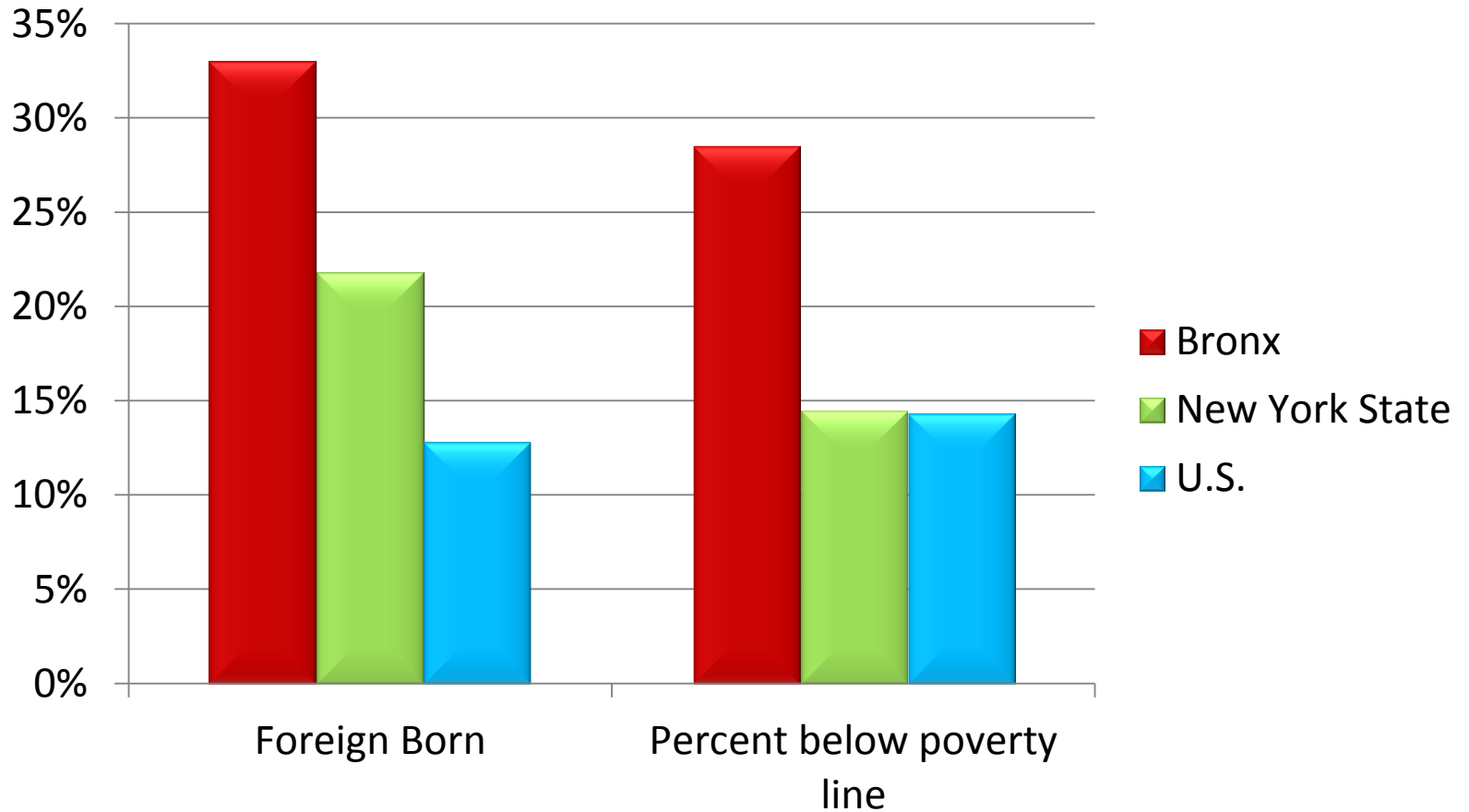
## New York State



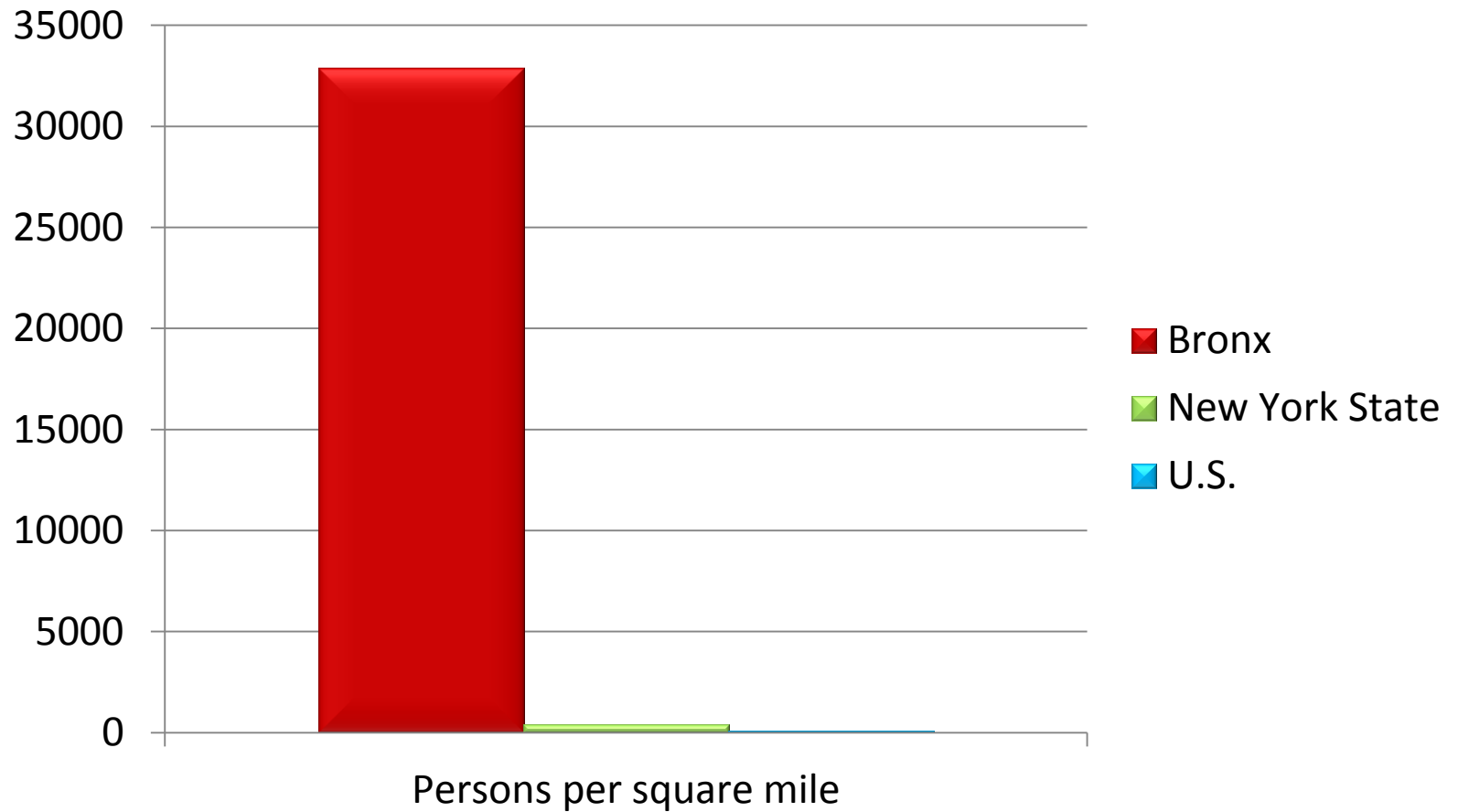
## U.S.



