



# Board of Regents Work Session

February 2017

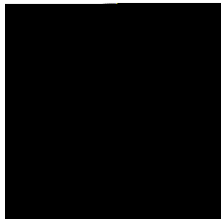
February 9, 2017

12:45 - 2:15 p.m.

West Committee Room, McNamara Alumni Center

-

Docket Item Summary - -



# BOARD OF REGENTS DOCKET ITEM SUMMARY

---

Board of Regents Work Session

February 9, 2017

AGENDA ITEM: Discussion of M Health Agreement

Review

Review + Action

Action

Discussion

PRESENTERS: President Eric W. Kaler

## BACKGROUND INFORMATION

M Health is a joint management structure and virtual financial integration of the operations of the University of Minnesota Medical Center (UMMC), UMP, and integrated services that extend throughout the Fairview system. The original goals of the structure were to deliver a better patient experience; support enhanced clinical quality, innovation and efficiency; and drive growth and revenue. Goals also included additional funding to enhance the academic mission, increase on-site training and inter-professional education, and support for health research.

The Board has participated in the following discussions about M Health:

February 2014: *Integrated Structure Naming*, Board of Regents.

October 2014: *Update on University of Minnesota Health*, Board of Regents.

May 2013: *Resolution Related to New Integrated Structure for Patient Care Services*, Board of Regents.

May 2012: *Resolutions Related to Ambulatory Care Center & New Integrated Care Structure*, Board of Regents.

1997: establishment of the University of Minnesota Physicians.

December 1996: University Hospital sold to Fairview Health Services.

# M Health Update

Board of Regents Work Session  
February 9, 2017

Brooks Jackson, M.D., M.B.A.  
Dean, Medical School, Vice President for Health Sciences

Bobbi Daniels, M.D.  
CEO, UMPPhysicians  
Vice Dean for Clinical Affairs, Medical School



# What does success look like?

An Integrated Academic Health System that is:

Patient-centered

A destination health system for patients, students, faculty and physicians

The destination for tertiary/quaternary care for all of Minnesota and the upper Midwest

A world leader in optimizing and advancing prevention and treatment

Inextricably linked to the medical school and alignment of clinical care, research, education

Highly ranked by US News, NIH, and Start Class



# What does success look like?

Our system must offer/have:

A culture of excellence

Alignment across the system that is a dynamic learning organization

A flagship hospital, teaching and research on a single integrated campus

Infrastructure that supports efficient/effective faculty work

Modern, high quality clinical facilities

Entrepreneurial and innovative opportunities



# What does success look like?

Top patient satisfaction

High-value and competitive affordable care

Team based care delivery

Market-leading patient access and coordination of care

Fully leveraged integration of care across specialties

Major and growing market share; strong financials



# What does success look like?

Strong and meaningful academic physician leadership

Commitment to and investment in recruitment and retention of faculty

Strong research infrastructure and resources

To be renowned for extending knowledge and providing new solutions to health care challenges

Delivery of outstanding education and training across the system





## "M" is for All of Us

University of Minnesota Health represents a collaboration between University of Minnesota Physicians and University of Minnesota Medical Center.

*M Health is driven to heal, discover and educate for longer, healthier lives*



# MHealth

In 1996, the University Hospital was sold to Fairview Health Services (FHS)

In 1997, University of Minnesota Physicians was formed

In 2012, UMP, FHS, and the Medical School negotiated the framework of an integrated structure

M Health began in 2013 for an initial 5 year term

A joint operating agreement between Fairview Health Services and UMP creates virtual financials to align budgeting, capital allocation and performance.

It integrates and aligns management of

- University of Minnesota Medical Center (including Minnesota Masonic Children's Hospital), Maple Grove Medical Center (clinics)
- UMP on the UMMC campus
- Integrated UMP/UMMC service lines that extend throughout the Fairview system (cardiovascular, oncology, mother and children)



# MHealth – Co-leadership

*Decision making responsibility clearly with the CEO of UMP or UMMC President.*

*For example:*

UMP CEO is responsible for all physician functions, CSC, clinical quality, marketing and branding, clinical research, education

UMMC/Fairview is responsible for hospital-related operations and support functions, credentialing, communications, administrative functions

Each parent organization is responsible for compliance and risk management for their own organizations.

Jointly leaders collaborate on capital budgets/plan and starting up and closing down University-branded clinical service lines

*UMMC and UMP teams are integrated throughout MHealth*



# M Health - Goals

To deliver a better patient experience and support enhanced clinical quality, innovation and

# M Health - Outcomes

## M Health opened CSC

- o Developed state of the art care model in new Clinics and Surgery Center, including re-engineering over 200 steps in providing patient care, achieving national recognition from peers, several national awards, and developing new financial model that addresses patient concerns about high costs

## M Health expanded programs

- o Expansion of UMP ICU and NICU coverage across Fairview system to better distribute care and allow patients to receive care closer to their home
- o Expansion of service lines, both to better serve the community and expand reach within the 5 state region for tertiary programs (i.e., advanced heart failure)
- o Signature Health
- o Cosmetic Dermatology
- o Woodbury Pediatric Specialty Clinic
- o M Health Maple Grove Specialty Service Expansion

## Enhanced academic support through the partnership

- o Increased funding to the Medical School



# M Health - Outcomes

Improved inpatient satisfaction with Physician Communication from 26<sup>th</sup> in 2014 to 52<sup>nd</sup> percentile in 2015

Improvement in inpatient mortality – reduced from .95 in 2014 to .80 in 2015 (from 29<sup>th</sup> to 80<sup>th</sup> percentile)

Improved sepsis mortality from 1.43 in 2014 to 1.15 (20<sup>th</sup> percentile) in 2015

Improved 30 Day readmissions from 12.86% in 2014 to 12.67% in 2015 (30<sup>th</sup> percentile)





# M Health - Process

The initial term of the M Health agreement ends June 1, 2018 and automatically renews at that time unless termination notice given by either party (university or FHS) 1 year in



# M Health – Opportunities

Achieve increased efficiency and alignment between the medical school, UMP, and Fairview to reduce overhead costs

Assure that best practices in risk management are applied, particularly for non-UMP services within M Health More standardized approaches to external communications, particularly when University name is being used

Ensure best practices across the system are adopted as appropriate

Understanding of where academic medical centers are the same and when they are different from community hospitals so that all parts of Fairview system can perform at highest level



# M Health – Questions for the Board of Regents

To what extent has the agreement met the Board's original goals?

Is there Board support for University and/or UMP actions that could make the agreement more successful?

What are the Board's most important priorities management should consider in developing a recommendation about whether to renew the agreement?

What alternatives would need to be in place if the agreement is not renewed?