Kent Burgess
President & CEO
WHAT’S CHANGING... MAYBE?

-The way we get paid (Reduce Cost)

-The way we get measured (Better Care)

-What will be required of us (More)

-Partnerships/Affiliations (New Dance Partners)
NEW REALITIES EMERGE

CMS Action...

- ACA to ACO to Bundled Payment... Oh My!
- Mandated Quality Data... by FY 2018
  - skin integrity
  - major falls
  - functional status / cognitive function
- Electronically Submit Staffing/Payroll Data
  ... by July 1, 2016
By 2018 CMS says...

“50%- 90% of Medicare payments- value based”

Market Drivers...
- Between a Rock and a Hard Place
- Narrowing Networks
- Technology
- Home & Community Based Services
- Patient Center Medical Homes
Hospital System Affiliations
On-site Physician / Mid-Level Presence
Dedicated Transitional Care Units
Medicare Certified Home Health – 2014
Medicare Certified Home Health – 4th quarter 2015
Model 3 Bundled Payment
Improved Care Transitions
Measuring (LOS; Readmits; ED Visits)
Formation of a Post-Acute Care Work Group

Survey Results

Next Steps
Kevin Brennan
Executive Vice President of Finance
and
Chief Financial Officer
Partnerships in Post-Acute Care

Kevin F. Brennan, CPA, FHFMA
Executive Vice President, Finance / CFO

Lutheran Services in America Annual Conference
April 23, 2015
San Antonio, Texas
Geisinger Health System
An Integrated Health Service Organization

Provider Facilities
$2,237M
- Geisinger Medical Center and its Shamokin Hospital Campus
- Geisinger Wyoming Valley Medical and its South Wilkes-Barre Campus
- Geisinger Community Medical Center, Scranton, PA
- Geisinger-Bloomsburg Hospital
- Geisinger-Lewistown Hospital
- Holy Spirit Health System
- Marworth Alcohol & Chemical Dep Treatment Center
- 4 outpatient surgery centers
- 3 Nursing Centers 344 beds
- Home health & hospice services covering 22 counties
- >100K admissions/OBS & SORUs
- 2,045 licensed inpatient beds
- Pending: AtlantiCare Health System

Managed Care Companies
$2,167M
- ~477,000 members (including ~100,000 Medicare Advantage members and ~132,000 Medicaid members)
- Diversified products
- ~50,000 contracted providers/facilities
- 43 PA counties
- Offered on public & private exchanges
- Members in 5 states

Physician Practice Group
$998M
- Multispecialty group
- ~1,220 physician FTEs
- ~750 advanced practitioners
- 113 primary & specialty clinic sites
  (60 community practice)
- 1 outpatient surgery center
- ~2.8 million outpatient visits
- ~430 resident & fellow FTEs
- ~335 medical students

Moody’s Aa2/Stable
Standard & Poor’s AA/Stable
Geisinger Patient-Centered Continuum of Care

**Community-Based Care**
- Specialty Outreach ("Face-to-face" & Telemedicine)
- Urgent Care Center
- After-Hours Care Center
- Retail Clinic
- Lab Outreach Site
- Retail Pharmacy
- Imaging Center
- Wellness
- Work Site Clinic
- Community Practice Site
- Multi-Specialty Clinic
- Ambulatory Care & Surgery Center
- Specialty Center, e.g. Cancer or Sleep

**Acute Care**
- Destination Medicine
- eICU
- Tertiary/Quaternary Medical Center

**Post-Acute & Transitional Care**
- Inpatient Rehab
- Adult Health Program & Day Center
- Outpatient Rehab
- Nursing Homes/SNF
- Home Care Hospice
- ProvenHealth Navigator

**E-Visit MyGeisinger**
Geisinger’s Experience with Accountable Care

• Insuring care for >500K lives, gaining experience since 1985


• CMS “ACO” Transitions Pilot (2011-2012)

