
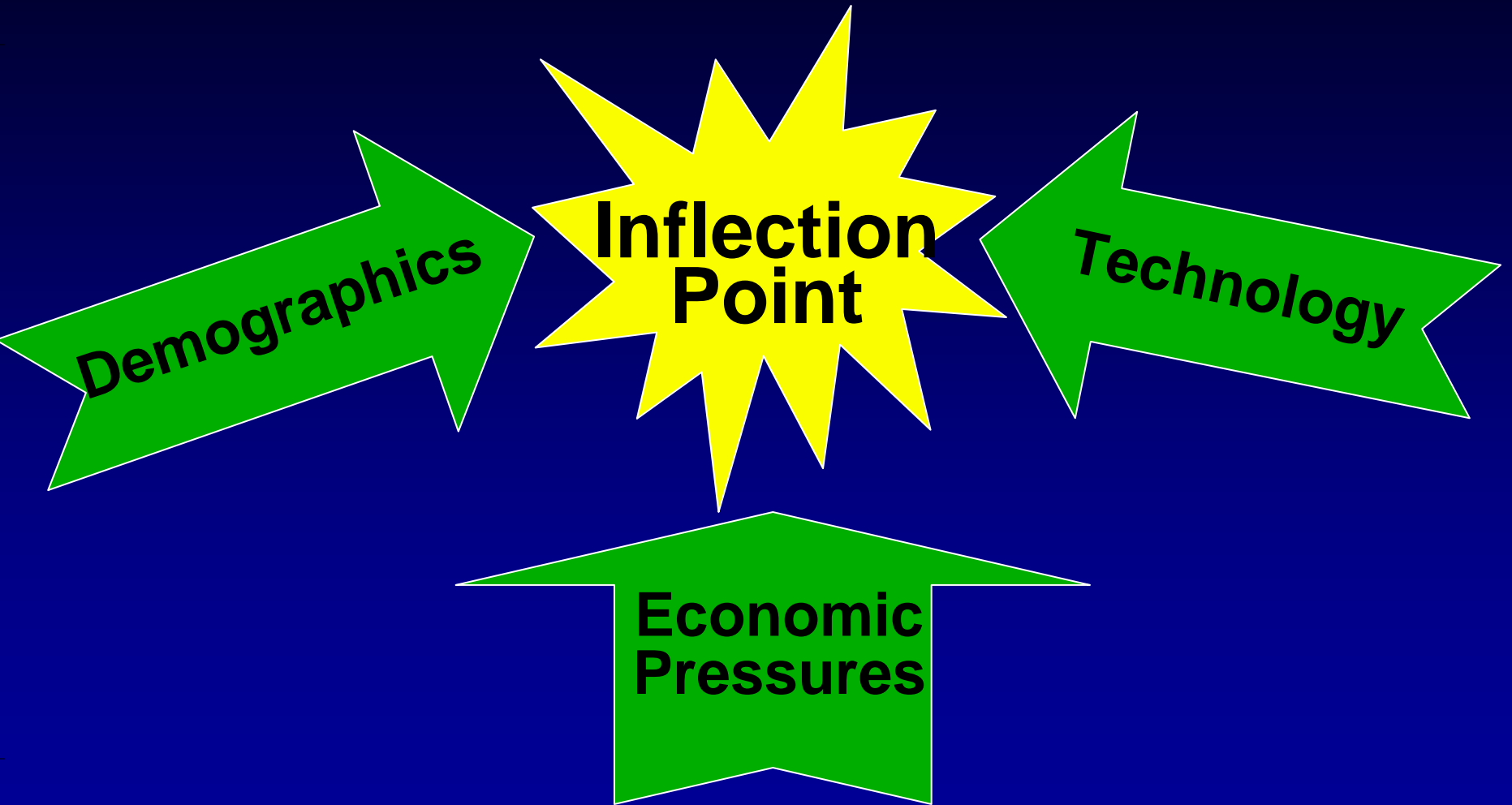


Enhancing Value, Improving Care: Cleveland Clinic At Work

A photograph of a modern Cleveland Clinic building with a curved glass facade and a brick section. The building is reflected in a pond in the foreground. The sky is clear and blue.