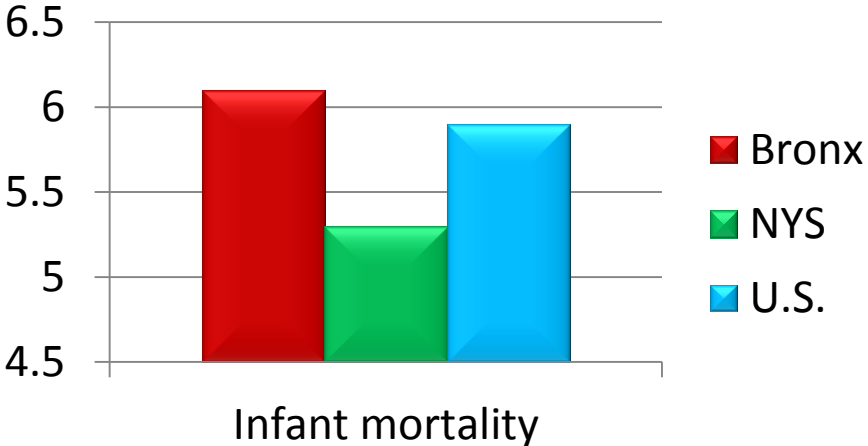
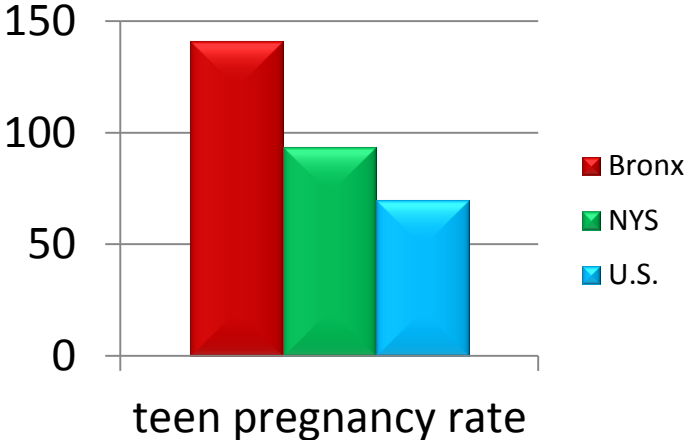
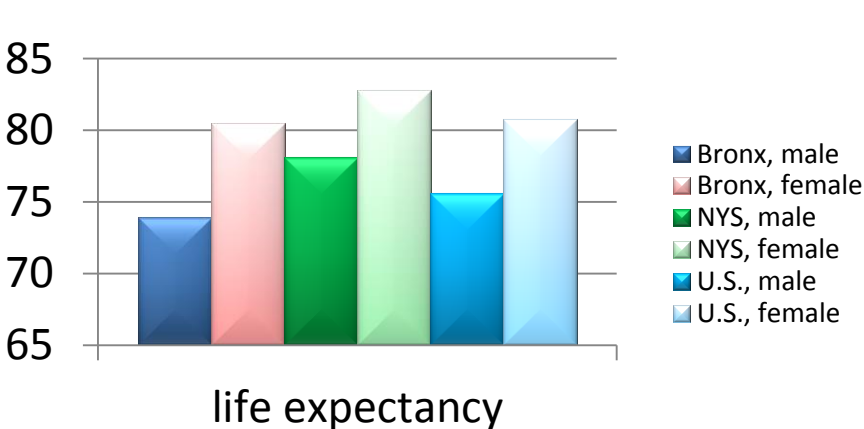
# ...with fewer resources...



