

CLINICAL INTEGRATION

ACHIEVING CLINICAL EXCELLENCE

POPULATION HEALTH MANAGEMENT

ACCOUNTABLE CARE COLLABORATION

HEALTH CARE ANALYTICS

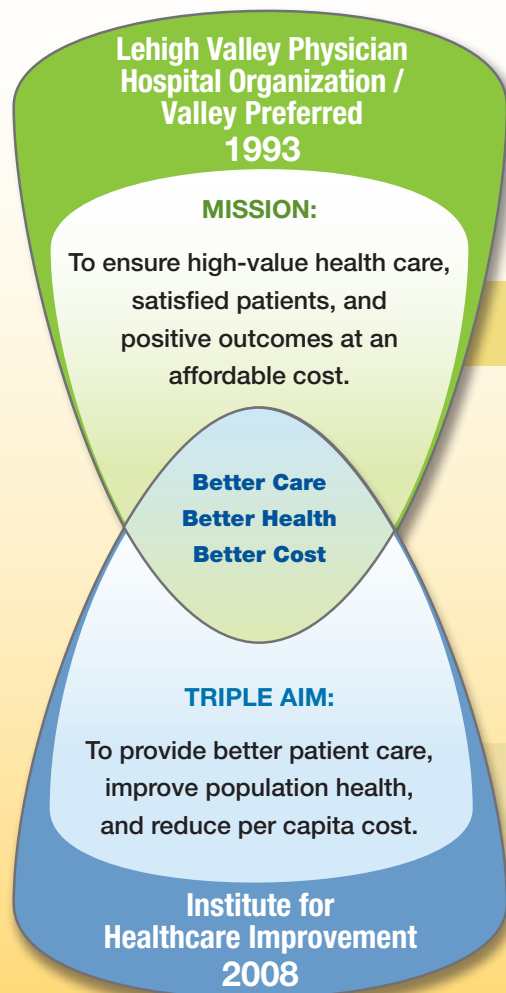
WELLNESS PROGRAMS

PRIMARY CARE CORE

# INFORMED ACTION

Lehigh Valley Physician Hospital Organization / Valley Preferred  
**2015 Progress Update**

# INFORMED ACTION



*The secret to getting ahead is getting started,* according to the wisdom of Mark Twain. Lehigh Valley Physician Hospital Organization (LVPHO)/Valley Preferred is now ahead of the quest for sustainable health care solutions because our journey began in 1993. Shaped by the vision of local physicians, our founding mission focused on three primary values:

**Better care, improved patient health, and affordable costs.**

Fifteen years later in May 2008, the Institute for Healthcare Improvement (IHI) released a white paper. This transformative work by Donald Berwick, MD; John Whittington, MD, and Thomas Nolan was titled “*The Triple Aim: Care, Health, and Cost.*” The opening sentence of the abstract read:

**Improving the U.S. health care system requires simultaneous pursuit of three aims: improving the patient experience of care, improving the health of populations, and reducing the per capita cost of health care.**

Timelines aside, both organizations’ similar visions are now shaping the tectonic shift in how health care is delivered and reimbursed. On a national scale, the IHI’s Triple Aim is the universally accepted framework guiding the retooling of America’s \$2.5 trillion per year health care industry.

It cannot be overstated that our national health care delivery system continues to be in a state of flux on many fronts. The most profound change is in the transition from volume-based to value-based care delivery and compensation models. As the provider-owned preferred provider organization aligned with Lehigh Valley Health Network, LVPHO/Valley Preferred has been taking direct action to shape the changes in health care in ways that will preserve the ideals of our physician-driven organization.

LVPHO/Valley Preferred is the source for innovative health care delivery programs which enable providers to put the principles of our founding mission, and those of the Triple Aim, to work for the health of our community.

**LVPHO/Valley Preferred Leadership** (from left):

**Mark A. Wendling, MD**, Medical Director  
**Laura J. Mertz, CBC**, General Manager  
**Jack A. Lenhart, MD**, Executive Director  
**Carol Michaels, MPH, MCHES**, Director,  
Health Promotion and Wellness

*Photo by Amico Studios*

**Notable achievements of the past year include the following:**

- **Stronger engagement of LVPHO/Valley Preferred physician membership** through the continued development of our historically successful *Achieving Clinical Excellence*® offerings, including more incentives for participation, expanded team of Associate Medical Directors, and the appointment of a full-time Physician Advocacy Liaison.
- **Activation of Populytics**, the new analytics infrastructure technology that transforms claims and clinical data into actionable information needed for providers to deliver service levels consistent with the goals of the Triple Aim: Better Care. Better Health. Better Cost.
- **Continued expansion of LVPHO/Valley Preferred's BeneFIT<sup>SM</sup> Corporate Wellness programs** with the addition of new professionals and programs designed to promote wellness and protect the health status of corporate and community populations.
- **Deployment of more Community Care Teams** proven effective in supporting physician practices with multidisciplinary mobile units focused on improving the coordination of patient care.
- **New agreement with health insurer Aetna** to improve care quality and cost for Aetna subscribers within our geographic market.



- **Support of Medicare Shared Savings Program** with Lehigh Valley Health Network as an Accountable Care Organization.

As the following pages of this Progress Update will reveal, 2014 has been a pivotal year for LVPHO/Valley Preferred. And the equally important work of 2015 is just beginning. Through all stages of this journey—past, present, and future—we are reliant upon the inestimable knowledge and contributions made by

LVPHO/Valley Preferred and our allied entities, Greater Lehigh Valley Independent Practice Association, Inc. and Lehigh Valley Health Network.

It is through this synergy that we maintain our steady progress toward a sustainable future of health care for the families of our community. *Thank you for your continued support.*

## Supporting the Success of Local Physicians and Practices



## Valley Preferred



Whether individual health care providers practice independently or in a network structure like the Lehigh Valley Physician Group (LVPG), each is first and foremost, a physician. As the region's leading professional association for physicians, it is the responsibility of the Lehigh Valley Physician Hospital Organization (LVPHO) to provide our member physicians with the support and resources required to succeed in their ever-challenging profession.

In this era of rapid change, this obligation to provide the means for our 1,100+ member physicians to continue their work comes into even sharper focus.

"As a physician-driven organization, we are intent on shaping the future of patient care, rather than have it shaped for us," said Jack A. Lenhart, MD, Executive Director, LVPHO/Valley Preferred.

"Through the past two decades, our member physicians have systematically identified areas in which care could be improved, and have developed innovative programs proven to deliver measurable improvements in the quality and cost of health care in the geographic region we serve. On a national scale, LVPHO/Valley Preferred has attracted the attention of industry-leading payers Aetna and Cigna, who have selected us as a clinical partner for their accountable care initiatives.

"We will continue to invest in programs to support the success of our providers, and anchored by our commitment to high-value medicine, stay united in our determination to work toward the goals of the Triple Aim—Better Care. Better Health. Better Cost."

### ASSOCIATE MEDICAL DIRECTORS, Lehigh Valley Physician Hospital Organization/Valley Preferred



**Jonathan J. Burke, DO**  
Family Medicine  
LVPG Family Medicine



**Joseph A. Habig II, MD**  
Family Medicine  
Private Practice



**Glenn S. Kratzer, MD**  
General Internal Medicine  
Lehigh Valley Internists



**John D. Nuschke Jr., MD**  
General Internal Medicine  
Lehigh Valley Internists



**MaryAnne K. Peifer,  
MD, MSIS**  
Family Medicine  
LVPG Family Medicine  
—Whitehall



**Nicole Sully, DO**  
Family Medicine  
Parkland Family  
Health Center



“My commitment is to provide the resources and support participating providers require as they work toward the goals of the Triple Aim.”