NYSHealth
November 14, 2012

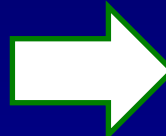
Forces at Play



Future Environment

- **VALUE-based platform**

**Volume-
based**



Value-based

Fill Beds

*Managing Populations
Avoid Hospitalization*

The New World

Volume-Based



Value-Based

Payment

Fee-for-Service

Outcomes

Incentives

Volume

Value

Focus

Acute Episodes

Populations

**Role of the
Provider**

Single Episodes

Care Continuum

Information

Retrospective

**Real-time &
Predictive**

Market Moves

- **Consolidation**
- **Blurring of roles**

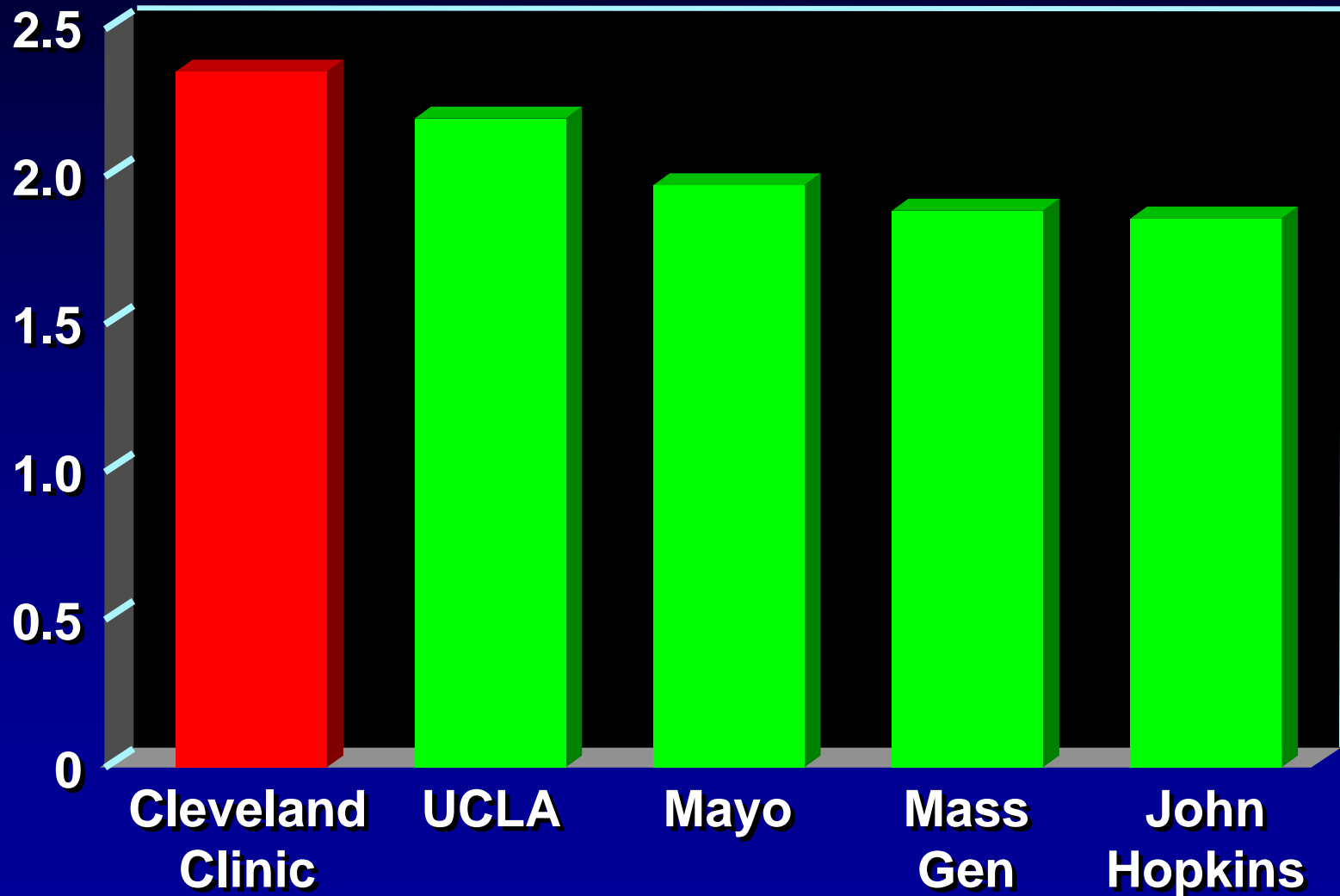
Imperatives

- **Care Model**
- **Access**
- **Quality**
- **Caregiver Engagement**
- **Patient Experience**
- **Reduce costs**
- **New Approaches to Growth**

