



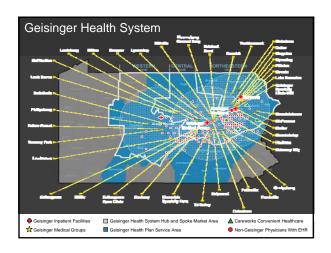
About Geisinger...

Heal • Teach • Discover • Serve

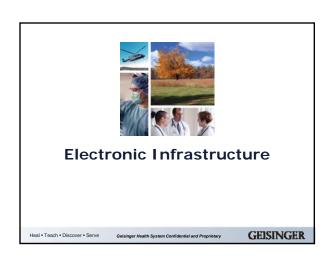
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Electronic Health Record (EHR)

- Decision to implement Epic®: 1995
- > \$120M invested to date (hardware, software, manpower, training)
- Running costs: ~ 4.6% of annual revenue of
- EHR now fully-integrated across all ambulatory and inpatient sites of care
- > 3.5 million distinct patient records
- > 2,000 non-Geisinger users (referring physicians)
- 19 electronic check-in kiosks
- etc...

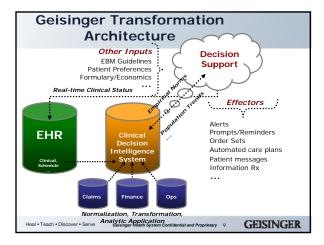
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Patient Portal ("PHR")

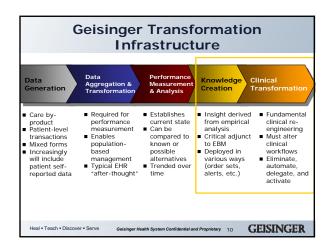
- · MyGeisinger Personal Health Record
 - ~117,000 active users; adding ~500/week
 - New Goal = 200,000 (~1/3 core active population)
- Secure portal allows patients to:
 - View lab/test results, medication list, diagnosis list
 - Schedule appointments, email care team
 - Request prescription refills
 - Access links to trusted health information specific to disease states
 - ...Testing access to physician notes
- 60%/40% messaging activity split between clinical/administrative

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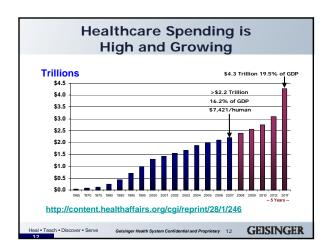
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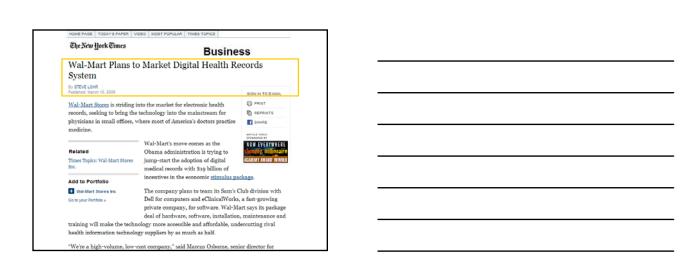














"Grasping" the Numbers... \$1 Trillion

- How much is \$1 trillion, really?
 - Would take 2,740 years, spending \$1 million/day
- · What about the \$8 trillion promised so far?
 - Would take >22,000 years spending \$1 million/day
 - The equivalent of giving every person in America ~\$26,000



Wijscensinin Glacier Forms Long Island

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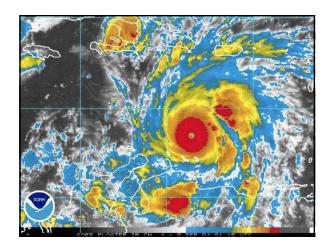
One More \$1 Trillion I mage...

- · Starting at the transition from B.C. to A.D., an immortal person could have spent \$1 million per day, every single day until yesterday...
- ...and still had enough left over (\$267 billion; @ close of market 3/10/2009) to buy all of:



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How Long to Spend \$1 Trillion at \$1/day? • For Context... Earth Formed ~4.6 billion years ago... Heal • Teach • Discover • Serve Geisinger Health System Confidential and Proprietary 19 GEISINGER







Geisinger's Approach

Use Our Own "Experimental Laboratory" to Make Change for Our Community...

