

# 2018 Annual Report

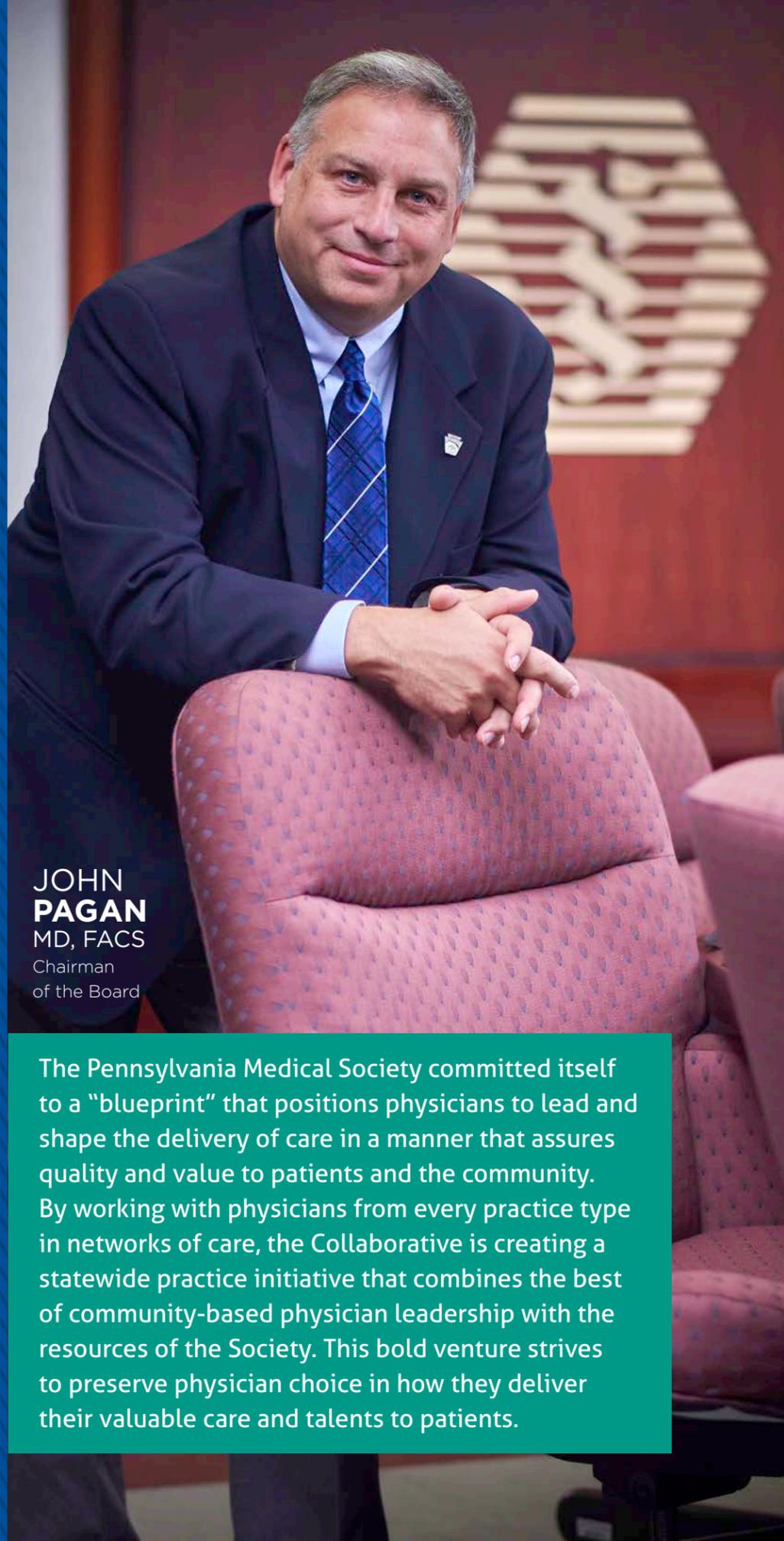
*Moving Forward*



care centered  
collaborative™  
at the Pennsylvania Medical Society

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**JOHN PAGAN**  
MD, FACS  
Chairman  
of the Board

The Pennsylvania Medical Society committed itself to a “blueprint” that positions physicians to lead and shape the delivery of care in a manner that assures quality and value to patients and the community. By working with physicians from every practice type in networks of care, the Collaborative is creating a statewide practice initiative that combines the best of community-based physician leadership with the resources of the Society. This bold venture strives to preserve physician choice in how they deliver their valuable care and talents to patients.