Action Areas

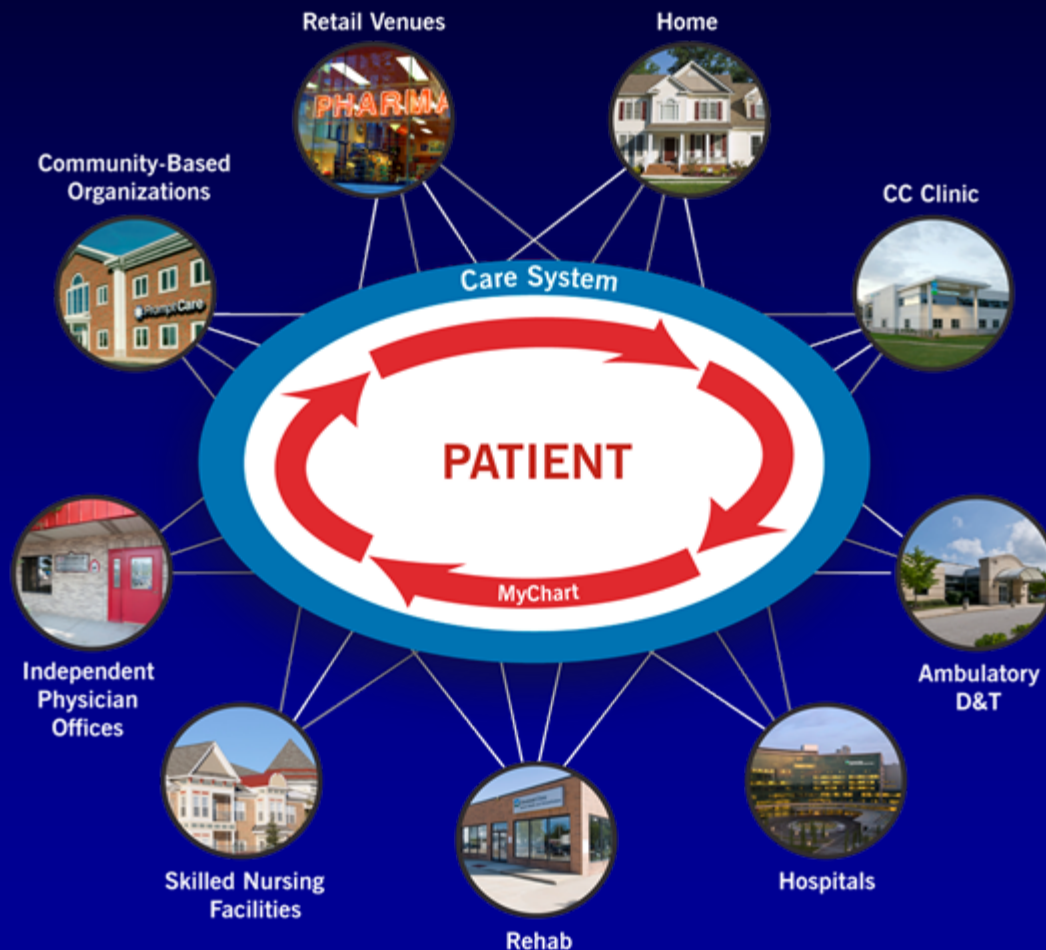
- **Innovate the Care Model**

Average Severity





Cleveland Clinic Integrated Care Model

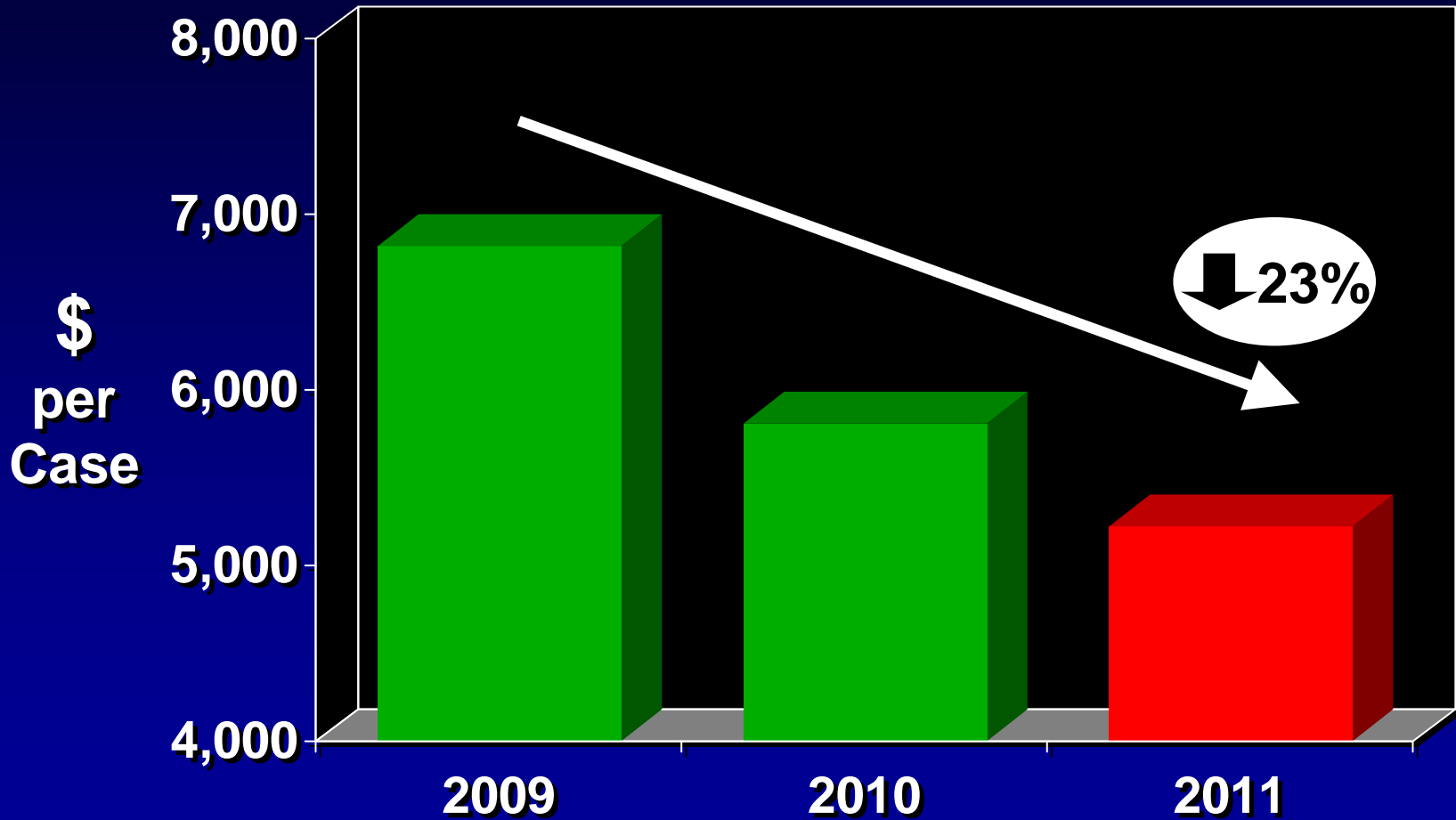


- Personalized
- Patient-focused
- Integrated
- Continuous
- Transcends time, physical location
- Right care, right place, right time

Action Areas

- Innovate the Care Model
- **Clinical Standardization**



Prostatectomy All Cases



Optimizing Lab Test Ordering

- **Unnecessary** duplicate lab tests
- **Inappropriate use** of advanced lab tests