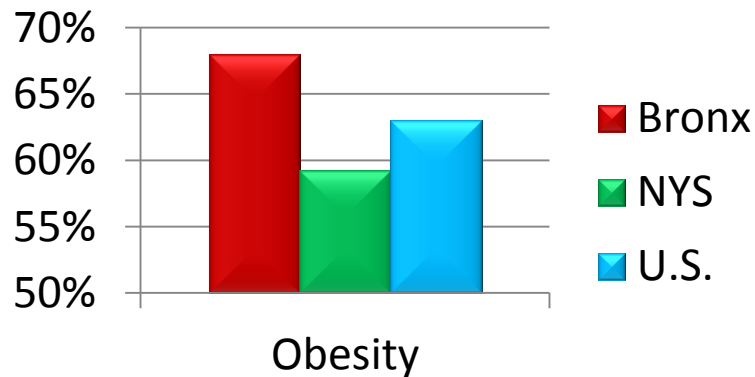
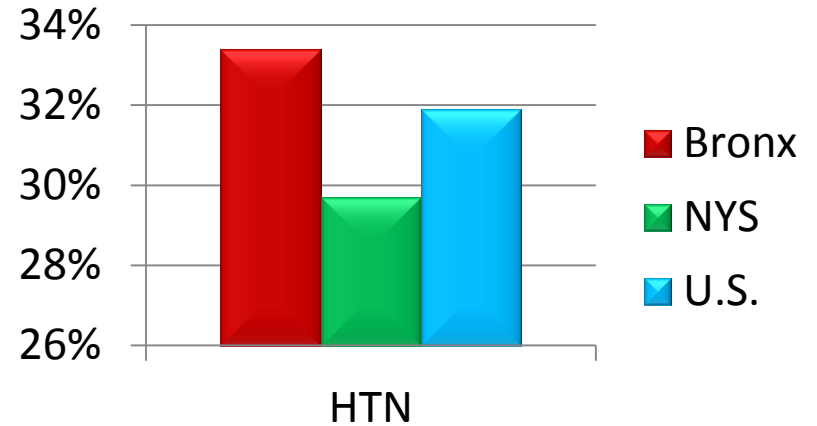
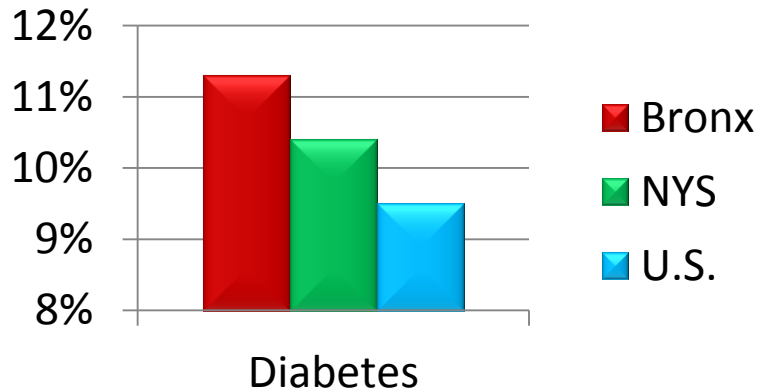
# ...and more crowded.



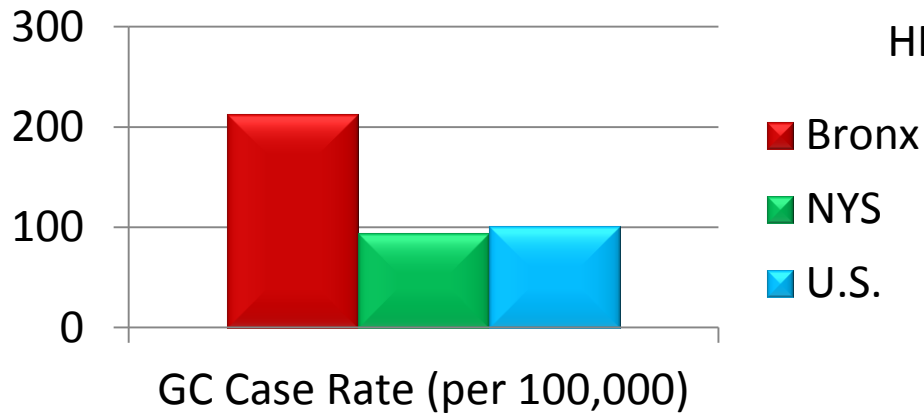
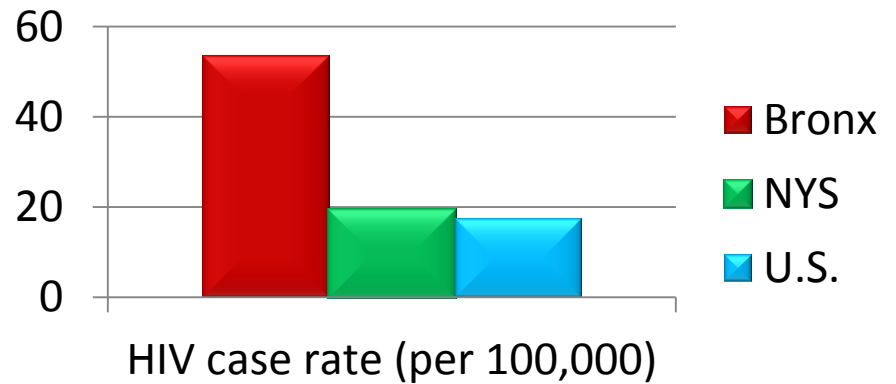
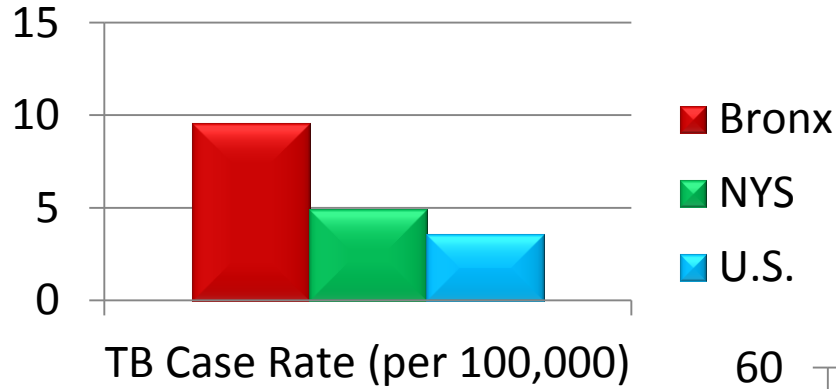
# Burden of disease measured by vital statistics...