**Wayne T. Stephens**

Physician Advocacy Liaison  
LVPHO/Valley Preferred



LVPHO/Valley Preferred member support services and program enhancements achieved during the past year include:

- **Expansion of Associate Medical Directors support team.** With the recruitment of Nicole Sully, DO, we now have six peer professionals serving to connect member physicians and their practices with LVPHO/Valley Preferred support services, quality improvement, and incentive programs.
- **Wayne T. Stephens as Physician Advocacy Liaison, LVPHO/Valley Preferred.** His responsibilities include developing relationships and communications with physicians and practices, coordinating activities related to the *Achieving Clinical Excellence*® program, and supporting LVPHO medical directors in fulfilling clinical initiatives. “One thing I am sure we can all agree on is that health care is rapidly changing. My role will be directed by these changes, and my effectiveness measured by the level of communication I can

offer to our member physicians. My commitment is to provide the resources and support participating providers require as they work toward the goals of the Triple Aim.”

- **Support efforts to qualify Lehigh Valley Health Network as ACO for Medicare Shared Savings Program.** LVPHO/Valley Preferred worked closely with Lehigh Valley Health Network in the application process to qualify Lehigh Valley Health Network as an ACO eligible for participation in the shared savings program of the Centers for Medicare & Medicaid Services (CMS). A lengthy and highly detailed process, the successful results of this application effort and the beneficial impact of CMS ACO status are discussed on pages 15 and 16.
- **Enhanced provider communications.** Regular publications such as *Valley Preferred News* have been augmented with timely news alerts on developments of provider interest; more of these communications are now issued electronically.

## Getting Physicians Involved in Improving Local Health Care

There are countless ways that the health care delivery process can be improved, and physicians are in the unique position of recognizing where even subtle changes can make big differences in care quality and patient satisfaction.

The Quality Improvement Program provided through LVPHO/Valley Preferred's *Achieving Clinical Excellence*® (ACE) initiative provides opportunities for member physicians to get involved through two channels: locally conducted research projects and national-class education. Participation is encouraged through financial incentives.

“Quality Improvement Projects enable physicians to identify areas for improvement, conduct preliminary research, and provide recommendations on procedural changes to achieve higher quality,” said Glenn S. Kratzer, MD, LVPHO/Valley Preferred Associate Medical Director. “We enhance participation by keeping the project approval and presentation processes streamlined and time-efficient.”

Education is provided through incentives to enroll in courses offered by the Institute for Healthcare Improvement (IHI). “The introductory course teaches Quality Improvement terminology and discipline. It is online, interesting and can be completed in just nine hours,” Dr. Kratzer said, noting that, along with financial incentives provided by LVPHO/Valley Preferred and Lehigh Valley Health Network, physicians are rewarded with continuing education credits required for board recertification.



## The Right Tools. The Right Time.

By his own admission, LVPHO/Valley Preferred's Medical Director Mark A. Wendling, MD, is an "optimistic realist." Working closely with Executive Director Jack A. Lenhart, MD, and LVPHO/Valley Preferred leadership for more than six years, Dr. Wendling's positivity has remained as steadfast as his confidence in the team's ability to develop the new system required for sustainable health care delivery. "By necessity, we often have discussions about cost but it is really about finding new ways to practice better medicine," he said. "With an improved care system in place, improved cost management will follow."

Progress achieved during the past year has Dr. Wendling more positive than ever. "We are now at the right point in time, with the right tools, to take care of patients in a new way." Chief among these "right tools" are two resources unique to LVPHO/Valley Preferred: *Achieving Clinical Excellence*® and Populytics.

Commonly referred to as the ACE program, *Achieving Clinical Excellence*® is a highly successful series of physician incentive programs focused on steering quality improvement and physician engagement.



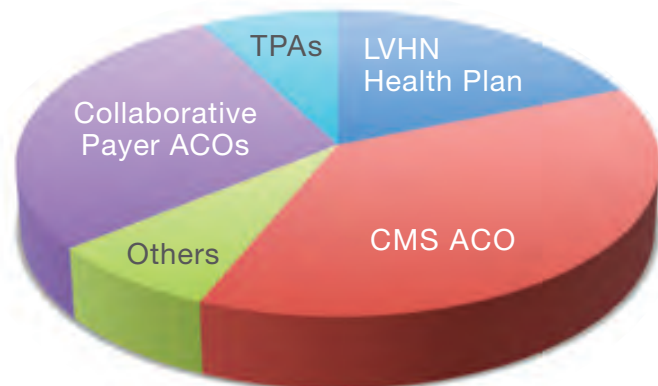
Begun by LVPHO/Valley Preferred more than a decade ago, the ACE program has evolved with the changing demands of health care. "ACE has proven that physicians can improve quality and be compensated properly for the effort it takes to do so. It is the incentive portal through which we will systematically transition from traditional volume-based to a new value-based care model."

"We are now at the right point in time, with the right tools, to take care of patients in a new way."

**Mark A. Wendling, MD**

Medical Director  
LVPHO/Valley Preferred  
Family Physician  
Valley Family Medical Center





Types of market segments tied to Populytics

Populytics, launched in 2013, is the health management intelligence resource developed through the collaborative support of LVPHO/Valley Preferred and Lehigh Valley Health Network.

By integrating more than a quarter century of health management experience with advanced information technology powered by extensive claims and clinical data, Populytics is now mapping the journey to value-based care.

“Throughout most medical careers, physicians have been reacting to patient calls, oftentimes after high-risk conditions have presented,” said Dr. Wendling, a family physician for more than 17 years. “Now with Populytics we are using data to proactively reach patients during ever-earlier stages of disease. We are getting the facts we need to take informed action—utilization history, emergency room visits, medications, the full picture.”

Populytics predictive analytics are highly reliable in providing a more comprehensive patient care picture with the inclusion of more social determinant vectors, like geography and behavioral history. Currently generating data and health management services for nearly 24,000 members covered by Lehigh Valley Health Network’s health plan, Populytics was designed as a scalable health management tool. “It is geared for growth,” Dr. Wendling noted. “In 2015 Populytics will be one of the region’s largest population health data engines, providing informed clinical action paths for more than 100,000 lives.”



## National Publication Features Local Health Care Leaders

For a feature titled “5 Population Health Technology Tips,” the August 2014 issue of *Managed Care Executive* magazine tapped two local health care leaders—LVPHO/Valley Preferred Executive Director Jack A. Lenhart, MD, and Populytics President & CEO Gregory G. Kile—for professional views on combining claims and clinical data to transform care through health information technology. In later interviews, both provided the following perspectives on how population health information is being used to shape a future of better care.



**Jack A. Lenhart, MD**  
Executive Director  
LVPHO/Valley Preferred

“The question is: ‘what is the most cost-effective care that produces the best outcome?’ The answer is *informed action*. The information driving the specifics of that action must include a composite of claims and clinical data, including timely EHR (electronic health records). Teaming this information with the actions of well-structured resources is the logical solution to bend the health care cost curve.”



**Gregory G. Kile**  
President & CEO  
Populytics

“Our Health Informatics and Clinical & Business Analytics Teams work together to collect, aggregate, and interpret claims and clinical data. The value of Populytics does not stop here. Insights into current high-risk members, current high utilizers, and potential future high-risk members enables the Care Management and Community Care Teams to effectively carry out the optimal care pathways. This connection between the data and the clinical teams closes gaps and facilitates the movement to value-based care.”



## Populytics Perspectives:

### Informed Action for Better Care and Better Health

#### LVPHO/Valley Preferred Refocuses on Core Competencies, Strengthens Partnership with Populytics

LVPHO/Valley Preferred initiated an important reorganization in 2014 to increase its focus on enhancing and enabling clinically integrated programs and engagement opportunities for member physicians, while strengthening its working partnership with Populytics.

In a systematic process throughout the year, LVPHO/Valley Preferred transitioned several of its key service functions to Populytics. “Streamlining was in order to sharpen the future focus on two of LVPHO/Valley Preferred’s core competencies: provider clinical integration and program engagement,” said its General Manager, Laura J. Mertz, CBC. “The movement of key administrative functions to our trusted sister-company Populytics allows us to accelerate innovation without sacrificing the traditional excellence of LVPHO/Valley Preferred services.”