## THE POWER OF NUMBERS



Venture capital, private equity and hedge funds are accelerating investment in healthcare. Here's what they see: an overall six percent growth curve, topline growth from local market dominance, opportunities to monetize economies of scale, profitable spin-offs from new technologies, and administrative efficiencies that can drive further consolidation and lower levels of care.

The Care Centered Collaborative at the Pennsylvania Medical Society sees things differently. Our investment is based on the untapped potential of true physician leadership and the unmet patient demand for greater value. A growing body of research shows that doctors can be high-performing stewards of care, quality and cost. Meanwhile, patients are actively choosing care settings focused on their individual preferences. In our simple, prudent, evidence-based approach, we seek physicians ready to work with us in the highest levels of patient care through an interdependent network that scales our collective intellectual capital. Our vision is a clinically integrated network that will:

- Maintain and expand for doctors and patients the option of independent practices that are autonomous but connected and coordinated in their care for the community
- Create partnerships with other healthcare entities that transparently put patients' needs first
- Pool clinical and utilization data into actionable insights in a rapid manner
- Leverage our size to achieve other economic efficiencies, such as back-office operations, group purchasing, health insurance, or professional liability coverage

We find the numbers compelling. We envision a future with hundreds of Pennsylvania physicians using their centuries of combined experience on behalf of tens of thousands of covered lives, and marshalling millions in economic resources to achieve statistically meaningful improvements in quality and utilization. This will involve millions of lines of code that support dozens of care managers, working closely with physicians to increase quality scores and reduce costs for years to come. We are sharing this novel vision with physicians across the state. The more they hear, the more they like it.

Since we introduced the Collaborative's clinically integrated network in June 2018, interest has grown exponentially. We believe 2019 will be our watershed year. Unlike the frenzied healthcare deal-making aimed at the short-term upsides of disrupting large incumbent Pennsylvania health systems, our value proposition aims at the long-term rewards of patient service, careful stewardship of the Medical Society's investment resources, and leveraging the collective wisdom of Pennsylvania physicians.

Yours sincerely,  
*Jaan Sidorov*

Jaan Sidorov MD, MHSA  
CEO & President  
The Care Centered Collaborative at the Pennsylvania Medical Society

**If you're a doctor, join with us.**

**Your profession, your colleagues, and your patients will be better for it.**



**JAAN SIDOROV**  
MD, MHSA  
CEO & President



Bruce Roscher, Barry Buckingham, and Anita Brazill are part of a lean management team that has deep, practical and diverse healthcare experience.



## Steps toward a more successful future for Pennsylvania physicians and patients

2018 was a standout year in translating the Society's vision for the future of healthcare in Pennsylvania into strategic action and targeted outreach, with the Collaborative advancing to a series of milestones along the path to success.

When the Pennsylvania Medical Society formed the Care Centered Collaborative in late 2016, leadership knew that the organization was undertaking a long-term investment to shape and shift the future of healthcare in Pennsylvania. We envisioned a large alliance of physicians with a shared commitment to a "win-win-win" outcome based on the fundamental reasons that we chose our profession: to provide patients with increasingly better care at reasonable costs, while also maintaining sound, sustainable models for physician compensation.