# ....chronic illness...

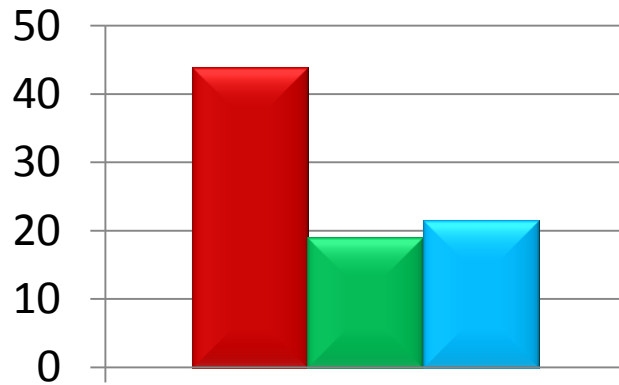


# ...or incidence of sentinel conditions

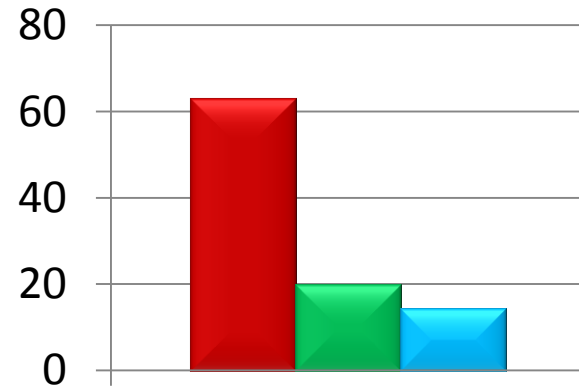




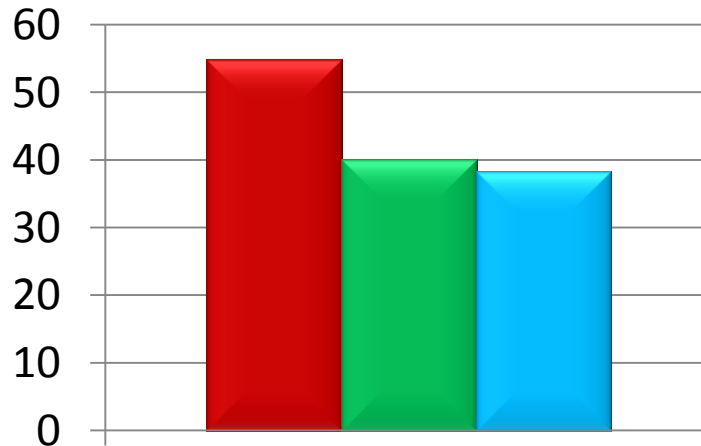
# Hospitalization rates (per 10,000)