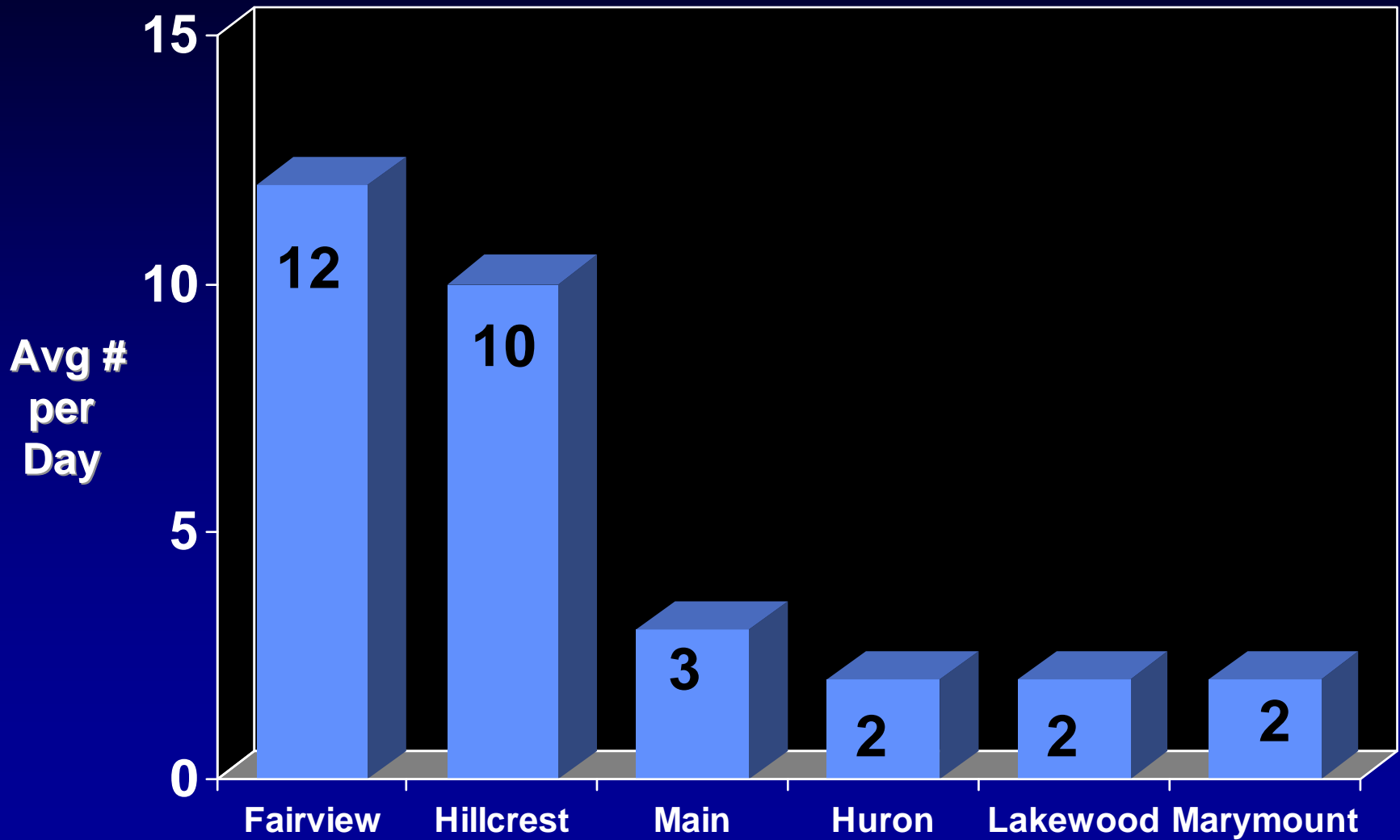
Restrictive Use - Outcomes

- **Blocked 89 molecular tests**
 - equivalent to 10,126 billable quantities
- **Cost Avoidance - \$248,923**
- **Revenue Impact - \$472,940**
 - Ambulatory \$344,486 
 - Inpatient \$128,454 

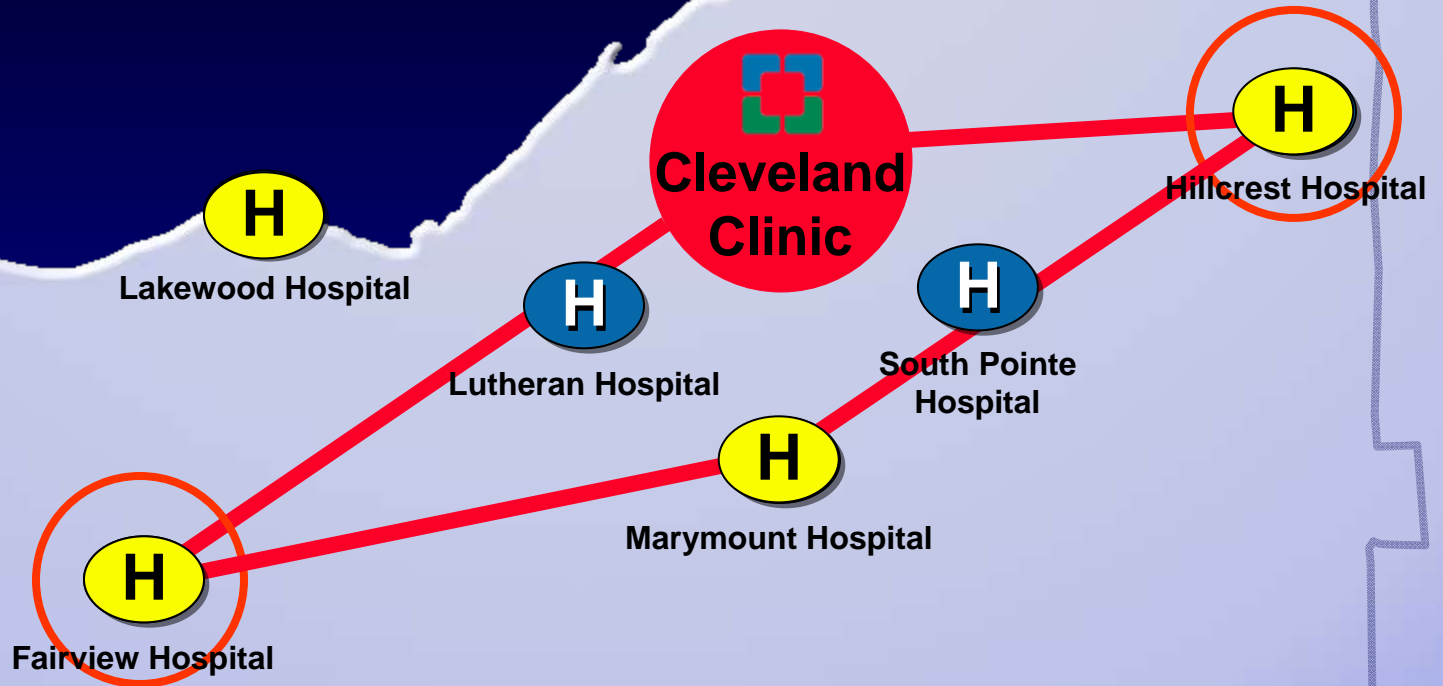
Action Areas

- Innovate the Care Model
- Clinical Standardization
- Rationalize Clinical Assets

Newborns



Rationalizing Assets - Obstetrics



Action Areas

- Innovate the Care Model
- Clinical Standardization
- Rationalize Clinical Assets
- **Growth Opportunities**

Putting It Together – Bundled Payment Contracts



Lowe's came to Cleveland Clinic with a problem



\$47.2B in sales

1,649 stores in over 1,700 locations

225,000 employees; 70% full time

\$750M in health care costs

4.4% annual trend (avg. = 8.9%)

“If patients could travel to a place with stellar outcomes, would it cost less and improve care?”