As expected, the effort to realize that vision fully is evolving as a process likely to take five or more years. Accordingly, we have established various metrics that mark our progress toward our ultimate destination

as a fully functional Collaborative with the sufficiently large participant base, robust infrastructure, and comprehensive set of tools and resources needed to maximize the benefits of collaboration to Pennsylvania physicians and their patients. Across 2018, the Collaborative accomplished the following:

- Built a lean management team to refine its long-term strategy and implement its short-term objectives
- Assessed and appointed a population health platform partner to power our Clinically Integrated Network (CIN)
- CIN Recruitment: 251 Pennsylvania physicians and advanced practitioners have committed to the Practice Options Initiative— renamed the PA Clinical Network
- 155 physicians were assisted with their required MIPS Quality Payment Program reporting and achieved approximately \$1.5 million in additional revenue and avoided Medicare Part B penalties
- 764 physicians benefitted from our professional development programs, Continuing Medical Education and consulting services

- 560 physicians and their practice teams took advantage of one or more service offerings from the Collaborative at The Pennsylvania Medical Society
- Developed best-in-class case management capabilities that can flex to the needs of all practices

To build on this momentum, we will:

- Continue to expand physician participation in our CIN
- Implement the Collaborative's population health platform in the CIN participating practices
- Assess and develop case management program needs in the CIN participating practices
- Further engage with health plans to increase quality and value through negotiated joint programs
- Monitor innovative business opportunities for Association Health Plans, Direct Primary Care and Reference Based Pricing

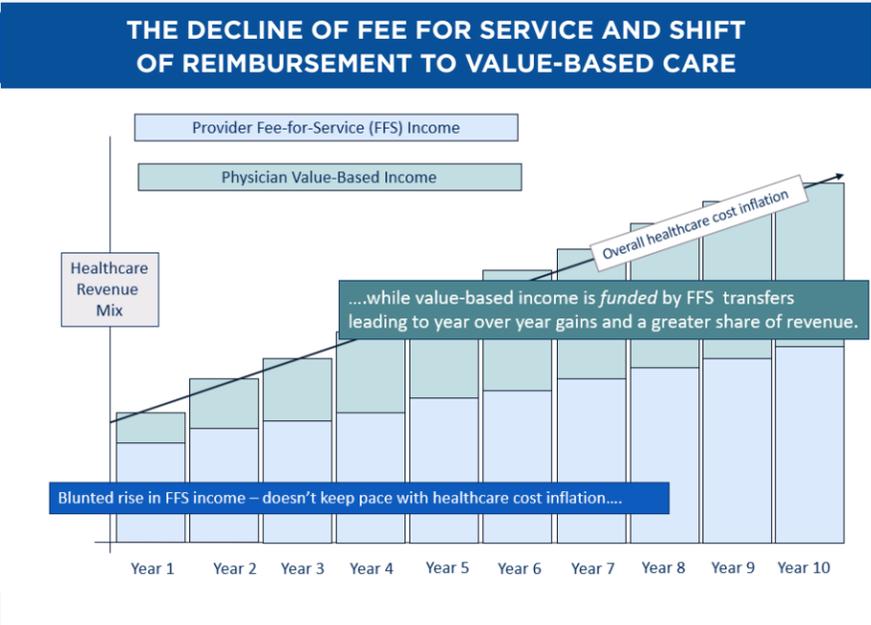
# Understanding Value-Based Care (VBC)

In today's brave new world of healthcare reimbursement, physicians are seeing increasingly greater portions of their revenue allocated from traditional fee-for-service payments into quality incentives based on value.<sup>1</sup>

This is "Value-Based Care" (VBC), a reimbursement model in which healthcare providers are paid by health insurers or other purchasers of care based on patient health outcomes. Started by employers in self-insured arrangements long before the passage of the Affordable Care Act, this payment model has been adopted in various forms by commercial and government insurance entities. No one disputes that VBC is destined to grow.

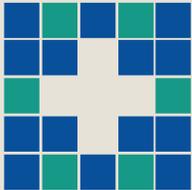
Significant peer-reviewed literature on the topic of VBC suggests that these arrangements, if led by physicians, can be associated with improved measures of preventative and chronic care outcomes as well as reduced emergency department visits and hospitalizations. Physicians can succeed in VBC when they scale their experience by working together in clinically integrated networks that increase quality and address cost, implementing information technology support, and increasing the use of team-based care.