She noted that the effort successfully repositioned several LVPHO/Valley Preferred services into

Populytics; included were provider recruitment and contracting, credentialing, network maintenance, payer contract compliance, sales, and client services. The reorganization also maintains LVPHO/Valley Preferred’s brand equity in the marketplace and brings BeneFIT Corporate Wellness more directly into a collective product portfolio with Populytics.

Mertz noted that a key benefit of this strategy is a highly functional partnership with Populytics, including the establishment of a clinical infrastructure using LVPHO/Valley Preferred Associate Medical Directors. Another is the development of a collaborative communications strategy executed by LVPHO’s Provider Communications Committee. “Success can only be achieved with clear communication channels and cooperatively minded partners,” she said. “LVPHO/Valley Preferred is realizing new opportunities for success through closer alignment with Populytics.”

“Success can only be achieved with clear communication channels and cooperatively minded partners. LVPHO/Valley Preferred is realizing new opportunities for success through closer alignment with Populytics.”

**Laura J. Mertz, CBC**

General Manager  
LVPHO/Valley Preferred



#### Analytics for Informed Action

Mark Ungvarsky, MBA, CPHIT, holds the post of Administrator of Payer and Provider Informatics for Populytics, now establishing itself as one of the region’s leading providers of data-driven intelligence for population health and care management. Having grown from concept to implementation in less than 16 months, Populytics is headquartered in Allentown, Pennsylvania, and staffed with a team of information technology, analytic, and clinical professionals engaged in reinventing the way our regional health system works.

“As providers assume more of the financial risk of managing populations, the role of the payer in health care is changing. We have the unique opportunity to do some very important transformative work by connecting health care information with our clinical teams,” Ungvarsky said. “We are turning data into the actionable information necessary to improve the delivery of care, keep people healthy, and keep care affordable.”

Populytics achieves this by integrating data from two disparate sources—insurance claims and medical records—and transforming it into refined information. “What we guard against is information for information’s sake. We are looking for actionable data that connects to



“We are looking for actionable data that connects to our physicians and care management teams. We can then further refine the data to pinpoint areas to improve the system and drive savings.”

**Mark Ungvarsky, MBA, CPHIT**

Administrator of Payer and Provider Informatics  
Populytics

our physicians and care management teams. We can then further refine the data to pinpoint areas to improve the system and drive savings.”

As an example, Populytics is now helping to reduce one of the high-priority loss leaders in health care—the costly overutilization of hospital emergency rooms. “We define a population that uses the emergency room for treatment that could be accessed from a primary care physician. Within all standards of confidentiality, we provide the clinical team with a current picture of the patient’s condition and treatment history. We then work with the primary care physicians to connect the patient to ongoing treatment that precludes expensive emergency room care,” he said, adding that “in many cases, rerouting care in this way results in a healthier patient with less pressure on our delivery system.”

Populytics also helps physicians improve their performance through the *Achieving Clinical Excellence*® program. “We supply LVPHO/Valley Preferred’s team of Associate Medical Directors with actionable information that indicates which practices are hitting key clinical metrics and which are not. Armed with this information, practice performance is rewarded or assistance is provided to close these important care gaps and help our patients.”

## Closing Gaps in Clinical Care

Equipped with information generated by its analytics, Populytics’ clinical engine then clicks into gear with informed action. Led by Jonathan J. Burke, DO, LVPHO/Valley Preferred Associate Medical Director and Populytics Medical Director, a key mission is to track down care gaps—areas where improved coordination of care helps providers better serve patients with early diagnosis and preventive care. “Care gaps exist in every practice and in every network,” Dr. Burke said. “They are expensive in terms of both patient health and cost. Our work with Populytics-generated information enables us to identify and close care gaps, reduce inappropriate high-cost services, and ensure that people who need care are enrolled in programs to improve their health.

“Populytics’ predictive analytics tools enable us to more accurately target which patients will present cardiac, diabetes, or other common chronic health conditions before they require high-cost treatment or hospitalization,” he said. “We can then track potential gaps in care. Are they getting preventive care from their primary care provider? Are they getting the right lab tests and treatments?”

Putting the information into action at the practice level is another function of Populytics’ clinical mission. A robust care management team led by Deborah Cook Altonji, RN, MSN, CCM, SPHR, Director of Care Management at Populytics, assists primary care practices by contacting at-risk patients to educate and help direct them into the practice for the proper care. “The Clinical Care Team will call the patient and establish regular communications on behalf of the practice,” said Dr. Burke. “Patients prefer to hear from the practice because they know the practice is intrinsically involved in their care.”

Although Populytics is still in its early stages of development, positive results are already being logged. In a pilot program conducted over a three-month span, one large practice reduced care gaps from 150 to 40. “This was very encouraging. It is proof positive that we know how to track the gaps in care,” Dr. Burke said. “More importantly, we know how to bridge these gaps to measurably improve the quality and value of our patient care.”

“Our work with Populytics-generated information enables us to identify and close care gaps, reduce inappropriate high-cost services, and ensure that people who need care are enrolled in programs to improve their health.”

**Jonathan J. Burke, DO**

Associate Medical Director, LVPHO/Valley Preferred  
Medical Director, Populytics



## Sustainable Health Solutions through Strategic Wellness



As the American health care delivery system continues to forge new pathways toward sustainability, it is increasingly apparent that wellness belongs at the forefront of the journey.

“That’s why BeneFIT<sup>SM</sup> Corporate Wellness is clearly focused on the well care side of the business,” said LVPHO/Valley Preferred’s Carol Michaels, MPH, MCHES, Director of Health Promotion and Wellness. “Our driving belief is that healthier employees lead to healthier businesses, which result in a healthier community. Wellness is about the daily things we do and experience that impact our health and feelings—our ‘well-being.’

“BeneFIT aims to help people with low and moderate risk to focus on starting or maintaining those positive lifestyle choices. And, at the same time, we advise their employers on how to create the structure, culture, and environment to support them and sustain long-term change. Our

ultimate goal is for each of our client’s employees to stay in control of their health, avoid costly sick care in the system, and improve their quality of life.”

The logic of keeping populations healthy through wellness promotion resonates with employers. According to a recent survey by the *National Business Group on Health*, 36 percent of large employers surveyed say engaging employees in health care decisions will be a primary focus in 2015 and 53 percent of large employers plan to expand employee wellness program incentives/disincentives in 2015.\*

A regional pioneer in corporate health and wellness, LVPHO/Valley Preferred celebrates its 20<sup>th</sup> year as a provider of health promotion consultation and programming. Under the BeneFIT brand, LVPHO/Valley Preferred serves employers with highly experienced Master and Certified Health Education Specialists, and Certified Health and Wellness Coaches.



“Our driving belief is that healthier employees lead to healthier businesses, which result in a healthier community. Our ultimate goal is for each of our client’s employees to stay in control of their health, avoid costly sick care in the system, and improve their quality of life.”

**Carol Michaels, MPH, MCHES**

Director  
Health Promotion and Wellness  
LVPHO/Valley Preferred



BeneFIT achieved a nationally recognized standard of excellence in 2013 with the National Committee for Quality Assurance (NCQA) Wellness and Health Promotion Accreditation and remains one of few in the region to hold this distinction. During the same period, BeneFIT added Health Coaching to its service offerings. Certified Health and Wellness Coaches help guide employees to start or maintain healthier lifestyles and behavior changes like tobacco cessation, weight management, and stress management.

BeneFIT has also grown in its role as a key contributor to community health, strategically partnering with organizations like the Lehigh Valley Business Coalition on Healthcare and providing support to innovative programs like Wellementary, which helps school-age populations make healthier choices.

One population BeneFIT hopes to reach in the future is our local physician community. “It may seem ironic,



but given the high degree of occupational stress from juggling many responsibilities, the personal health of physicians is a global concern,” Michaels said, pointing out that the American Medical Association recently began developing initiatives to encourage positive change in physicians’ health through wellness.

In a 2014 statement on physician wellness, AMA President Robert M. Wah asked, “If we’re in poor health, how can we counsel our patients on improving their health? Poor physician health affects us all—from our peers to our trainees, patients and the health care system as a whole, not to mention our own families.”