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GHS "Sweet Spot" is Our **Innovation Laboratory**

- Background:
 - GHS provides ~45% of GHP medical care
- GHP members account for ~30% of GHS revenue Our
- "Sweet Spot" is the overlap area where Geisinger has financial responsibility and provides the majority of care
- Shared in common within our "Sweet Spot":
 - Clinicians
 - Population
 - EHR & Web Sites
 - Objectives and Values

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Creating Real Value: Geici r's Core Care Transfor of care tives
Get consumers into a system of care lives Get consumers into a syst
optimize the delivery capital care capital care Acutes primize Acutes primize Acutes primize Minimize hand-off errors, reduce wasteful Minimize hand-off errors, reduce wasteful Acutes primize Acutes
Acuto A
Get conserved will enable a solution access problem
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Continuous Innovation

Continuous Innovation In Health Care: Implications Of The Geisinger Experience

Adoption of integrated electronic health systems is the beginning of a long care-transformation journey.

by Ronald A. Paulus, Karen Davis, and Glenn D. Steele

ABSTRACT: To achieve the diverse health care goals of the United States, health care value must increase. The capacity to create value through innovation is facilitated by an integrated delivery system focused on creating value, measuring innovation returns, and receiving market rewards. This paper describes the Gelsinger Health System's innovation strategy for care model redesign. Geisinger's clinical leadership, dedicated innovation team, electronic health information systems, and financial incentive alignment each contibute to its innovation record. Although Geisinger's characteristics raise serious questions about broad applicability to nonintegrated health care organizations, its experience can provide useful insights for health system reform. [Health Affairs 27, no. 5 (2008): 1235–1455. [Oct. 27]. [Mod. 27]. 1405. 1245; 10.1377/hlthaff.27.5.1235]



ProvenHealth Navigator®

Geisinger's Value-based Patient-Centered Medical Home

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Most Efforts to Maintain Financial Status Increase Costs

- Provide more services
- · Add ancillary services:
 - Lab, CT and MRI Scanners, Cardiac Imaging
- Negotiate higher rates
- Invest in physician-owned facilities (or joint ventures...)

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It Takes a Partnership: Each Party Does What It Does Best...

Health Plan

- Population analysis
- Align reimbursement
- Predictive Modeling
- Engage member and employer
- Report population outcomes
- Take to market

Clinical Enterprise

- · Individual care
- · Set best practice,
- design systems of care
- Educate consumers
- Deliver care
- Report pt. outcomes
- Continually improve

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Functional Components

- 1. Patient Centered Primary Care
- 2. Value-based Reimbursement Program
- 3. Value-based Care System
- 4. Integrated Population Management
- 5. Quality Outcomes Program

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Personal Health Navigator Quality Results Site #1 Site #1 Site #2 Site #2

Quality Indicator	Baseline CY 06	PY1 CY07	Baseline CY06	PY1 CY07
Patient Encounters	27,400	31,875	9,996	12,537
Diabetes Bundle	9.2%	10.9%	5.3%	9.2%
CAD Bundle	11%	15.7%	15.0%	20.9%
Pneumovax	82%	85.7%	87.4%	91.0%
Influenza Vaccine	1,452	1,477	511	513
Post D/C follow up	N/M	90.1%	N/M	92.6%
Appointment Access	84.4%	83.7%	85.2%	85.5%
Care rec'd during visit	91%	92.4%	90.1%	91.8%
Risk assessment	0	100%	0	100%
Documented Care Plan	0	99%	0	98%

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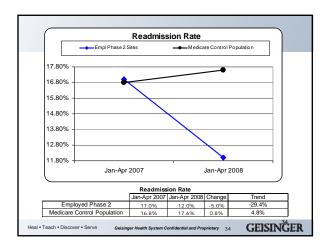
Individual Patients Tell a Powerful Story...

- "JS" : 71-year-old male with COPD, diabetes, pulmonary HTN, A-fib, right-sided heart failure and carotid artery stenosis
 - 2 hospitalizations 2006; 3 in 2007
 - Enrolled into ProvenHealth Navigator in January 2008
 - Monthly follow-up by team; weekly follow-up by CM
 - Pulmonary rescue kit used on several occasions

 - CM worked with pharmacy for lower cost rescue kit
 Coordinated "donut hole" coverage for very expensive medication through pharmaceutical indigent program

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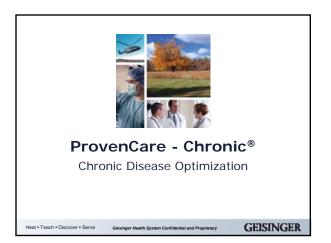
Phase 1 Total Net Medical Costs Decreased 4%; ROI = 250% Allowed PMPM (Excluding PartD) 500 Heal • Teach • Discover • Serve Geisinger Health System Confidential and Proprietary 33 GEISINGER