<sup>1</sup> Sidorov, Jaan: It's Time for the Docs to Lead



### Why Is This CIN A Great Choice For Independent Practices?

- The first and only bona fide CIN for independent physician practices, led by community-based physicians
- Offers a Population Health Platform that works with Every-Payer, Every-EMR and is highly-rated by physicians and other users
- Physicians in the CIN committees will make all critical decisions and will be compensated for their time and talent
- 70% of all shared savings go directly to the physicians; no hidden costs, fees, or expenses associated with administration and overhead
- Backed by the Pennsylvania Medical Society



**PA Clinical Network**  
AT THE PENNSYLVANIA MEDICAL SOCIETY

# Introducing THE PA CLINICAL NETWORK

## A brighter future for independent practice in Pennsylvania takes shape

We believe a continued strong presence for independent practices across the state is critical to the future vitality and diversity of the medical profession and the communities we serve. A desire to support the future clinical and financial success of independent physician-led practices was a strong motivator for the inception of the Collaborative. The need to establish a strong, clinically integrated network (CIN) for Pennsylvania's independent physicians emerged early on as a key component of the Collaborative's mission.

Newly named as The PA Clinical Network, our CIN is well on the way to making the vision of "the best of both worlds"—the autonomy of physician-led practice, combined with the power of a large group—a reality for forward-thinking independent practices in Pennsylvania.



Between July and December 2018, the Collaborative's leadership team and directors of partnership conducted more than 50 presentations across the Commonwealth to inform and educate prospective CIN practices about the PA Clinical Network and the unique benefits it has to offer. An equal number will occur in 2019 as well.

## THE PA CLINICAL NETWORK WHAT'S IN IT FOR DOCTORS?

**Independent. Yet together. Harnessing the power and unique benefits of physician-led collaboration.**

### FOR PRIMARY CARE...

- Greater collaboration with independent specialists and access to their expertise when it's needed
- Increased and timely feedback on the outcome of specialty care for your patients
- Enhanced access to shared knowledge and local best practices
- Opportunity to strengthen the focus on prevention, health maintenance, comprehensive assessment and treatment, and a holistic approach to care