Michaels believes BeneFIT can play a role in improving physician wellness here in the Lehigh Valley. “We have the opportunity to help our physicians stay healthy so they can continue to care for our community.”

\* Employee Benefit News 9/15/14, National Business Group on Health, Large Employers’ 2015 Health Plan Design Survey.

## BeneFIT Corporate Wellness Health Coaching

*With respect for client confidentiality, the following vignettes were excerpted from actual BeneFIT Health Coaching follow-up reports issued within a one-month span of 2014:*

- **An employee who struggled with weight loss** met with a BeneFIT Health and Wellness Coach on a regular basis to talk about healthy eating and portion control.

**RESULT:** The employee lost almost 25 pounds and mentioned that it was the Health Coach’s motivation that made the difference.
- **Work/life balance and time management were major challenges** for an employee. A BeneFIT Health and Wellness Coach worked closely with the employee on stress reduction and prioritization techniques. During the sessions it was learned that sleep habits were a contributing factor.

**RESULT:** The employee improved energy throughout the workday and attributed success to regular calls and brainstorming sessions with the Health and Wellness Coach.
- **At a BeneFIT health screening event**, an employee was found to have a very high cholesterol level, was behind in regular health screenings and did not have a primary care physician.

**RESULT:** The BeneFIT Health and Wellness Coach helped connect the employee with a physician. Screenings and blood work are now all up-to-date and employee’s health condition stabilized.
- **After a major surgery**, an employee had difficulty with exercise and eating behaviors. Enrollment in BeneFIT Health Coaching enabled the employee to make incremental changes to diet and activity.

**RESULT:** The employee lost 15 pounds, stabilized cholesterol, and has recruited family members to take evening walks to boost physical activity.

### Wellness on Wheels

BeneFIT Corporate Wellness’ success in steering employees toward healthier behaviors has much to do with its customized approach to corporate wellness backed by best practices, including hands-on consultation and worksite sessions by BeneFIT’s team of Master and Certified Health Education Specialists and Certified Health and Wellness Coaches. Along with in-person wellness education and coaching, BeneFIT’s programs also include telephonic appointments, webinars, wearable teaching technology, toolkits, and 24/7 access through BeneFIT Online.





## Community Care Teams:

### Growing in Size and Impact on Overall Health for Diverse Populations

There's more to healing than physical health. Behavioral and social challenges are roadblocks to care that can escalate into problems requiring hospitalization and other high-cost care. "Socioeconomic and behavioral factors have an overwhelming impact on a patient being successful in other aspects of their health," said Kay Werhun, DNP, MBA, RN, Director of Population Health for Lehigh Valley Health Network. "Our teams identify barriers that can't always be addressed in a normal 15-minute primary care visit."

The teams she refers to are Community Care Teams—multidisciplinary teams led by a registered nurse care manager and backed by a social worker, behavioral health specialist,

and clinical pharmacist. Community Care Teams are an important component in an overall strategy to manage population health through improved coordination of network assets and community resources.

And they are growing in number and impact on patient health. Begun in 2012 through joint investments by LVPHO/Valley Preferred and Lehigh Valley Health Network, the Community Care Team initiative tripled from two to six teams within two years. "We anticipate expansion of Community Care Teams in 2015," Werhun said. "Equipped with patient care analytics from Populytics, we will be more effective than ever."

Community Care Teams are integrated into the regular care regimen of Patient-Centered Medical Homes, primary care practices modeled on a philosophy and process of care that puts the patient first and emphasizes the effective coordination of care. "We are integrated into practices based on their volume of high-risk patients," Werhun said. "We provide a wide range of support—from clinical care for patients with chronic health conditions to behavioral health care for those with psychosocial needs. Given the demands of primary care today, no individual clinician can do it all. It takes a team approach."

The approach works, too. Results cited by Werhun included an 18-month span during which Community Care Team members recorded more than 2,800 patient "touches" and a significant reduction in hospital inpatient admissions and emergency department utilization.

Results like this have not gone unnoticed. In October 2014, the Pennsylvania Department of Health awarded a \$250,000 grant for Lehigh Valley Health Network's Community Care Team group to work on increasing behavioral health services in the Allentown community. "Our behavioral health staff will formalize a network of health partnerships, particularly within the bilingual community; conduct depression screenings and education; and link our targeted population to behavioral health care sources."

"We anticipate expansion of Community Care Teams in 2015. Equipped with patient care information from Populytics, we will be more effective than ever."

**Kay Werhun, DNP, MBA, RN**

Director  
Population Health  
Lehigh Valley Health Network



## Speaker Series Keeps More GLVIPA Members Informed, Engaged

Given the velocity of change in health care, opportunities to stay current on provider-centric topics drew physicians to hear speakers featured at the general membership meetings of the Greater Lehigh Valley Independent Practice Association, Inc. (GLVIPA). “High attendance by physician members proved very encouraging again in 2014,” according to James W. Manley, DO, Chair of the GLVIPA. Among the presentations of the past year:

- Helping to address the challenges of rapidly advancing technology, a presentation titled “*How I Learned to Stop Worrying and Love Innovation*” was delivered by Donald L. Levick, MD, MBA, Chief Medical Information Officer, Lehigh Valley Health Network, at the March 25 meeting. He provided insights into technological transitions and how they are changing the care delivery paradigm.

(At the June 23 GLVIPA meeting, from left)

**Jack A. Lenhart, MD**  
**Ronald W. Swinfard, MD**  
**James W. Manley, DO**



- In his final public appearance as Lehigh Valley Health Network President and CEO, Ronald W. Swinfard, MD, addressed his fellow physicians at the GLVIPA meeting held June 23. In a collegial discussion titled “*Ready. Aim. Reform.*” Dr. Swinfard detailed how Triple Aim goals are being systematically targeted by the network. “A hospital is a very expensive chassis,” he said. “A direct route to lower cost is to move care out of the hospital and into physician practices.”



- Preparing GLVIPA members for the changes coming with the introduction of Lehigh Valley Health Network’s new Epic electronic health record system, Dr. Levick was called upon to provide a preview demonstration in a presentation titled “*Epic Transformation*” at the September 23 GLVIPA meeting (photo above). The single, streamlined system will “transform how we deliver care across the continuum and facilitate the Triple Aim,” he said. Michael Sheinberg, MD, Medical Director, Lehigh Valley Health Network, assisted during an energetic question-and-answer session. Physician training for Epic began on January 5, 2015.

The role of the Community Care Teams has become increasingly important in this era of health reform. According to *TrendWatch*, published by the American Hospital Association:

*Health reform creates new impetus and opportunity for better managing the care delivered to individuals with these [behavioral] conditions. Expansion of health insurance generally, along with improved coverage of behavioral health treatment under parity laws, will broaden access to needed services. At the same time, increased provider accountability will spur efforts to coordinate care across currently fragmented settings to improve the efficiency and effectiveness of care delivered to individuals with behavioral health conditions.*

The value of Community Care Teams to LVPHO/Valley Preferred member physicians also moves to the forefront as Lehigh Valley Health Network takes on new responsibilities for our region’s older population as an Accountable Care Organization (ACO) in the Medicare Shared Savings Program (MSSP) in 2015.

“Much of what does not go well with older patients is psychosocial. Perhaps they cannot afford their medicines, or are depressed or immobilized because their spouse now has Alzheimer’s,” explained Jack A. Lenhart, MD, LVPHO/Valley Preferred Executive Director, adding that there are countless causes and older patients often do not share the real root of their problems because of pride. “As

family physicians, we may not recognize these non-clinical reasons causing the health decline of an older patient. Yet these psychosocial problems increase the cost of care for much of the Medicare population.

“We will have additional Community Care Teams deployed in 2015, so our network practices will be equipped to proactively address psychosocial challenges through their behavioral health specialists and social workers. Access to our Community Care Teams enables member physicians to enhance the quality and cost-efficiency of care for our community’s Medicare population.”