PHN Now Live for Commercial Members in 2 non-GHS Sites

- 1,000+ Commercial Members
- Quality:
 - Similar improvements on HEDIS
- Efficiency:
 - PMPM Medical Cost decreased 10% in year 1

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All or None "Bundle" Measures Complete Influenza Non-Smoker HgbA1c<7 BP<130/80 Bundle Immunization Patient 1 Patient 2 Patient 3 80% 60% Even if individual criteria have great results, when calculated as an "All or None" metric – the need to work differently (systems of care) becomes evident Heal • Teach • Discover • Serve Geisinger Health System Confidential and Proprietary 37 GEISINGER

Bundle	
Quality Standard	FY07
Every 6 months	Х
<1)	Х
Yearly	Х
< 100	Х
< 130/80	Х
Yearly	
Yearly	Х
Yearly	
Yearly	Х
Once	Х
Non-smoker	Х
Yes	
Yes	
Yearly	Х
	Quality Standard Every 6 months < 7 Yearly < 100 < 130/80 Yearly Yearly Yearly Yearly Once Non-smoker Yes Yes

Diabetes Care EHR-based Work Flow Redesign Data mining prior to arrival Nurse Rooming Tool Single screen visualizations Order entry support Delegated orders Longitudinal orders (e.g., recurring labs, pre-filled refills) Other decision support Patient reporting Physician and practice reporting

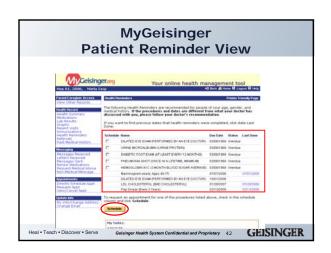
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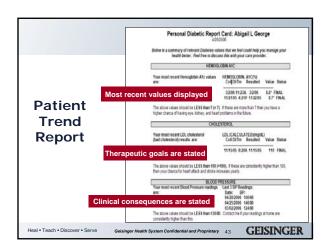
• Incentive redesign

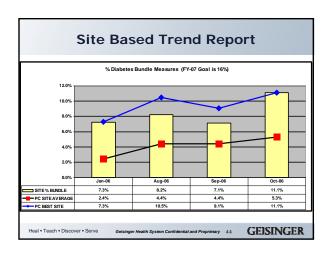
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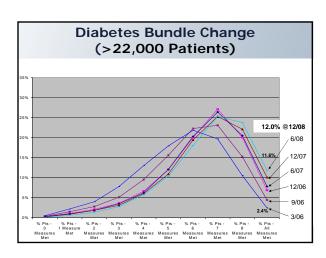