### FOR SPECIALISTS...

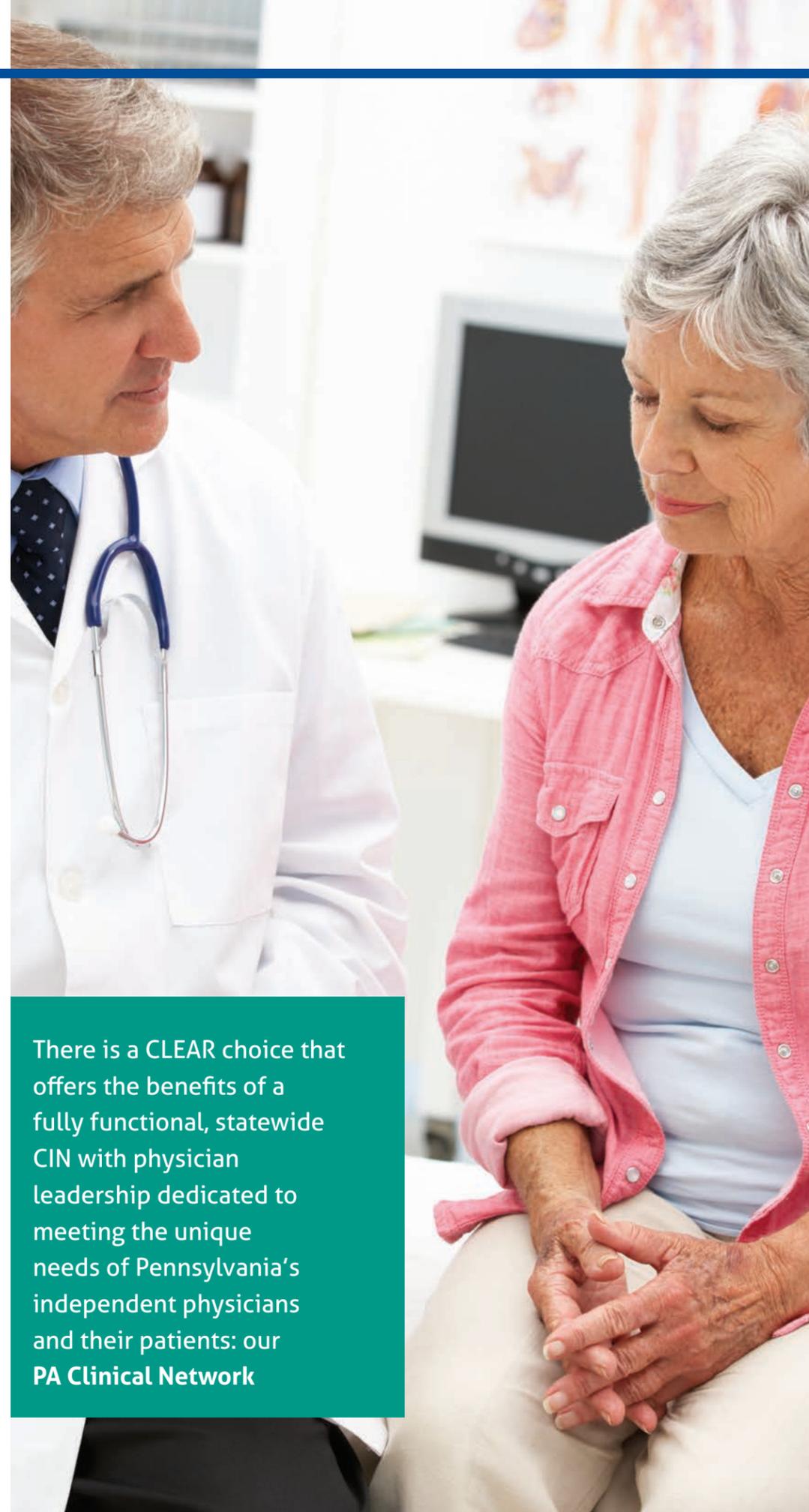
- Sharpened focus on those patients who are most in need of specialty services
- In-network access to an expanded base of potential referrals from fellow independent physicians in the community and surrounding region
- Opportunity to partner with independent primary care colleagues to improve quality across the continuum of care

### FOR ALL...

- Unique overarching perspective of a statewide physician-led CIN, sponsored by a nonprofit society with a singular focus on advancing the mutual interests of physicians and their patients for better clinical outcomes and cost-effective care
- Common information technology infrastructure for any EMR and billing systems, for enhanced data sharing, quality and outcome reporting, and population health management
- Shared financial rewards from value-based payments
- Decreased administrative burden



**PA Clinical Network**  
AT THE PENNSYLVANIA MEDICAL SOCIETY



There is a CLEAR choice that offers the benefits of a fully functional, statewide CIN with physician leadership dedicated to meeting the unique needs of Pennsylvania's independent physicians and their patients: our PA Clinical Network

## THE PA CLINICAL NETWORK WHAT'S IN IT FOR PENNSYLVANIANS?

**Better access to care. Better health outcomes. More value for the healthcare dollar.**

Patients in Pennsylvania are fortunate to be in a state where numerous talented, highly trained, and dedicated physicians choose to live and work. Throughout the Commonwealth, patients receive outstanding care in a variety of settings, both institutional and independent. Yet many patients place a special value on maintaining relationships with physicians in independent settings, in their own neighborhoods and communities, who get to know them well and understand their individual needs and concerns. Collaboration among physicians in a clinically integrated network can enhance even further the care experience of patients who value their relationships with independent providers. With a special focus on the independent, physician-led practice sector, the PA Clinical Network offers benefits to patients that center on approach, access, and value:

- Enhanced access to primary and specialty services in an integrated continuum—when you need a specialist, you can be referred in-network to a physician who has a relationship with your primary care provider and easy access to your relevant medical data
- A truly patient-centered approach to care, led by independent doctors and other clinicians
- Promotion of better lifetime outcomes through a focus on prevention, wellness, health maintenance, and holistic care
- Outcome-focused care decisions informed by shared knowledge and best practices within a closely collaborating network of primary care providers and specialists
- More efficient allocation of general and specialty services within the network means access to the right care at the right time—and in the patient's preferred setting—all aimed at increasing healthcare value

# PA CLINICAL NETWORK MEMBER PROFILE: Graham Medical Clinic

Established in 1973 by Dr. Jay A. Townsend, a Harvard-educated native of Central Pennsylvania, the Graham Medical Clinic serves the communities of Cumberland, Franklin, Perry and Dauphin Counties from its location in the heart of Newville. A family medicine practice with its own outpatient laboratory, the highly experienced team of four board-certified physicians, two physician assistants, nurses and support staff provide the full spectrum of patient services—from newborn and pediatrics to complex chronic disease management and palliative care.

With deep roots in the area and strong commitment to its neighbors, Graham Medical Clinic has distinguished itself through the quality of its care and longevity of the practice. The team has more than 100 years of medical experience and together brings the best of advanced medical practice to many small towns in the center of the state.



Dr. Pion, Amy Maley, DO, and Physician Assistant Michael Van Grouw recognize that taking good care of patients requires that they take good care of their team as well.

*Top:* Joseph A. Pion, DO, board-certified family medicine doctor and Navy veteran, believes that independent practices working together in an integrated network bring the best of what medicine has to offer.

*Right:* Jean Thrush, an LPN at the practice for more than 30 years, knows there is no more important relationship in healthcare than that between the patient and their care team.

*Other clinicians at the practice include Jeffrey Harris, MD; Marlene Ascione, DO, and Rose Mary Harris, PA-C.*



**“Each employee in our practice is committed to doing their best individually and our best as a group. For us, being patient-centered means that we work well together on behalf of those who come to us for care and support. We are proud to be part of the new PA Clinical Network.”**