LOWE'S[®]

**NEVER STOP
IMPROVING[™]**

Lowe's Selected Cleveland Clinic Heart & Vascular Institute

Ranked #1 in cardiac care

Culture of quality: published outcomes

Highly specialized and aligned physicians

EMR with portable patient health record

Experience with traveling patients

Designed a Turnkey Program Together

- **Simplified bundled payment**
- **Concierge-level patient/companion support**
- **Full administrative and travel support for employer and employee**



3 Differentiating Elements

1

Change in Benefit Design

- *Benefit available as carve-out within current plans*
- *Qualified patients have co-pay & deductible waived*
- *All travel costs (including companion) covered*

2

Enhanced Care Coordination

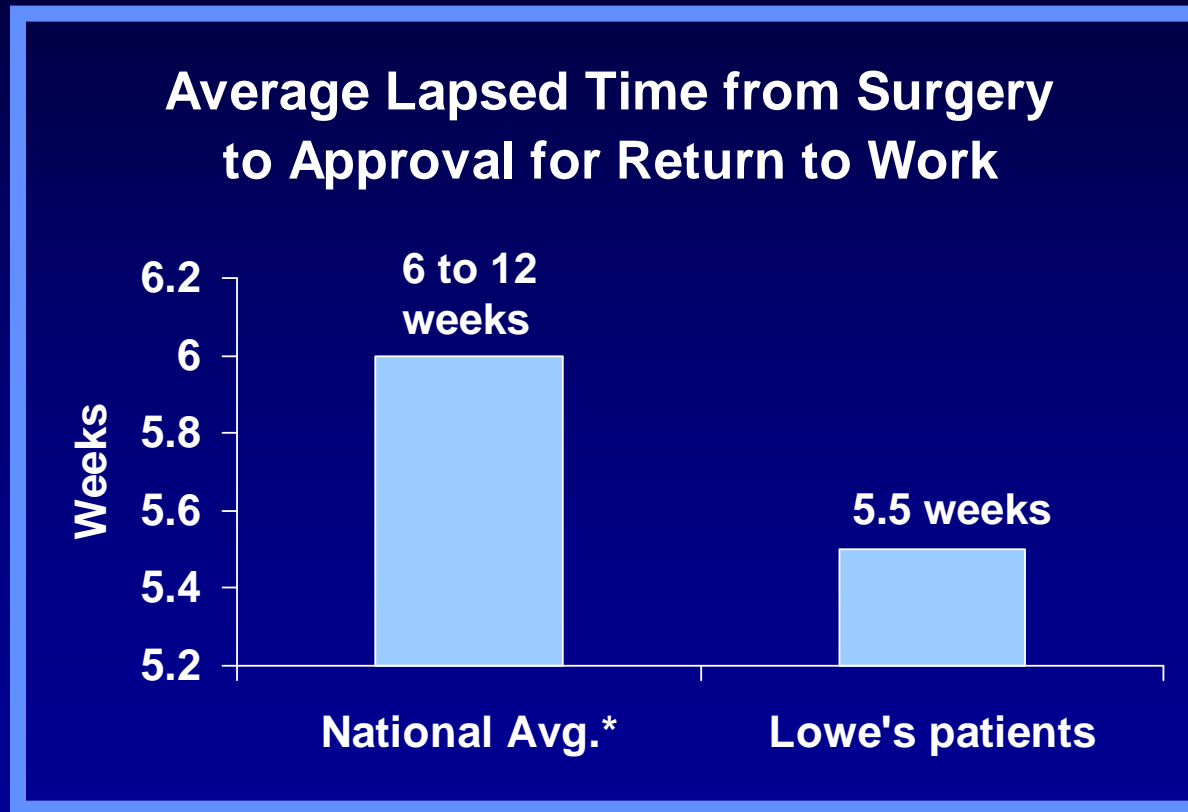
- *Coordination of qualification process and pre-travel testing*
- *Education for patient and caregivers on what to expect pre/post-surgery*
- *Ongoing 24/7 access to Clinic providers after return home*

3

Predictable Pricing

- *Global case rates include professional and technical components*
- *Pricing is known upfront; no \$20k admissions turning into \$200k discharges*

Results: Less Expense with Better Outcome



**Society of Thoracic Surgeons reports 6 to 12 weeks as average for return to work for working-age patients having CABG and valve procedures. (STS, What to Expect after Cardiac Surgery, 2009.)*

And the patients agree

Overall Rating

- 80% reported: Very good, better experience than surgery at home

Reasons for using the benefit

- 90% reported: #1 Savings
- 80% reported: #2 Quality

Medical care at CC

- 100% reported: Highest rating

Would recommend?