Diabetes

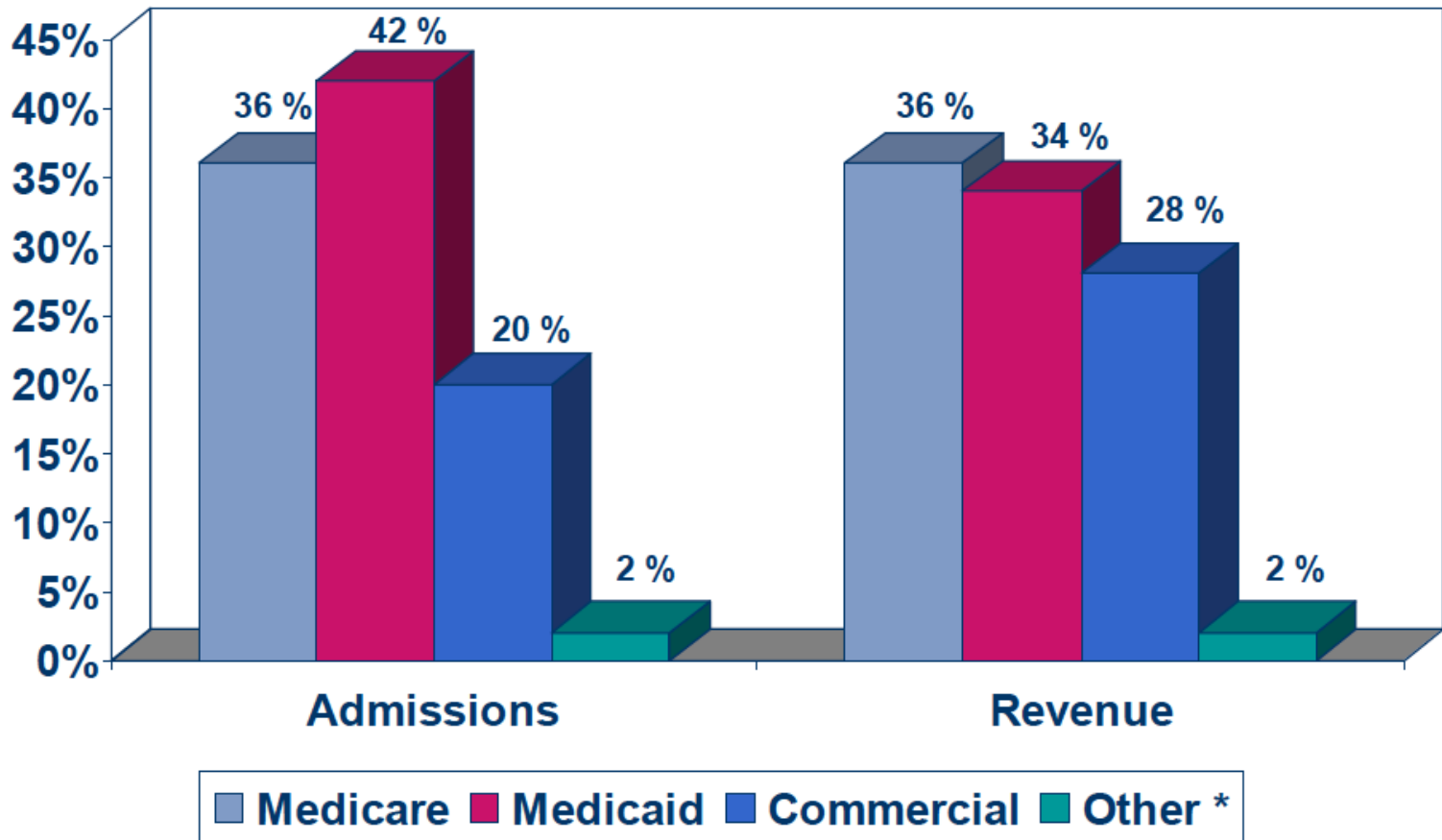


Asthma



CHF

# Montefiore Payer Mix



# Leadership

*“The doctor is the medical technician working in an atmosphere of social service, thinking beyond his prescription of medicine or the surgical operation. The major portion of any ‘cure’ is a social matter which has broader and more fundamental implications than the actual medical and surgical treatment of a case.”*

Ephraim Michael Bluestone, M.D.

Director of Montefiore

1928-1950

*“Fee-for-service is piecework – a professionally undignified way to practice medicine. It’s a mechanism of payment almost calculated to seduce the doctor into placing cash before care ...ultimately the complex illnesses we will have to deal with can only be met by pre-paid, comprehensive, preventive-medicine-oriented group practice.”*

Martin Cherkasky, M.D.  
Director of Montefiore  
1951-1981

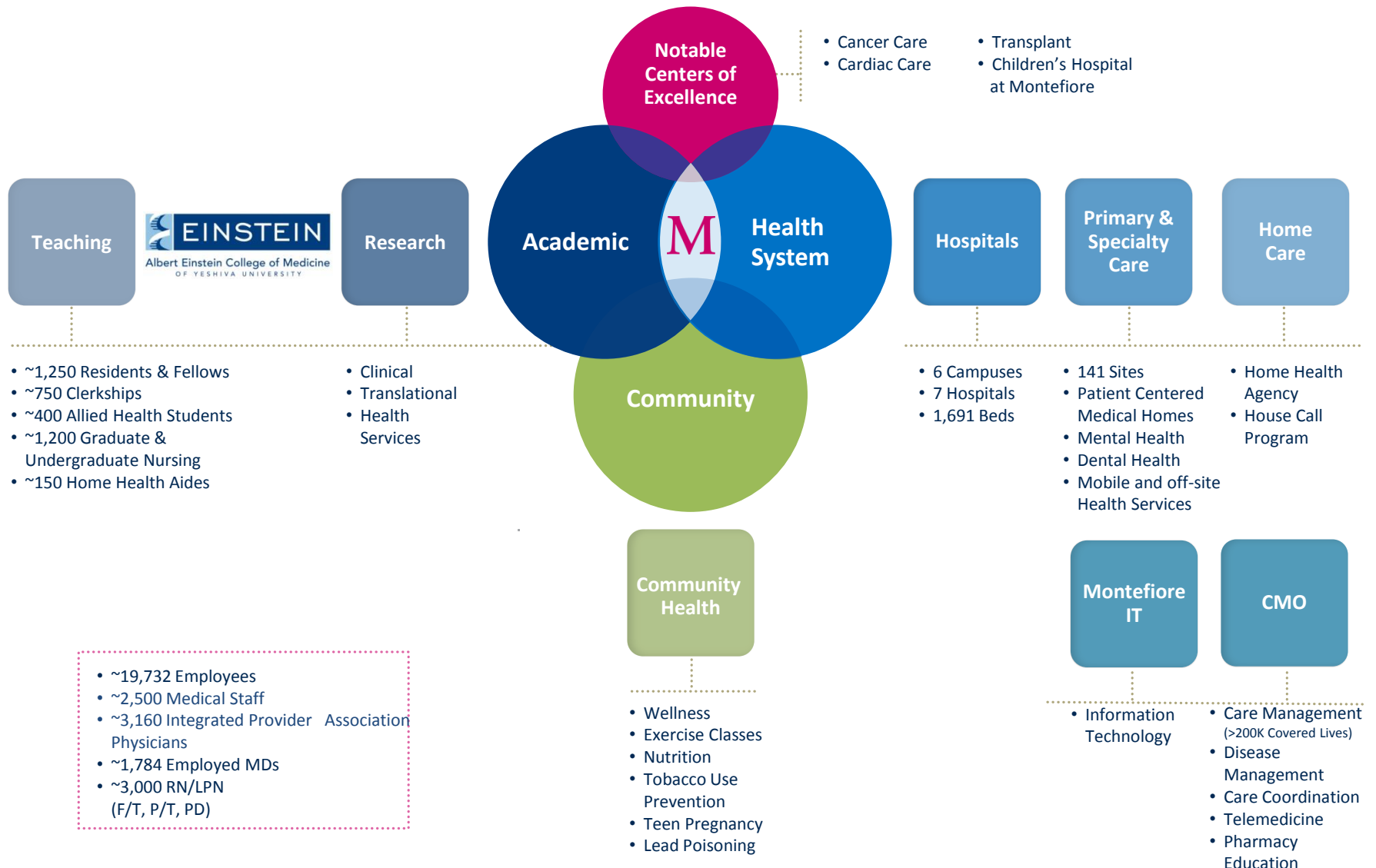
*“Patients are not about hospitalization but about health and wellness, and sometimes chronic diseases. Global payment starts to get the system more responsive and working the way it should.”*