## Major Payers Partner with Valley Preferred in Accountable Care Collaborations

Aetna, one of the nation's leading health care benefits companies, selected to partner with LVPHO/Valley Preferred in an accountable care agreement designed to improve the quality of care for members of fully insured Aetna commercial health plans in Lehigh and Northampton Counties.

Co-branded health plans for employers with two or more employees were introduced in April 2014. Under the accountable care agreement, LVPHO/Valley Preferred commits to quality and cost outcomes for Aetna members that see LVPHO/Valley Preferred accountable care network physicians.

**Valley Preferred**

LEHIGH VALLEY HEALTH NETWORK

**aetna**

“Physicians are trained with a value system in which the prime imperative is to optimize outcomes for patients. Physician-led organizations like LVPHO/Valley Preferred have that value system embedded in everything they do.”

**James A. Cowan, MD, MPH**  
Senior Medical Director, Aetna

LVPHO/Valley Preferred was chosen for this partnership between major payer and local provider because, according to Aetna Senior Medical Director, James A. Cowan, MD, MPH, “Aetna’s strategy is to partner with forward-thinking provider organizations that are focusing on improving the quality and effectiveness of the populations they serve and who understand the value that collaborating with an insurance partner can add to that equation. LVPHO/Valley Preferred fits that model.”

As a physician himself, LVPHO/Valley Preferred’s physician-driven architecture also enhanced the prospects of success, in Dr. Cowan’s view. “Physicians are trained with a value system in which the prime imperative is to optimize outcomes for patients. Physician-led organizations

like LVPHO/Valley Preferred have that value system embedded in everything they do.

“A physician-driven structure is critical for working in partnership in order to improve the patient experience through greater care coordination, improving the health of populations we jointly serve, and connecting payment with quality, patient outcomes, and value,” Dr. Cowan said.

LVPHO/Valley Preferred also has care programs which have proven both effective and attractive to Aetna. “Our members will benefit from LVPHO/Valley Preferred’s *Achieving Clinical Excellence*® performance-based incentive program for physicians to improve quality, efficiency, and patient care experiences. Additionally, LVPHO/Valley Preferred’s provider-based Community Care Teams will deliver health coaching and nutrition counseling, diabetic education, and behavioral care. It is a holistic approach aligned structurally and financially to pursue health care quality and efficiency objectives,” Dr. Cowan said.

Both partners bring unique strengths to the new accountable care relationship, according to Dr. Cowan, but providers have an edge in patient engagement. “Aetna has vast resources and leading technology to target at-risk patients. But LVPHO/Valley Preferred’s providers have the advantage of one-on-one real-time patient engagement and a level of trust unique to the patient/physician relationship. Together, we can find more at-risk patients before they have a health crisis, get them into treatment sooner, and support them to effectively manage their own health.”





“A lot of good work is getting done and the needle is moving in the right direction.”

**Christina Stasiuk, DO, FACOI**

Market Medical Executive  
Cigna - MidAtlantic

**Valley Preferred**

 LEHIGH VALLEY HEALTH NETWORK



LVPHO/Valley Preferred's accountable care relationship with Cigna started in July 2013. This was a first for both partners—LVPHO/Valley Preferred's first accountable care agreement with a major payer and Cigna's first collaborative accountable care initiative in Pennsylvania. With the partnership approaching the two-year mark, Cigna's top regional medical executive assessed it as “progressing well.”

“Reinventing how health care is delivered is a huge transition, so by sheer magnitude it is a crawl, walk, run process,” said Christina Stasiuk, DO, FACOI, Market Medical Director for Cigna's MidAtlantic region. “The most important part of any relationship is trust, and that has been established. So, I would say we are

past the crawl stage, in the walk stage, and looking forward to running.”

Nationwide, Cigna has 105 collaborative accountable care initiatives and “each physician group we team with is different,” she said, noting that “our working relationship with LVPHO/Valley Preferred is particularly unique. Their clinical team—led by Drs. Jack Lenhart and Mark Wendling—has an uncommon understanding of population dynamics, physician relationships and how to motivate physicians by giving them the tools of clinical transformation.

“When we first met, I thought ‘they think like I do.’ Their guiding principles are all about patients getting the right care with a strong focus on social

health, emotional health, and the health of the community. Mutual goals like this help deepen the partnership and motivate the total team effort.”

Despite the fact that the partnership between LVPHO/Valley Preferred and Cigna is still in its developmental stages, Dr. Stasiuk acknowledges that “a lot of good work is getting done and the needle is moving in the right direction. More people are getting the appropriate care.

“You need everyone working together to achieve a goal this big. You can't do it alone. It takes a team. I feel that with LVPHO/Valley Preferred, we have the right team to make meaningful change happen.”

# New Role and Responsibilities as a Medicare ACO:

## An Inside Look

### Qualifying as an ACO for Medicare Shared Savings Program

New CMS Status Started January 2015



Lehigh Valley Health Network has qualified as an Accountable Care Organization eligible for participation in the Medicare Shared Savings Program of the Centers for Medicare & Medicaid Services (CMS). Approval was received in late November 2014. Participation began in January 2015.

CMS established the program to facilitate coordination and cooperation among providers to improve the quality of care for Medicare Fee-For-Service (FFS) beneficiaries and reduce unnecessary costs by:

- Promoting accountability for care
- Requiring coordinated care for all services
- Encouraging investment in infrastructure and redesigned care processes

There are several facets to this new status as an Accountable Care Organization (ACO) participating in the Medicare Shared Savings Program (MSSP). It is clear that the Centers for Medicare & Medicaid Services (CMS) is intent on shifting from traditional fee-for-service to new shared savings compensation models. As the largest health payer in the U.S., they are in the driver's seat to do so.

Medicare constitutes Lehigh Valley Health Network's largest single source of business. CMS indicated that as an ACO, LVHN would be the accountable provider for a population of over 32,000 attributed lives, making it one of the larger MSSP ACOs in the nation.

According to Jeff Etchason, MD, Executive Director of the ACO and Senior Vice President for Health Systems Research and Innovation, LVHN: "We committed to pursue this new CMS model only after building the advanced infrastructure which will enable us to succeed. We now have the tools to track down opportunities for better care, eliminate waste, capture shared savings revenue and reinvest in our own providers and technological resources in order to support continued success on a year-after-year basis.

"One of the reasons that we have been building our own infrastructure so aggressively is to embrace this shared savings opportunity with CMS and we are now well-positioned to succeed." But Dr. Etchason is quick to point out that the realities of mastering an untried compensation

structure with a large federal agency as payer partner are far more complex than simply reaping rewards for a job well done. He provided an overview on some of the issues that he and his team are now addressing as we move forward.

### Whose Patients Are They?

"At the outset, CMS provides us with a list of 'attributed lives.' These Medicare patients receive the majority of their primary care at LVHN, but are free to, and often do, receive some of their care from non-LVHN providers. Medicare members have significantly more office visits on average and see more providers than typical commercially insured users," Dr. Etchason said. *(See accompanying chart.)*

### Utilization Contrast:

#### Commercially Insured Users vs. Medicare Members

	COMMERCIAL	MEDICARE
Average Number of Annual Office Visits	3.1	7
Percentage of Members with 70% or More of Annual Visits with Plurality Provider	77.6%	27.8%
Percentage of High-Utilizing Members* with 70% or More of Annual Visits with Plurality Provider	59.0%	8.2%

\* High-utilizing members are defined as members with 11 or more office visits in a year.

Source: Based on an analysis of E&M codes from 2008 MedStat MarketScan database and 2008 Medicare 5% Sample

“We committed to pursue this new CMS model only after building the advanced infrastructure which will enable us to succeed.”

**Jeff Etchason, MD**

ACO Executive Director  
Senior Vice President  
Health Systems Research and Innovation  
Lehigh Valley Health Network



One of the main advantages of being a CMS ACO is the opportunity to receive claims data on the attributed lives, no matter where they go to receive care. The initial challenge is to understand exactly where they go for care when it's not LVHN. “Some may go to Florida during the winter and get care there for several months out of the year. Others may go to specialty clinics or other points of care. Job One is refining all the claims data we get from CMS and generating an accurate data picture of what this Medicare population is doing for care now. This knowledge will allow us to plan for better communication and coordination among all providers involved in their care.