**-JESSICACHESTNUT**

Practice Administrator, Graham Medical Clinic



PA CLINICAL  
NETWORK  
MEMBER  
PROFILE:  
**Medical Arts  
Allergy**



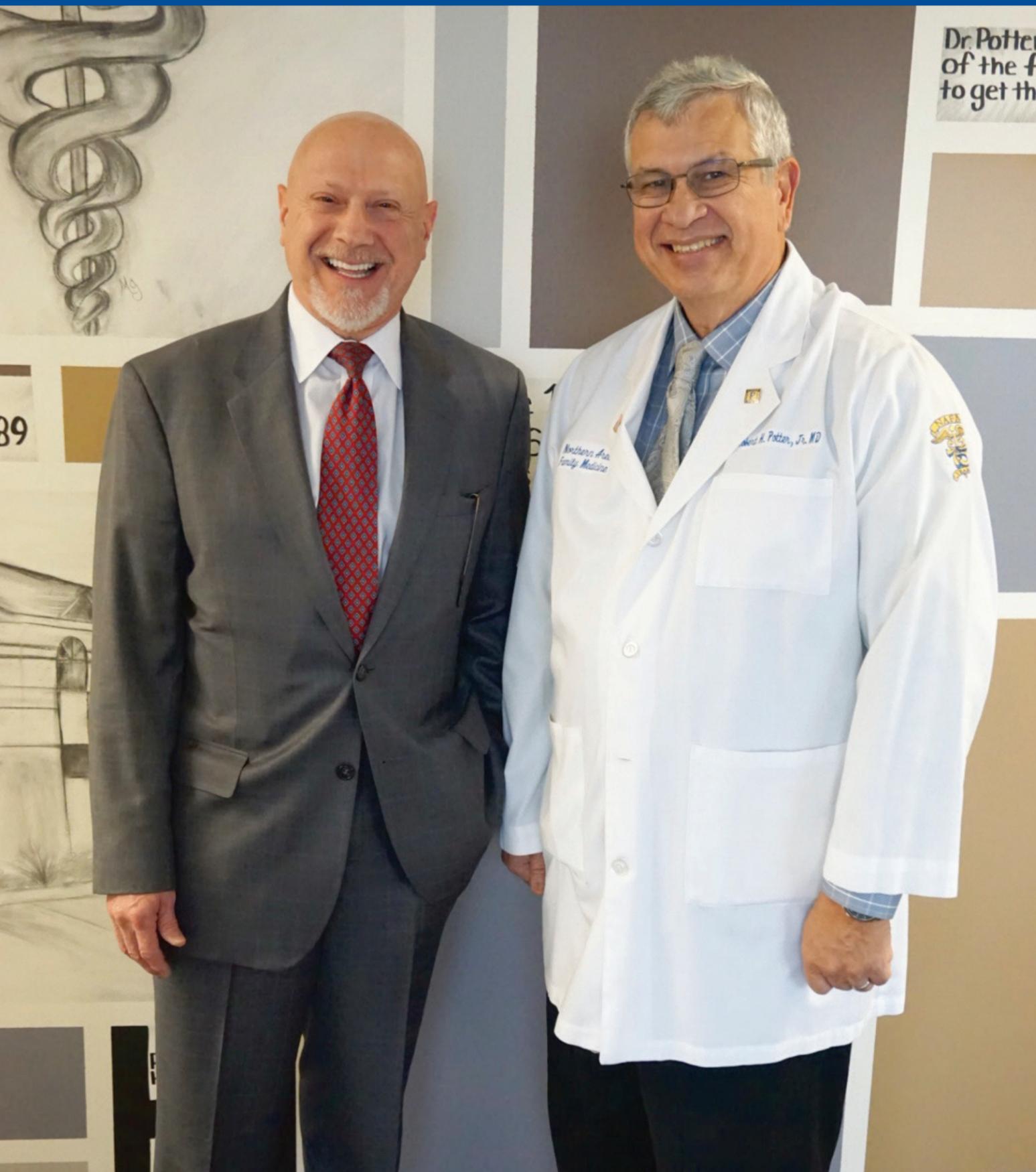
With offices in Carlisle, Harrisburg, and Mechanicsburg, Medical Arts Allergy, PC, founded in 1980, specializes in asthma, allergy and immunologic disorders. The four physicians and nurse practitioner/certified asthma educator work carefully and closely with their patients to help them capably manage their conditions. Their work is further enabled by a team of 27 nurses, coordinators, practice administrators, and other office staff.

According to Jack L. Armstrong, MD, one of the leaders in the practice, "I like the commitment that the Pennsylvania Medical Society has made to a clinically integrated network that will work with all patients, regardless of their insurance, and with all hospitals and health systems. That is best for our patients and for the profession."

*Left:* Dr. Armstrong, with Patti Heile, LPN and clinical leader, knows that physicians like himself are equally capable both to care for their patients as well as provide the leadership in clinically integrated networks.

*Top:* Having a diagnosis and understanding how to manage it are not the same thing. At Medical Arts Allergy, patient education and self-management are as important as the hands-on care every patient receives.

*Other clinicians at the practice include Donald Harper, MD; Miae Oh, MD, Helen Wang, MD, and Jodi Johnson, CRNP, AE-C.*



## PA CLINICAL NETWORK MEMBER PROFILE: Genesis Medical Associates

### Primary Care Powerhouse joins the PA Clinical Network

For decades, Genesis Medical Associates, Inc. (GMA) has maintained its independence through an entrepreneurial approach and business acumen. GMA has increased patient quality, lowered cost, and achieved higher patient satisfaction all while remaining true to its authentic “patient-centered” model. This model serves as the principle reason why GMA’s 20 primary care physicians and 35 advanced practitioners have joined the Collaborative’s CIN, the PA Clinical Network. GMA serves patients in 11 locations throughout the northern Pittsburgh area, and also operates a Medicare-certified independent laboratory. The group has also capably demonstrated its ability to work cooperatively with other physicians across its region, including successful participation in a CMS Medicare Shared Savings Program.