Steven M. Safyer, M.D.  
President and CEO  
Montefiore Medical Center  
2008 -

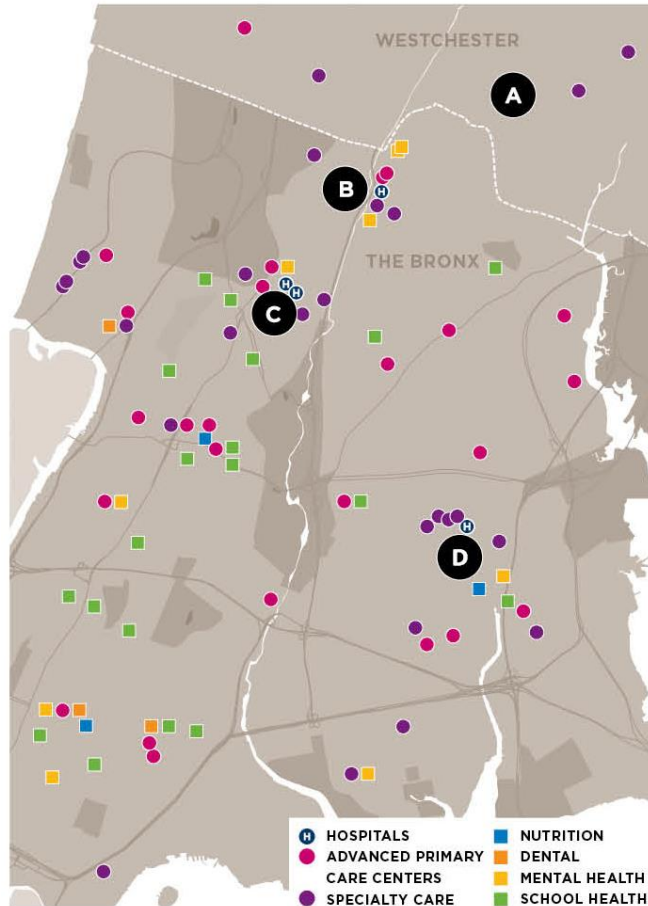


# Architecture and Alignment

# Who We Are



# Our Integrated Delivery System



Source: "10-11-11 MMC Sites rev"