“Transitory care patterns have greater incidence of waste through duplicated services and uncoordinated care gaps. Once we determine where these areas are, we will systematically work on improving them.”

## Thresholds of Gain

CMS establishes a threshold of the savings to be achieved in order to garner a share of the rewards for the ACO provider network. Dr. Etchason estimates that this savings threshold will be approximately 3 percent of claims generated by the Medicare patients served. “It is based on a weighted formula figuring in an inflation factor for three years prior to participation—2012 through 2014. This establishes the baseline cost trajectory that we must bend to produce at least 3 percent savings per year.

“If the threshold is achieved, the shared savings yield back to our provider network could be in the range of \$5 million per year,” Dr. Etchason estimates. “This would then be channeled in two directions. First, to further bolster network infrastructure. This is essential to ensure future success in this

Medicare arrangement, as well as the success of shared savings opportunities with commercial payers. Second, shared savings revenues would be channeled to Lehigh Valley Physician Hospital Organization for distribution to physicians through the *Achieving Clinical Excellence*® program.

“LVPHO was the upfront investor in the analytics infrastructure that is central to care transformation. They provide the means to align physicians and practices in delivering the quality of care required to meet performance standards on this scale. LVPHO will be an important partner to the ACO and absolutely essential to the success of this undertaking with CMS. There will be rigorous quality standards that will have to be met before any savings can be shared.”



## Employer Imperative:

### Engage Employees to Play a Bigger Role in Their Own Health

“Our growth is due to strategic partnerships with key members of the provider and payer communities. One of our most valuable working relationships is with LVPHO/Valley Preferred. Their leadership is always there for us.”

**Thomas J. Croyle**

President  
Lehigh Valley Business Coalition on Healthcare



Providers are not alone in their journey toward achieving the goals of the Triple Aim. As major purchasers of health care, employers are also fully invested in the quest for improved quality and costs for employee health plans. During this time of transition from volume-based to value-based care models, more businesses are looking for solutions and solidarity with fellow employers through membership in the Lehigh Valley Business Coalition on Healthcare (LVBCH)—a long-time partner of LVPHO/Valley Preferred in our mutual pursuit of quality health care for regional businesses. By joining the coalition, employers of all sizes have access to health management plans and education programs generally reserved for larger insurance-buying

groups. Along with value, the coalition also provides the leadership employers need to play a major part in re-engineering their sector of the health care system.

“We are experiencing a time of tremendous change in health care. There is a great push to form new health care delivery models. But will these new models deliver greater value and improve care without increasing cost?” asked Lehigh Valley Business Coalition on Healthcare President Thomas J. Croyle.

More employers are asking the same question and turning to LVBCH for leadership in shaping a new health care value proposition.

Today, LVBCH serves 183 member companies, representing over 122,000 employees and approximately 278,000 lives. LVBCH members are located in six Pennsylvania counties and six additional states.

“Our growth is due to strategic partnerships with key members of the provider and payer communities,” Croyle said. “One of our most valuable working relationships is with LVPHO/Valley Preferred. They provide clinical guidance, resources, committee membership, and support for our symposiums and other educational events throughout the business community.”

During the past year, LVPHO/Valley Preferred Medical Director Mark A. Wendling, MD served as a panelist for a major LV BCH symposium titled “*Innovations in Healthcare Delivery Systems*” at Lehigh University. LV BCH also participated in an employer and broker event sponsored by LVPHO/Valley Preferred and Populytics at the ArtsQuest Center in Bethlehem.

An active member of the LV BCH Wellness Committee, LVPHO/Valley Preferred’s Director of Health Promotion and Wellness, Carol Michaels, MPH, MCHES, is currently spearheading an initiative focused on weight management issues in the workplace. “Carol is providing the professional knowledge and leadership needed to develop a pilot program, which will help our members address a prevalent driver of higher health care costs,” Croyle said.

One of the most daunting impediments to corporate wellness management—employee engagement—was tackled head-on by LVPHO/Valley Preferred’s BeneFIT Corporate Wellness experts at an employer workshop conducted for LV BCH members (*see right*).

“In the final analysis, we have to show our members that we can save them money as well as provide access to quality care for employees,” said Croyle. LV BCH’s work is proving effective in the money-saving category. Croyle estimates 2014 total annual savings for employer members to be in the \$20 million range.

But cost savings are just one dimension of a bigger picture for health care improvement.

“We need to change not just the business models and how we pay for health care, but also the culture of clinical practices and measures. We need greater transparency to gauge improvement at the local level. Employers need to focus on buying a combination of quality, service, and cost; rather than simply cost alone.”

It is also essential for employees to take more responsibility for their own health. “Employers must focus on actively engaging employees in changing unhealthy behaviors through incentives and benefit

plan design changes. Corporations are making investments in improving the health of employees and their families. So far, the results are mixed and company CFOs are asking where the return on the investment in employee health is,” Croyle said. The challenge is how to engage employees and change unhealthy behaviors. Employees need to understand that they have a personal interest to themselves and their families to be healthy. “LVPHO/Valley Preferred has been an outstanding partner in helping us to provide programs and communication that convey that message.”



## Wellness Engagement for Regional Employers

Even the best-laid plans for corporate wellness will fall short of goals without one key component: employee engagement. To drive home the importance of this fact, the *Lehigh Valley Business Coalition on Healthcare* (LV BCH) engaged BeneFIT Corporate Wellness to conduct a “Wellness Engagement Workshop” employer event in September 2014 at Lehigh Valley Hospital—Muhlenberg.

The event attracted human resources and employee health managers from 27 regional employers. The workshop’s fast-paced format was a model of engagement itself as BeneFIT’s Master and Certified Health Education Specialists interspersed wellness know-how with a peppy flow of interactive team activities, roundtable discussions and an energizing exercise session. Topics included assessing

corporate culture, techniques to avoid engagement ruts and tools to build wellness initiatives that work.

As a strategic wellness partner for LV BCH, BeneFIT provides educational support for worksite wellness services and coalition members have access to BeneFIT programs at preferred rates.

“BeneFIT’s success is achieved through a personalized, hands-on approach, an excellent team of health educators, and the deep clinical resources of LVPHO/Valley Preferred,” Lehigh Valley Business Coalition on Healthcare President Thomas J. Croyle said, noting that BeneFIT has been contracted to provide wellness consultation services for his own employees, and interactive wellness workshops and educational sessions for LV BCH members.

## Local Physicians, LVPHO/Valley Preferred and Parkland School District Encourage Healthy Choices with Innovative Family Program

Our national obesity epidemic continues to grow and the unhealthy habits shaping it can start early in life. Over the past 20 years, the number of children who are obese doubled while the number of obese adolescents tripled. Here in Pennsylvania, one third of all children and adolescents are overweight or obese.

Determined to tackle this challenge at their community's level, two local family physicians teamed with LVPHO/Valley Preferred and the Parkland School District to launch an innovative program that engages students, parents, and teachers in physical activities and healthy eating.

Nicole Sully, DO, and Breanna Henry, DO, of Parkland Family Health Center realized the need from their own clinical experience. "Obesity affects physical health, especially with type 2 diabetes, and now we are

seeing it with greater frequency in children," said Dr. Sully. "It is harder to treat in children and can lead to complications of vision loss, heart and kidney problems, poor circulation, and other issues."

"Obesity also has a profound impact on a child's mental and social health," Dr. Henry pointed out. "There is a stigma in our society about weight and it manifests itself in negative stereotyping, bullying, and discrimination. It is a cruel formula for low self-esteem and depression that can affect an individual throughout their entire life."

"These two family physicians approached us, expressing their feelings of a professional obligation to help prevent pediatric obesity in their community," said Robert R. Thornburg, Director of Student Services at Parkland School District. "We formed

a committee with Drs. Sully and Henry, LVPHO/Valley Preferred's BeneFIT wellness experts Carol Michaels and Kristin Behler, and Parkland's staff, nursing and nutrition officials."