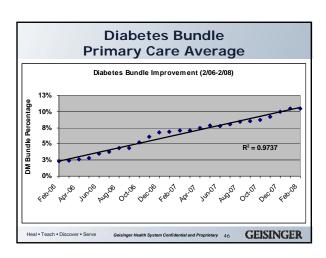


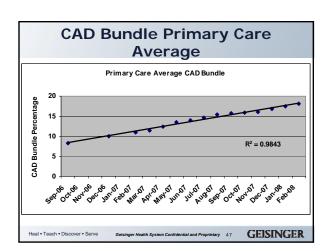












GHP GOLD Geisinger HEDIS					
Performance			_		S
Study	HE	DIS 2008		Results	
	Total Rate	Clinic	Panel	Test of Means	
				or	
				Population Inferences	
Effectiveness of Care				(a = .10), two tail	
Comprehensive Diabetes Care:					
HbA1c tested	94.2%	98.8%	87.7%	Statistically Higher	P<0.0001
HbA1c Good control <7.0%	51.3%	55.8%	45.0%	Statistically Higher	P=0.0308
HbA1c Poor controlled >9.0% (Lower rate					
indicates better performance)	12.7%	5.4%	22.8%	Statistically Higher	P<0.0001
Lipid Profile performed	92.0%	95.4%	87.1%	Statistically Higher	P=0.0023
LDL-C <100	54.5%	58.3%	49.1%	+/- Statistically Higher	P=0.0643
Diabetic Retinal Eye Exams	88.1%	92.5%	81.9%	Statistically Higher	P=0.001
BP controlled <130/80	44.3%	52.9%	32.2%	Statistically Higher	P<0.0001
BP controlled <140/90	69.6%	75.4%	61.4%	Statistically Higher	P=0.0023
Kidney Disease monitored	93.4%	96.7%	88.9%	Statistically Higher	P=0.0016
Breast CA Screening	83.5%	88.6%	77.6%	Statistically Higher	P<0.0001
Colorectal CA Screening	65.8%	70.8%	60.5%	Statistically Higher	P=0.0324
Cholesterol Mgmt after Acute Cardio				, ,	
- LDL Screening	93.0%	97.6%	88.3%	Statistically Higher	P=0.0003
- LDL <100	67.1%	72.6%	61.4%	Statistically Higher	P=0.0178
Controlling High Blood Pressure	67.2%	73.9%	60.1%	Statistically Higher	P=0.0051
Antidepressant Med Mgmt	,,	,	1		
- Optimal Practitioner Contacts	16.1%	14.7%	17.0%		
Spirometry Testing for COPD	41.8%	59.4%	33.2%	Statistically Higher	P<0.0001
Glaucoma Screening	76.7%	81.0%	71.9%	Statistically Higher	P<0.0001



ProvenCare® - Acute

Acute Episodic Care Optimization

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GHS Receives "All In" Global Fee

- One fee for the ENTIRE 90-day period:
 - ALL surgery-related pre-admission care
 - ALL inpatient physician and hospital services, including cardiologists, cardiac surgeons, anesthesia, consultants, etc
 - ALL surgery-related post-operative care
 - ALL care for any related complications or readmissions
- Eliminates perverse incentives
- Enhances cooperation between physicians, hospitals and plan

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Core Components

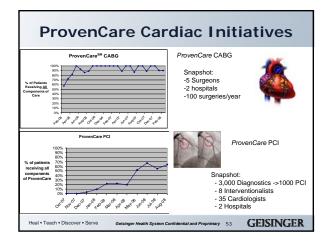
- Establishing appropriateness screen
- Hard wiring evidence-based care
- · Defining related complications and readmissions
- Determining episode length
- Negotiating bundled payment rate - 50:50 split of historical complication rate
- Establishing mechanism for paying claims (including non-participants)
- Defining outcome metrics
- · "Look Backs"

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Evidence-based Care Hardwiring: CABG Example ACC/AHA Class I Recommendations Pre-op antibiotics Pre-op carotid doppler studies Pre-op carotid doppler studies ACC/AHA Class II Recommendations Pre-operative use of a CABG operative mortality risk model ACC.AHA Class I. Recommendations Pre-op antibiotics Pre-op carotid doppler studies Aspirin Epiaortic echocardiography to identify atherosclerotic ascending aorta Aggressive debridement and revascularization for deep sternal wound infections Perioperative beta blockers (or amiodarone) to reduce atrial fibrillation Stattins Smoking cessation education and pharmacotherapy Cardiac rehab Withholding of clopidogrel for 5 days mortality risk model Anticoagulation for recurrent/persistent postoperative Afib Anticoagulation for postoperative anteroapical MI with persistent wall motion abnormality Carotid endarterectomy for carotid stenosis that is symptomatic or >80% Inta-aortic counterpulsation for low LV ejection fraction Blood cardioplegia Delay operation for patients with recent inferior MI with significant RV involvement Withholding of clopidogrel for 5 days Tight peri-operative glucose control

pre-op Left internal mammary artery as graft for the LAD artery 40 discrete care process steps

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	Before ProvenCare (n=132)	With ProvenCare ((n=181)	Change (% Reduction)
n-hospital mortality	1.5%	0%	
tients with any complication (STS)	38%	30%	21%
tients with >1 complication	7.6%		28%
rial fibrillation	23%	19%	17%
eurologic complication	1.5%		60%
ny pulmonary comp	7.3%		46%
ood products used	23%		22%
e-operation for bleeding	3.8%		55%
eep sternal wound infection	0.8%		25%
eadmission within 30 days	6.9%	3.8%	45%

Value Financial Outcomes (18 months)

- Average total LOS fell 0.5 days (6.2 vs.
- Hospital net revenue grew 7.8%
- Index hospitalization contribution margin grew 16.9%
- 30 day readmission rate fell 44%

In Bid for Better Care, **Surgery With a Warranty**

By REED ABELSON

What if medical care came with a 90-day warranty?