## Our Locations

>1,500 Beds Across 7 Hospitals

26 Primary Care Sites in MMG

220,000 patients

870,000 visits

270 primary care attending MDs

380 primary care resident MDs

65 School Health Clinics

9 Mental Health / Substance Abuse Treatment Clinics

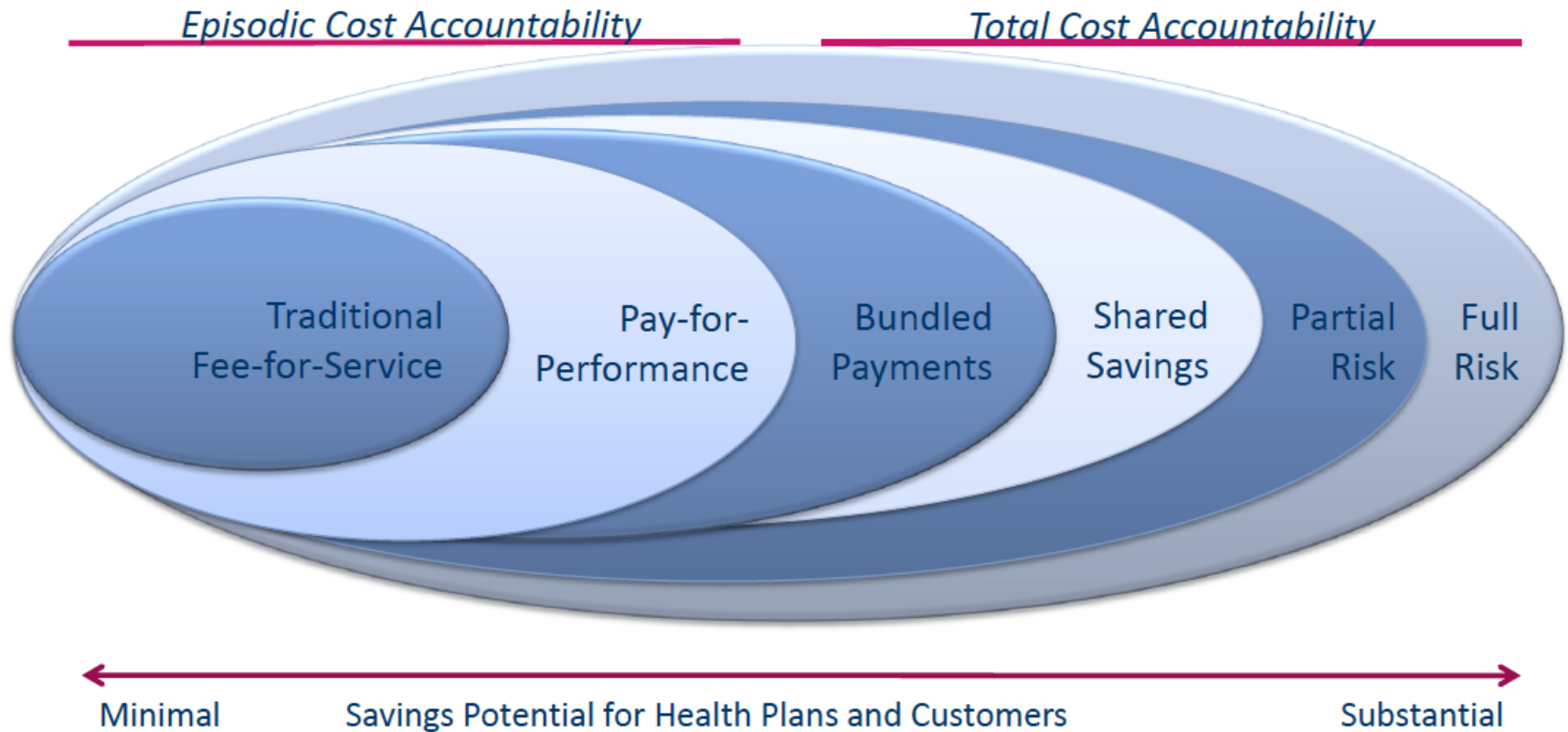
49 Specialty Care Sites

5 Dental Centers

5 Imaging Centers

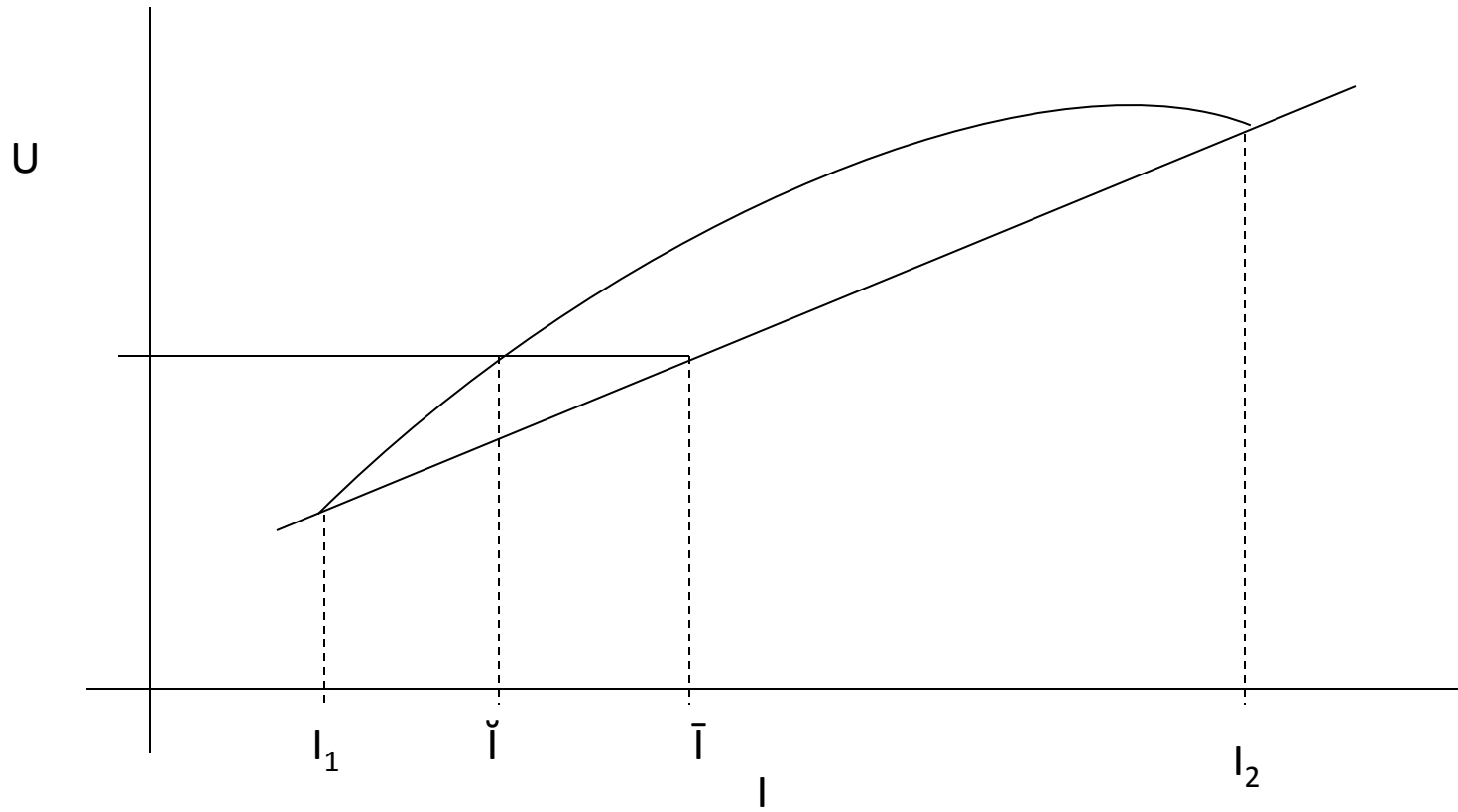