According to Dr. Atul Vaidya, the group’s Director of Quality Advancement: “Our partnership with the PA Clinical Network is important to our doctors and our patients. Likewise, we are certain that as the foundational partner for The Network in western PA, this will be a terrific union of like-minded, physician-led organizations. We are grateful for the leadership of the Pennsylvania Medical Society for making this much-needed innovative investment in independent practices and in our collective ability to succeed together with value-based care programs.”



*Left:* Executive Director Mark Kissinger and Dr. Robert Potter, who specializes in family medicine, understand the necessity of putting patients first. Dr. Potter, who has won awards for quality as well as his teachings, follows in the footsteps of his father, a longtime provider at the practice.

# SUCCESS STORY

## Building a healthier future for women & children in greater Philadelphia

The Women & Children's Health Alliance (WCHHA) is a physician-led group on a mission to deliver better care to families in greater Philadelphia while reducing costs. The group comprises more than 120 pediatricians and pediatric specialists caring for more than 100,000 Independence Blue Cross (IBC) covered patient lives, and more than 60,000 Medicaid Managed Care lives. The Collaborative has been proud to support their mission by integrating the WCHHA clinicians into its informatics platform. HealthEC, the Collaborative's population health platform partner, will provide WCHHA with actionable insights about IBC's Quality Incentive Payment System (QIPS) measures, managed care quality metrics, and high-cost referral patterns within the Philadelphia market. Integrating our health informatics infrastructure has strengthened WCHHA's position as they work toward engaging more insurers to expand even further the access they provide to quality care for women and children in the five-county greater Philadelphia area.

*Below: Physician Leaders in Action (from left to right): WCHHA was the original brainchild of Gerry Cleary, DO. Also active in WCHHA roles are Steven Shapiro, DO, neonatologist Eddie Chang, MD, and Greg Dean, MD, pediatric urologist.*



*Marylee Mundell, DO, leads the Quality Committee for Women & Children's Health Alliance (WCHHA), a Clinically Integrated Network of more than 120 independent general and specialty pediatricians in southeastern Pennsylvania.*



# SUCCESS STORY

## Helping doctors manage MIPS

### The Challenge: A penalty letter from CMS regarding 2016 submissions

After receiving a penalty notice from CMS for their 2016 PQRS submission, the team at Grandview Radiology Associates in Sellersville knew they needed help with their Medicare reporting and their participation in the first year of MIPS under the Quality Payment Program.

"We turned to the Care Centered Collaborative at the Pennsylvania Medical Society (PAMED) for MIPS advice. They told us about the partnership they had developed with Mingle Analytics for MIPS reporting services. "We felt sure that based on PAMED's recommendation we were going in the right direction. Our doctors agreed, so I reached out," explained Judy Jones. "I was also very pleased to learn that, due to its relationship with the Collaborative, our practice received a meaningful discount on the price of this service—available only to members of PAMED."

Grandview Radiology also was pleased to learn that, as part of that partnership, they would be provided a dedicated consultant to guide them through the complex MIPS program.

### The Result:

Successful participation in MIPS, a 2017 Final Score of 96.27 out of 100, and an incentive adjustment! Working diligently alongside their Mingle Quality Program Consultant, Grandview Radiology Associates achieved a near perfect MIPS score of 96.27—earning 81.27 points in the Quality Performance category and 15 points in the Improvement Activities category. Based on their 2017 MIPS score, the practice will receive a positive incentive and bonus as part of their Medicare Part B charges in 2019. Judy, Karen, and the practice are working towards a MIPS Score of 100 points for 2018 reporting.



*Top: Practice administrators Judy Jones, left, and Karen Beer, helped their physicians report successfully and obtain a CMS incentive adjustment for a near-perfect score.*

**"After just a few phone calls and one quarter of data entry we felt like, 'We've got this!' We were totally confident of MIPS success."**

**- JUDY JONES**

Office Manager,  
Grandview Radiology  
Associates



*Left: Jorge Arsuaga, MD, is one of the partners of Grandview Radiology Associates, an independent, 10-physician group in Bucks County.*

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