Thus, Wellementary was born. "Together we planned four events based on three components—physical activity, nutrition, and education," Dr. Sully said. "Kids learn habits from adults so we targeted elementary school students and their parents."

Initial marketing tools created and funded by LVPHO/Valley Preferred were refrigerator magnets promoting Wellementary's sessions and a promise "to get your whole family up and moving!" Thousands of magnets were distributed by teachers and taken home by students.



**Teaming up with Parkland School District to encourage family wellness** (from left):

**Kristin Behler, MPH, MCHES**

Manager, Health Education and Wellness,  
LVPHO/Valley Preferred–BeneFIT Corporate Wellness

**Nicole Sully, DO**

Associate Medical Director, LVPHO/Valley Preferred;  
Family Physician, Parkland Family Health Center

**Breanna Henry, DO**

Family Physician, Parkland Family Health Center

**Carol Michaels, MPH, MCHES**

Director, Health Promotion and Wellness, LVPHO/  
Valley Preferred–BeneFIT Corporate Wellness





“LVPHO/Valley Preferred’s commitment was essential to the success of this community health effort.”

**Robert R. Thornburg** (right)  
Director of Student Services  
Parkland School District

**Todd W. Holmes, MBA**  
Supervisor of Food Services  
Parkland School District



“The response was fantastic. We were at capacity, about 100 participants at each of the four sessions. And we had the place rocking!” Thornburg said with a smile. “The rare magic of the Wellementary experience was to see parents and kids out on the same night and working together toward a mutual goal...and having a lot of fun doing it.”

A key member of the Wellementary committee was Todd W. Holmes, MBA, Supervisor of Food Services at Parkland School District. Along with practical guidance for healthy eating at home, Todd’s team kept the fun in all food functions. “The October kickoff was around Halloween, so for refreshments we made bright green Frankenstein smoothies, blending up spinach with other healthy ingredients. They really enjoyed it and lots of parents took the recipe home,” he said.

Todd’s wife, kickboxing fitness expert Gina Holmes, kept the energy levels high while instructing a session

titled “Kick Start Your Health.” Other sessions featured yoga lessons from instructor Diane Nolfé, Zumba exercises with instructor Missy Fugazzotto, and “Olympian Wisdom,” an inspiring session delivered by Olympic gold medal winning cyclist Marty Nothstein, Executive Director of the Valley Preferred Cycling Center.

Additional attractions included wellness education booths, question-and-answer opportunities for parents, door prizes, and chances to win the Wellementary program’s grand prize, which included a weekend family retreat at Bear Creek Mountain Resort.



LVPHO/Valley Preferred’s role “sealed the success” of the Wellementary program in its inaugural year, according to Parkland’s Thornburg. “They provided the marketing support and incentive prizes for every session. BeneFIT’s Carol Michaels and Kristin Behler were vital contributors to all planning, implementation, and evaluation stages. LVPHO/Valley Preferred’s commitment was essential to the success of this community health effort.”

Thornburg noted that post-event surveys conducted at the end of each of the four sessions were “absolutely positive” and that plans are currently underway for an expanded version of Wellementary in 2015.

“During program evaluation, we learned that children and parents enjoyed having the opportunity to work out together,” said Behler. “A need in our community was identified for fitness centers to offer fun classes that families can participate in together starting at a young age.”



## Looking Ahead:

### Informed Action

#### Challenges and Changes:

#### The Transition from Fee-for-Service to Value-Based Reimbursement

Insights provided by **Brian A. Nester, DO, MS, MBA, CPE, FACOEP**

President and CEO of Lehigh Valley Health Network

Chair, Lehigh Valley Physician Hospital Organization, Inc.

**Q** It is approaching five years since the Affordable Care Act was signed into law, initiating a sharp trajectory of change in American health care. Do you see this leveling off?

**A** The fundamental business of health care continues to change before our eyes every day. I don't see this pace slowing down in the foreseeable future.

**Q** What is the biggest current challenge for providers?

**A** One of the functions of the Affordable Care Act is to catalyze a change in how providers are reimbursed. The traditional fee-for-service model was deemed unsustainable. So, the industry is evolving to a value-based reimbursement model. We are completely on board with the ethic of compensation based on quality outcomes. The challenge is that we don't get paid for producing value yet. This transition in reimbursement is the biggest financial challenge health care providers face today.

**Q** How is Lehigh Valley Health Network addressing the financial challenge caused by this transition?

**A** Through population health management, we are investing in a new infrastructure that will enable our network to succeed in a market where earnings are based on delivering higher quality care at lower costs.

**Q** How can population health management lower health care costs?

**A** Think in terms of how most family's health costs are covered—through employer health plans. About 20 percent of employees have health issues consuming about 80 percent of the employer's health care costs. These employees comprise the high-risk/high-cost category. Over time, the other 80 percent of the employee population will also get sick and migrate into the high-risk/high-cost category. And so the cycle continues.

Population health management breaks that cycle by identifying the employees in the 80 percent with varying degrees of latent risk due to any number of factors—inadequate health care, unhealthy lifestyle choices like smoking, obesity, high stress, etc. This is done through predictive modeling and risk assessment analytics.

Once we know who they are, we can figure out how to help them manage and improve their health by connecting them with network resources like our clinical, health coaching, and wellness programs. Result: More employees stay healthier longer, there are fewer employees in the high-risk/high-cost category, and employer health plan costs are lower.

**Q** What does it take to implement a population health management system?

**A** A robust infrastructure built on two essentials—technology and teams. Technology to transform disparate sources of claims and clinical data into actionable information. Teams of clinicians, and specialized health and wellness counselors to reach into the population and turn informed action into improved health.

Through significant investments made by Lehigh Valley Physician Hospital Organization/

Valley Preferred and Lehigh Valley Health Network, we built an entirely new health care company called Populytics which has both the analytical technology and the teams of professionals required for highly effective population health management.

**Q** When will the new Populytics infrastructure be implemented on a larger scale?

**A** It is happening now. Lehigh Valley Health Network is now participating in the Medicare Shared Savings Program. We will be the main provider for more than 32,000 local Medicare members. Populytics' competencies will be essential to improving their care while tracking down duplicate services and other costly care gaps.

**Q** As a payer, isn't Medicare on the low end of the reimbursement scale?

**A** Medicare represents about 50 percent of our total revenue. That's a big reason why we need Populytics. We know that about 30 percent of all medical care spending is "non-value-add." With Populytics analytics and clinical care, we believe we can better close care gaps while providing our Medicare population with care consistent with the Triple Aim goals—better care and healthier populations at lower costs.

**Q** Are lower margins in the future for other payers, too? What does this mean for community hospitals?

**A** Health care is an increasingly price-sensitive industry. Consumers will be making more of their health decisions based on price. Providers will be working harder to provide care and will be paid less. Some community hospitals will be very challenged to survive these new price pressures.

**Q** Despite these uncertainties, is there cause for optimism about the future for Lehigh Valley Health Network?

**A** Absolutely. Five years ago we saw the need for a different discipline dictated by health care reform and we strategized accordingly. We are re-engineering ourselves and building an entirely new health care company that will be exceptionally qualified to deliver on all the risk and care demands of the new value-based reimbursement system. We have an excellent partner in LVPHO/Valley Preferred. Their clinically integrated physicians and programs will drive our mutual success. Whatever the future may hold, we are well-positioned to meet all challenges together.





“Valley Preferred is more than the visionary founding sponsor of the Spirit of Courage. They are also the champions of burn prevention education throughout our entire region of Pennsylvania.”

**B. Daniel Dillard**

Executive Director/CEO  
Burn Prevention Network



### 2014 Valley Preferred Spirit of Courage Award Celebration Hits New Highs in Contributions, Support for Burn Survivors

For the past nine years, the Valley Preferred Spirit of Courage Award Celebration has been steadily building its status as a red-letter event on the annual calendars of firefighters, law enforcement and EMS professionals throughout eastern Pennsylvania. 2014 proved to be its most successful year yet. Held on October 14 at Lehigh Valley Hospital–Muhlenberg, the event registered a record of more than 750 first responders and guests gathering to honor extraordinary acts of heroism and fire safety education. Sponsorship contributions for last year’s program also hit new highs; funds generated by the event support the work of the Burn Prevention Network and Lehigh Valley Health Network Regional Burn Center.

