



## 2016 Evolving Health Interview Series

**Interview Title:** *The Doctor Is In: Business Model Tipping Point*

**Interviewee:** Michael Wagner, President & CEO, Tufts Medical Center

This is actually one of the most fascinating areas that I think about on maybe not daily basis, but pretty close. Internal medicine is-- has been going through a revolutionary change over the past several years and it really probably started 30 years ago, but it's ramping up and I think we are at a critical inflection point. On the business model, I think this is actually the one that has to change and needs to change probably fundamentally.

The patients who are on that physician schedule weren't selected because of the need in terms of from a total medical expense management perspective, they were selected because they were put into the schedule from an inconvenience perspective.

So instead of looking at their schedule and looking at the 20 to 30 names on their schedule case, management rounds, multidisciplinary rounds, and actually not doing fee-for-service, but thinking about how to manage patients across a continuum using a multidisciplinary team. The first is to move away from the fee-for-service structure which is one of first and most important business models. A corollary to this is how do you then pay for it? And you have to develop funds from models that are taking the savings from a total medical expense and using it to invest in primary care structures like multidisciplinary rounds, et cetera.

There is already a movement, but what needs to be in place is access to the total medical expense savings, which then comes back as efficiency dollars at the end of the contract settlement. The really important requirement is in risk-based contracting in that the docs have to have some skin in the game at the end of the contract performance cycle, otherwise they won't see the work come back to them in some kind of a return on investment.

On the team side, we've implemented, in addition to our general internists, physician assistants, nurse practitioners, and nursing staff to manage different components of chronic disease management. We've also added pharmacists, we have social workers embedded in the practice because of the increasing burden of behavioral health issues, so that team has changed pretty dramatically.

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On the technology side, the days of waiting for administrative data, three months for claims to run through, that is just not acceptable in today's world. So, real-time access to clinical information with alerts, access to interoperability, big buzzword today, but this is really critically important. So even though they didn't show up in my ER, I need to know they showed up in an ER ten miles away. The concept of the interoperability and the ability to look across the health care system is very important.

I think the last piece that's really important that's of great research opportunity, it isn't big data, it's in predictive analytics. I think there's just a tremendous, robust data set waiting to be chomped on by researchers to look for things that do help us figure out who are those patients that are likely to be expending resources into the future?

I think the practice structure will change in which these physicians are having these multidisciplinary meetings. I think the key component is a medical director or some kind of higher level group that's looking across a larger practice structure whether it be at a risk level for a large population of patients, and thinking about having access to the aggregated data. Having a research methodology team that can help them sort through the data, that will help to inform pathways, protocols and other emerging areas of concern that should be brought back down to the practice level.

I think the last piece is just rate of change. I think we will see more rapid evolution in environments where risk is taken off, and where risk is more translated down to the doctor level, and where information technology advances continue to make real-time data much more available. For other practices it will lag and it may take a much longer period of time.