- 100% reported: YES

Our Surgeons Saw New Patients

60

...completed procedures for Lowe's employees

23

...states represented

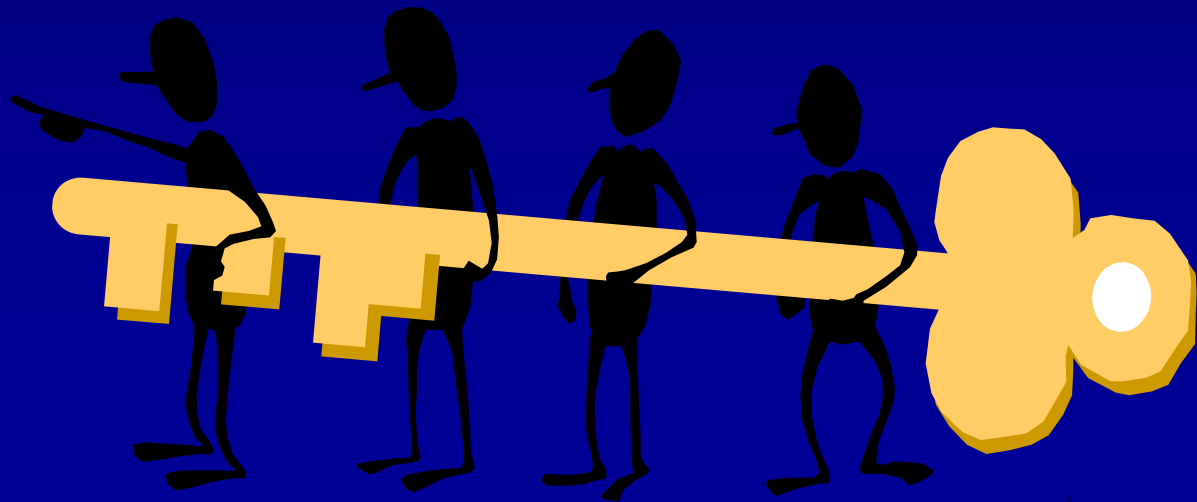
5

...patients not recommended for surgery

...across the spectrum of complexity

Keys to Results

- **Model**



Cleveland Clinic

- **A Group Practice that Runs a Health System**
- **Employed Physicians**
- **Annual Contract & Review**

Organization of Care Delivery

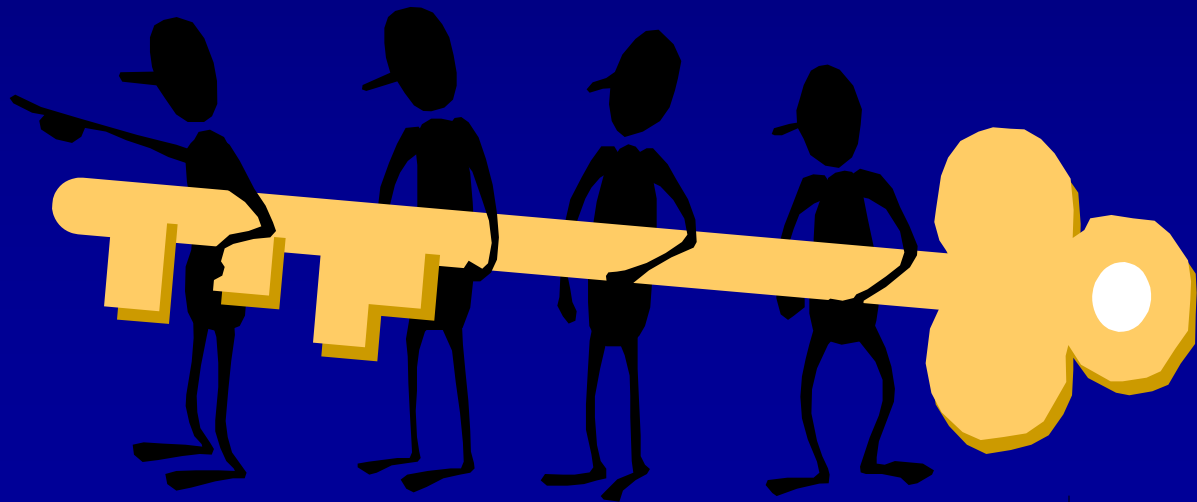
- **Profession-Oriented**
 - **Departments & Divisions of Surgery, Medicine**
- **Patient-Oriented**
 - **Heart and Vascular Institute**

Heart & Vascular Institute

- **Cardiac Surgery**
- **Cardiology**
- **Vascular Surgery**
- **Vascular Medicine**

Keys to Results

- Model
- Culture & Leadership



Culture

- **Innovation**
- **Striving for Excellence**
 - **Measurement**
 - **Focus**
 - **Transparency**
 - **Accountability**



Heart & Vascular Institute

2011
Outcomes

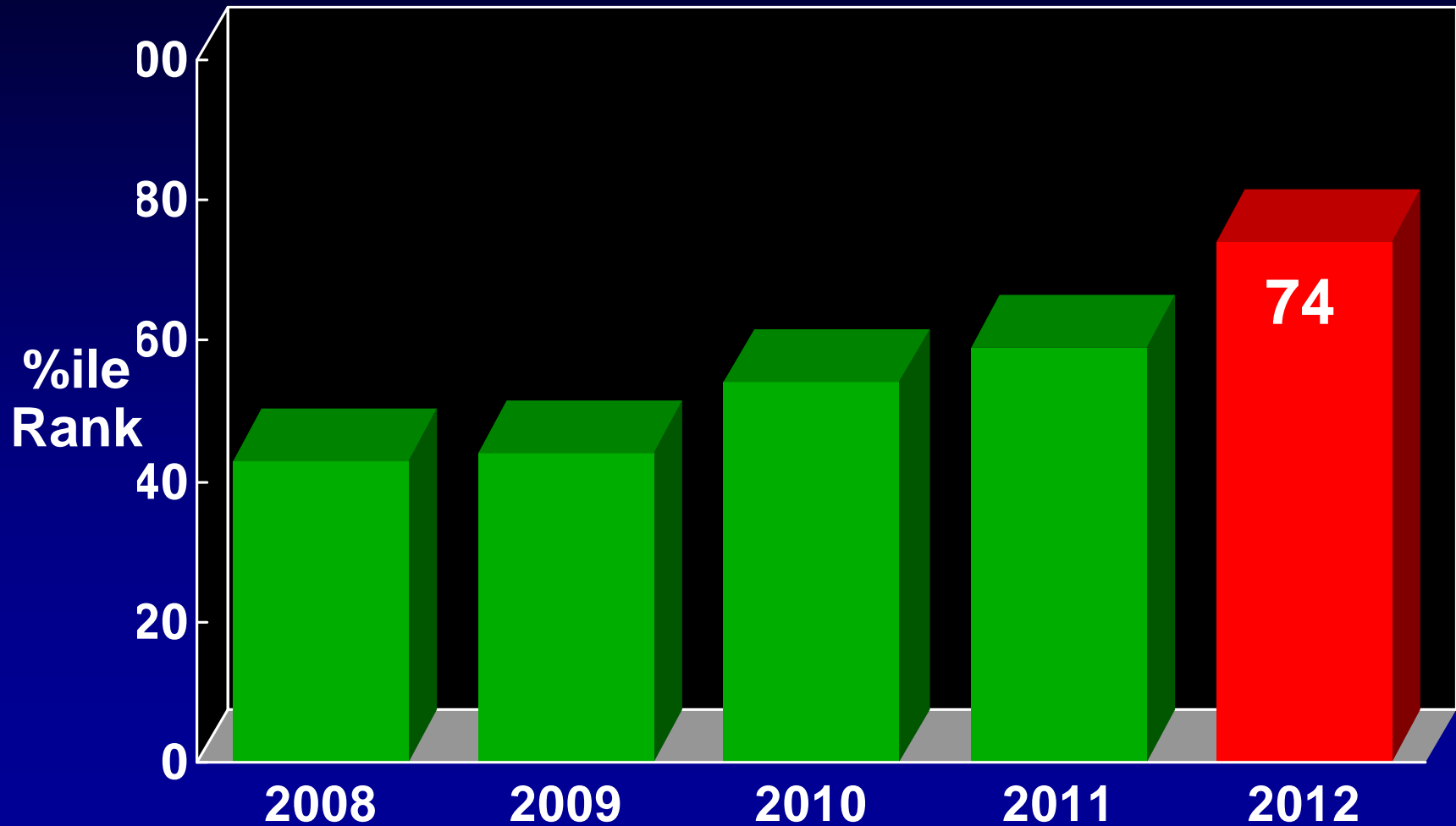
 Cleveland Clinic
Sydell and Arnold Miller Family
Heart & Vascular Institute