Valley Preferred supports the program to help raise public awareness regarding burn safety and prevention. “We recognize the sacrifice that first responders make to keep us safe. They confront danger on a daily basis, and their loved ones face uncertainty every time they respond to a call,” said LVPHO/Valley Preferred Executive Director Jack A. Lenhart, MD. “In our mutual mission of keeping our communities healthy and safe, Valley Preferred is honored to join in these efforts to recognize their remarkable acts of courage, and to support ongoing fire safety and burn prevention education.”

Burn Prevention Network Executive Director/CEO B. Daniel Dillard explained that the Valley Preferred Spirit of Courage Award program has three goals. “First, to recognize acts of community heroism. Second, to connect first response professionals of varying disciplines—firefighters, EMS and law enforcement—into a single event. And third, to generate funds for prevention outreach and support the unmet needs of burn survivors.”



*Photo courtesy of Burn Prevention Network*

The Valley Preferred Spirit of Courage Award Celebration program’s attendance and sponsorships rank it among the largest events of its kind in the U.S. “The Spirit of Courage and all of its good works would be a shadow of what it is without the vision and commitment of Valley Preferred. Their leadership has built this into a powerhouse program. Valley Preferred is more than the visionary founding sponsor of the Spirit of Courage,” he said. “They are also the champions of burn prevention education throughout our entire region of Pennsylvania.”

**2015 is the 10<sup>th</sup> Valley Preferred Spirit of Courage Award Celebration** and several exciting new features are planned to showcase the program on Tuesday, October 6, 2015. Please join us in celebrating a decade of appreciation for community heroism, and support for burn education and survivorship.

## Valley Preferred Cycling Center Expanding, Innovating Programs for Community Fitness

Few communities in the world can boast a health-enhancing asset as impactful as the Valley Preferred Cycling Center. The Trexlertown facility is the nexus for international-class track cycling competition which attracts more than 150,000 fans during its spring-to-fall season. It is also the home of America's premier developmental programs, providing both a velodrome venue and professional instruction in the sport of cycling for community participants of all ages and capability levels—from training wheel setup to globally renowned advanced level programs that have placed graduate cyclists in every Olympics since 1984.

In 2015, the Valley Preferred Cycling Center will celebrate its 40<sup>th</sup> anniversary. But even this milestone is just another lap in the longer-view vision to build a healthier community through bicycling. "Forty years of success is a great track record," said Marty Nothstein, an Olympic gold medal cyclist and Executive Director of Valley Preferred Cycling Center. "But in terms of our potential for helping more people live healthier through the sport of cycling, I really feel like we're just getting started."

As in most previous years, the 2014 season saw its popular community cycling programs grow to capacity; they are slated for a dramatic expansion in 2015. "We've educated more than 29,000 graduate cyclists from these summer programs through the years and enrollment continues to climb every year," Nothstein said. "So we are now creating our first year-round calendar of developmental programs. It will require significantly more resources but we know the demand is there, so in 2015 the Valley Preferred Cycling Center will start to evolve into a four-seasons facility for cycling and community fitness."



Reaching even further into the community, Nothstein plans to parlay the Valley Preferred Cycling Center's brand of athletic expertise into neighboring fitness centers. "We will be offering stationary bike training classes in the new Lehigh Valley Health Network fitness facility at One City Center in downtown Allentown," he said. "Our fitness format provides low-impact exercise that dovetails with the network's Heart Healthy program and other population health initiatives."

Improving the health of local school-age populations is another goal for Nothstein. "Through programs like Wellementary (*see pages 19-20*), we can play a key role in addressing the current upswing in childhood obesity and juvenile diabetes. Educators need innovative learning tracks that are visually understandable and fun. The structure and dynamics of the bicycle provide an ideal tool to engage students in both physical fitness and STEM education. (*See sidebar.*)

"Getting more of our community active through cycling has always been one of our primary goals," Nothstein said. "But the reason we have been so successful is because of the support of LVPHO/Valley Preferred. Their leadership and resources have helped me create a trajectory for the cycling center's next 40 years of service. They've been essential to helping us utilize cycling skills and enthusiasm for our sport as part of a far bigger vision—a healthier future for more members of our community."

"The bicycle is the ideal teaching tool for STEM education."

**Marty Nothstein**  
Executive Director  
Valley Preferred Cycling Center

STEM is a nationwide educational curriculum based on educating students in four specific disciplines—science, technology, engineering and mathematics—with an interdisciplinary and applied approach. The U.S. Department of Education offers a number of STEM-based programs in grades K–12 aimed at meeting the need for 8.65 million employees to fill STEM-related occupations by 2018, according to projections by the U.S. Bureau of Labor Statistics.

According to Marty Nothstein, Executive Director, Valley Preferred Cycling Center, the bicycle is an ideal tool for STEM education. "It embodies the science of turning human output into high-speed propulsion; the technology of high-alloy componentry; the engineering principles of biomechanical motion; and the mathematics of multiple gearing ratios and gravitational inclines," he said. "Plus, it provides a functional and fun way for students to put STEM principles into action and become healthier in the process."

During 2015, Nothstein and his Valley Preferred Cycling Center team plan to share opportunities for bicycle-based STEM education with local school districts.



## In Our Community (continued)



A national champion of family practice, LVPHO/Valley Preferred's long-time colleague, **William L. Miller, MD, MA**, was recognized for his lifetime contributions to research and scholarly activity in family medicine. Co-honoree, Benjamin Crabtree, PhD, is shown at right.

*Photo courtesy of Society of Teachers of Family Medicine*

### LVPHO/Valley Preferred Colleague and Primary Care Advocate Recognized Nationally for Contributions to Family Medicine

One of LVPHO/Valley Preferred's formative beliefs is that primary care medicine is the cornerstone of the American health care delivery system. Shaping this truth for more than two decades has been one of the medical profession's foremost scholars on primary care, and we are proud to say, a long-time friend and member of the LVPHO/Valley Preferred family, William L. Miller, MD, MA, Chair of Lehigh Valley Health Network Department of Family Medicine.

In 2014, Dr. Miller was honored as a co-recipient of the Society of Teachers of Family Medicine's Curtis G. Hames Research Award. Benjamin Crabtree, PhD, Robert Wood Johnson Medical School, was recognized along with Dr. Miller. Both began a research partnership at the University of Connecticut's Department of Family Medicine more than 30 years ago.

Their efforts centered on transforming primary care by understanding how health and illness are "whole person" events. Over the years, they have refined approaches to research with the goal of improving primary care clinical encounters and practice performance. Miller and Crabtree are credited with leading the first wide-reaching national demonstration of the Patient-Centered Medical Home concept—now considered the premier performance model for primary care throughout the U.S.

LVPHO/Valley Preferred is proud to have Dr. Miller as an invaluable resource and inspiration for our unwavering support of primary care. We warmly congratulate him on this well-deserved recognition for his work on behalf of family physicians everywhere.

### BeneFIT Corporate Wellness Brochure Recognized with Design Award

The BeneFIT Corporate Wellness Services Overview Brochure has been selected as a winner of the 2014 American Graphic Design Award, in a competition sponsored by Graphic Design USA of New York City.

The brochure, which highlights both capabilities and differentiators of the BeneFIT program, was created in conjunction with Keenan-Nagle Advertising and was among a "highly selective" percentage to win recognition with a Certificate of Excellence.

Celebrating its 51<sup>st</sup> year, the GD USA Competition is the oldest program of its kind in the nation.





## Lehigh Valley Physician Hospital Organization, Inc.

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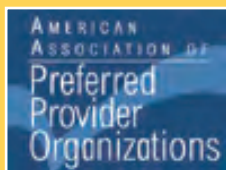
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