# Scale and Integration

# The challenge



Source: The Advisory Board Company: Accountable Care Forum-Briefing for Health Plan Executives

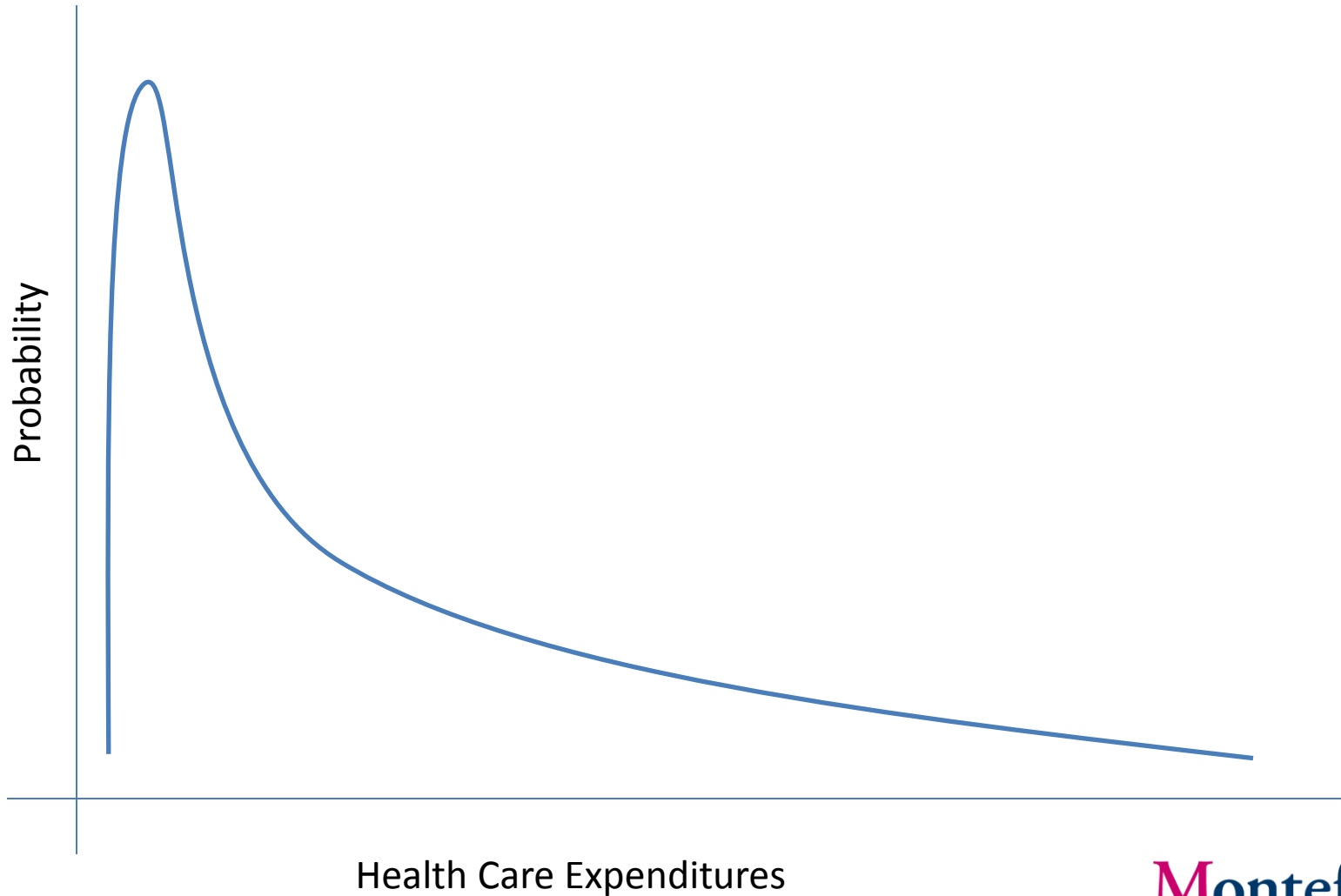
# Why we buy insurance



Source: Friedman M and JL Savage, JPE (1948; 56: 279-304)



# Why we need scale



# IT interface to drive Quality



Quality  
Care

# Government Partnership

# Government Partnership

- ACO
- Quality Metrics
- HITECH Act EHR incentives
- Value-based purchasing
- Healthcare Exchanges
- Medicaid expansions
- PCORI grants