Orth

D

CCHS Patient Satisfaction

Would Recommend



Culture

- **Culture**
- **Leadership - Walking the Talk**

THE PLAIN DEALER

BREAKING NEWS: CLEVELAND.COM ★ ★ ★ ★ 41¢ HOME DELIVERY | 50¢ NEWSSTAND

THURSDAY, JUNE 28, 2007

Clinic will not hire any smokers

Testing begins July 1, no-hire policy Sept. 1

MARY VANAC
Plain Dealer Reporter

Smokers and chewers need not apply for work at the Cleveland Clinic.

Beginning Sept. 1, Ohio's second-biggest employer will no longer hire anyone who uses tobacco. The move ensures the Clinic will "walk the walk" of a healthcare institution that stands for wellness, Chief Executive Dr. Toby Cosgrove said Wednesday.

The policy, to be announced today, puts the Clinic among a handful of companies willing to tell even skilled applicants to look elsewhere if they use tobacco.

Cleveland health insurer Medical Mutual doesn't hire smokers. Scotts Miracle Grow Co. stopped hiring smokers about a year ago.

The Marysville maker of consumer lawn and garden products

"It is unjust to threaten smokers' livelihoods in order to induce them to quit," Johnson wrote in April 2006 in a policy paper posted on the organization's Web site. "Discrimination against smokers in the service of economic gains or public health goals ought not be tolerated."

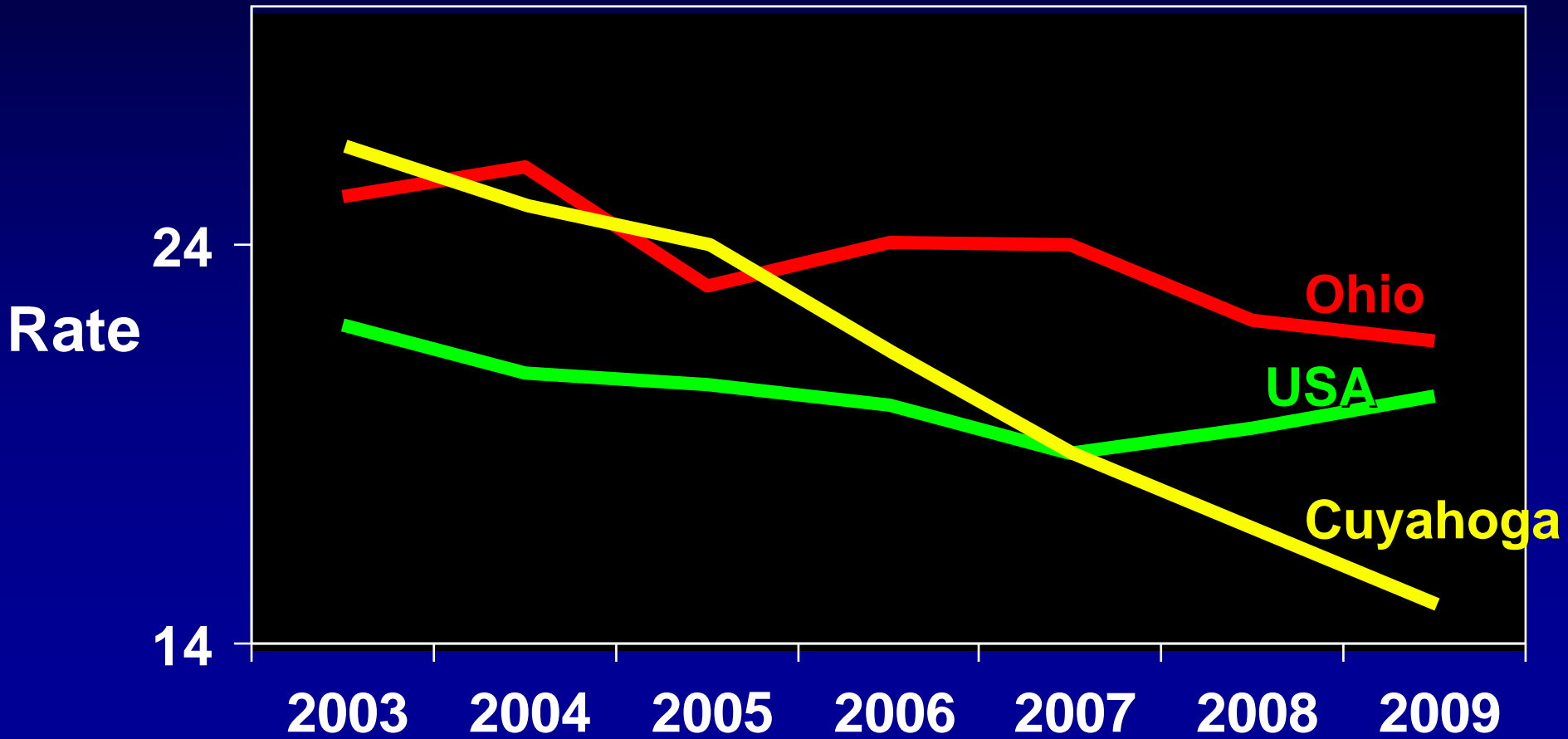
In Ohio, no law prevents employers from prohibiting employees to use tobacco, said Richard Selby, an attorney for Lake County law firm Dworken & Bernstein Co., who has a substantial employee rights practice.