That is what a hospital group in central Pennsylvania is trying to learn in an experiment that so say is a radically new way to encourage hospitals and doctors to provide high-quality care that can avoid costly mistakes.

The group, Geisinger Health System, has overhauled its approach to surgery. And taking a cue from the makers of television sets, washing machines and consumer products. Geisinger essentially guarantees its workmanship, charging a flat fee that includes 90 days of follow-up treatment.

Just before and stating surgery
 affects, including confirming that the patient received the occase of modications and was sorgoned for hyperghycomia.



The New Hork Times

"ProvenCareSM"

A Provider-Driven Pay-for-Performance Program for Acute Episodic Cardiac Surgical Care

Alfred S. Casale, MD, Ronald A. Paulus, MD, Mark J. Selna, MD, Michael C. Doll, PA-C, Albert E. Bothe, Jr., MD, Karen E. McKinley, RN, Scott A. Berry, MS, Duane E. Davis, MD, Richard J. Gilfillan, MD, Bruce H. Hamory, MD, and Glenn D. Steele, Jr., MD

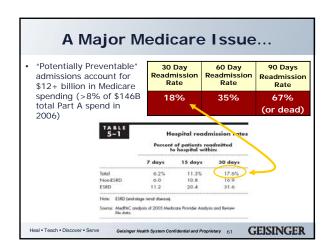
	re Models: agement
Epo CKD (n=62)	Control (n=74)
Median days to goal = 47.5 days	Median days to goal = 62.5 days
% Time below goal = 13.7%	% Time below goal = 39.7%
% Time in goal = 69.8%	% Time in goal = 43.9%
% Time above goal = 16.5%	% Time above goal = 16.4%
Avg Epo Units/week = 6,698*	Avg Epo Units/week = 12,000
Home/Clinic = 58.1%/41.9%	Home/Clinic = 39.2%/60.8%
Expanded Dose Utilization = 40%	Expanded Dose Utilization = 16%
Avg Hgb at start = 9.6 mg/dl	Avg Hgb at start = 10.0 mg/dl
Avg T-Sat at start = 18%	Avg T-Sat at start = 18%
*Savings \$3,860/pt/year @	\$0.014/unit of Epo (p<.001)
Bucaloiu et. al, Managed Care Interface, June 2007.	
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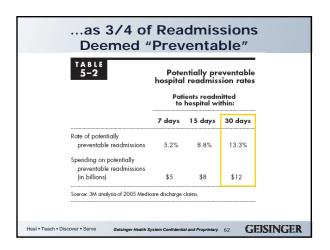
ProvenCare Portfolio (Jan 2009)

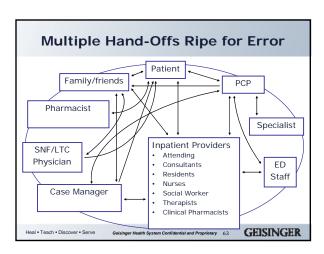
- Live:
 - Coronary Artery Bypass
 - Coronary Angioplasty/Stents
 - Total Hip Replacement
 - Cataract
 - Bariatric Surgery
 - Prenatal Care
- Beta Live:
 - Low Back Pain
 - Spinal Fusion

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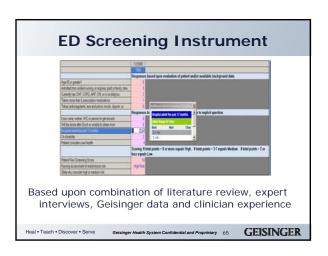


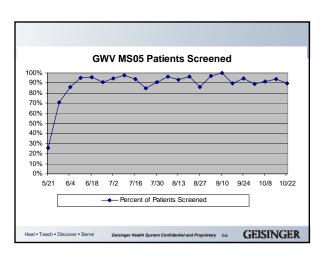


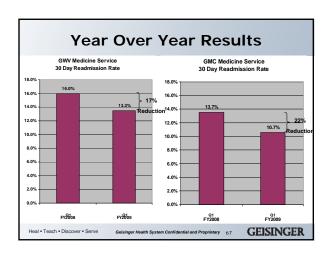


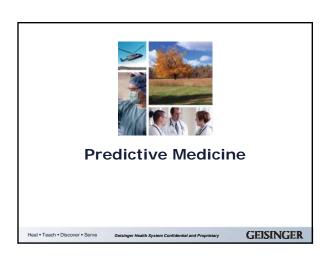


Pre- admit/ED	Admit	Inpatient Stay	Discharge	Post Acute
Screening for High Risk	Detailed Assess- ment	Interdisci- plinary Rounds	PCP Appt.	Proactive Outreach
Pre- Hospital Care Mgmt for Elective Pts	Early Nurse Care Activation	Teach Back	Discharge Synopsis	Enhanced Nsg. Home Clinical Capabilities
	Discharge Plan	Palliative Care		