Nineteen other states are in the same position, according to the Tobacco Public Policy Center in Columbus.

While people who are obese or disabled are protected under federal employment law, smokers are not, Cosgrove said.

In Okemos, Mich., none of the 175-plus employees at Weyco Inc. smoke, the tobacco policy center says. Ninety percent of employees' spouses are tobacco free as well.

Smoking Rates

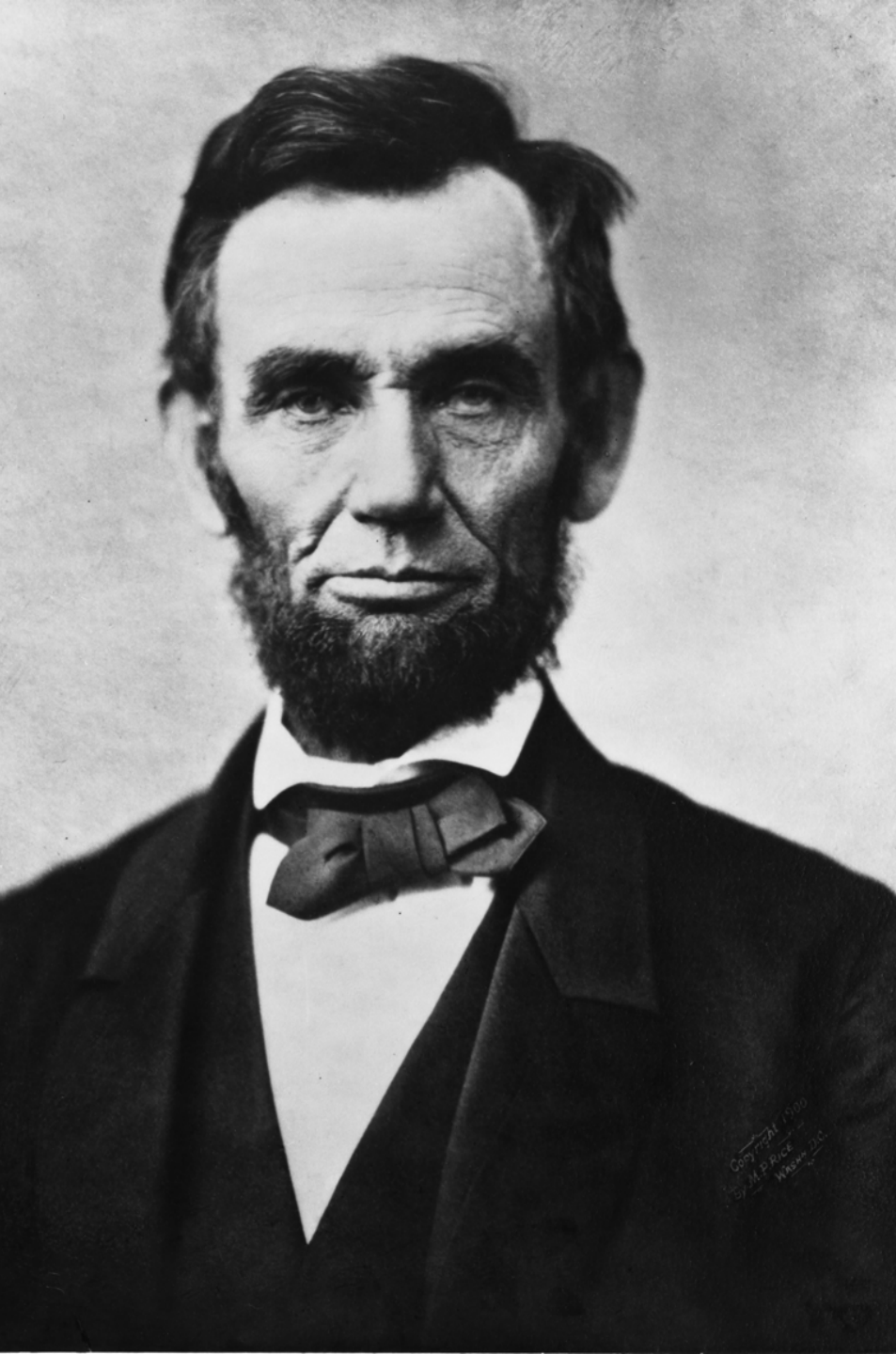


Weight Management



- **Weight Watchers**
- **Curves**
- **Shape Up & Go**
- **Fitness Centers**
- **Yoga**
- **Farmer's Markets**
- **Vending Machines**
- **GO! Foods**

Lost 330,000 LBS



“The occasion is piled high with difficulty, and we must rise with the occasion...so we must think anew and act anew.”

Abraham Lincoln





Cleveland Clinic

Every life deserves world class care.