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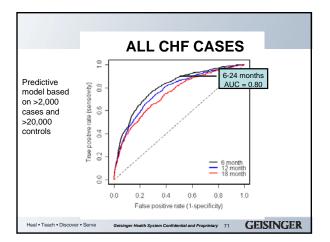
Predictive Model Example

- Can longitudinal electronic health record data be used to predict if a patient will be diagnosed with CHF?

 - Value: Earlier detection → Earlier intervention
 - Prevent disability and reduce costs
- · Used six years of longitudinal EHR data to develop robust prediction model
- Result: 50% of CHF patients apear to be detectable 6 to 24 months before usual diagnosis

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Clinical Translation

- Translating prediction model to clinical
 - Calculate formula that results in an aggregate risk score
 - Use decision logic to interpret score and display relevant data to facilitate appropriate decision making

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CHF Look-back Methodology

- Apply CHF prediction model to current EHR data on primary care patients
 - Identify patients at high (n=3,000), moderate (n=5,000) and low (n=2,000) risk
 - Daily search for matching blood sample
 - Expect to measure three biomarkers in 12,000 blood samples over 18 month
- · Link biomarker data to de-identified EHR data 18 months later
 - Evaluate biomarkers as predictors of CHF Dx

New vs. Traditional Model For **Biomarker Research**

Traditional

- 5 to 7 years study
- \$5 to \$10 millions
- Selective dropout
- No direct link to patient care

- 18 to 24 months
- < \$2 million dollars
- No dropout
- · Directly relevant to patients in care

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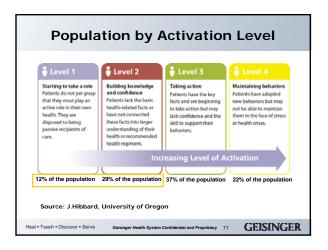
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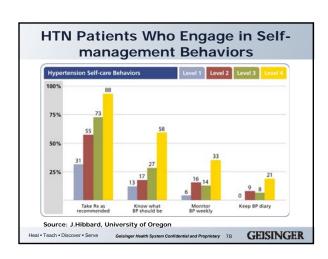


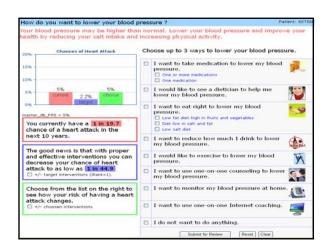
Patient Activation

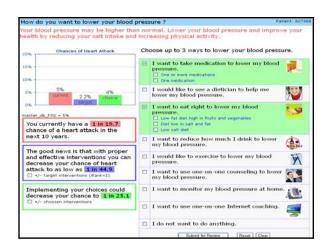
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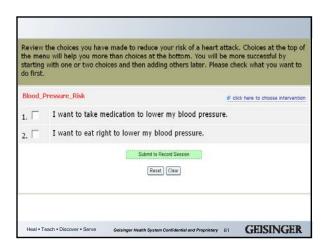
The Real Caregivers... "People with chronic conditions are the principal care-givers. Each day, patients decide what they are going to eat, whether they will exercise and to what extent they will consume prescribed medicines." Bodenheimer et al, JAMA 2002











We Can Take Action...

- Approaches to "reform" must be based upon common sense:
 - Incentivize what we want, enable market-based innovation
 - "Eliminate the hamster wheel" and "downgrade the knife"
- · Focus on a few key drivers that could really transform our care system:
 - Get consumers into a real system of care focused on value
 - Optimize chronic disease via team-based care supported by technology
 - Bundle acute care into episodes that align incentives, promote cooperation, quality and efficiency
 - Maximize the efficiency and safety of care transitions, including end of life
 - Engage and activate patients in their own self-care
 - Use predictive models to customize care

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We Can Take Action...

- Whether Integrated Delivery Systems are the "solution" or not, there simply must be enhanced cooperation between payors and providers to solve real problems
- · No pixie dust or magic wands required, just execution

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