• Keystone Beacon Community (5 counties/24 organizations/60 locations)

• CMMI Bundled Payment Model (17 Hospitals)

• CMS “Community” ACO (100 Providers, > 11,000 Beneficiaries)

• Unique population being managed, 874K+ and growing
Geisinger’s SNFist Model

- GHP ProvenHealth Navigator® leads the way with population health

- Changes in governmental regulations underway
  - Hospital-based purchasing focus on readmissions
  - Transparent publication of cost/quality data: “COMPARE”
  - New payment models: Bundled Payments, ACOs, MSSPs
  - Proposed SNF quality reporting/value-based purchasing

- The Opportunity
  - Decrease avoidable hospital transfers/ED utilization
    (1 of 4 readmitted within 30 days)
  - Decrease ALOS
  - Improve quality and satisfaction
Geisinger’s SNFist Model
Focus on Care Redesign

1. Increase provider presence
2. New admissions seen within 1 day
3. Earlier intervention
4. Prevention focus – skin care, I’s & O’s, fall prevention, etc.
5. Deploy new communication tools/log concerns
6. Improve medication reconciliation process
7. Increase use of Health Assessment tool
8. Training and development of the “care team”
9. Anticipate discharge planning needs & improve transitions of care
10. Arrange post-discharge PCP visit within 7 days
## Geisinger SNFist Model
### Innovations in Management of Elderly

<table>
<thead>
<tr>
<th>Patients/Family</th>
<th>SNF</th>
<th>Hospital</th>
<th>Physicians</th>
<th>Payors</th>
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<tbody>
<tr>
<td>Coordination of Care</td>
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<td>✓</td>
<td>✓</td>
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<tr>
<td>Quality of Care</td>
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<tr>
<td>Satisfaction</td>
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<td>✓</td>
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<td>✓</td>
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<tr>
<td>ALOS</td>
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<td>Alternative to “911”</td>
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<td>Decrease “Reserved Bed” Days</td>
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<tr>
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<tr>
<td>Increased Revenue</td>
<td>✓</td>
<td></td>
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</tr>
</tbody>
</table>

### 2013-2014 Results
- **SNF readmission rate reduced from 13.4% to 12.1%**
- **SNF ALOS reduced from 25.1 to 19.3**
Patient Engagement/ Care Management Innovations

- Government and payors are incenting for quality outcomes and patient satisfaction

- We need to embed incentives for quality and innovations in compensation models

- Change management is a must!

- The end result is a reinforced culture of patient focus and engagement

Source: TIME, Magazine, June 11, 2012
Linda Studer
National Vice President of Skilled/Rehab and Senior Living
Seismic Shifts in Post-Acute

Good Samaritan Society Strategy 1: Expand Post-Acute Rehabilitation Services

Linda Studer, VP of Operations Rehabilitation Skilled and Senior Living
Mission, Strategic Direction, Vision: Working Together

OBLIGATION

We are called to share God’s love in word and deed.

Our mission defines our obligation to follow the path of Christ.

OCCURRENCE

We know we are effective when each person we serve feels loved, valued and at peace.

Our vision describes an outcome that matters.

OPPORTUNITY

We do so by being a leader in supporting well-being.

Our strategic direction offers an opportunity to touch people’s lives.

THE EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY®
In Christ’s Love, Everyone is Someone.
12-07442
The Seismic Shift of Post-Acute

• New payment models – ACOs, Bundled Payment, Value Based payments
• Understanding the Population We Serve
• Reimagining How We Provide Medical Services
• Transitions in Care Across the Continuum
• Sales and Marketing to Providers and Consumers
New Payment Models

• Value Based Reimbursement
• ACOs
• Bundled Payment
Understanding the Population We Serve

• Sicker with co-morbidities
• Leaving acute care sooner
• Less likely to have children close by or have moved to be near children
• Receiving services outside their “community”
• Greater expectations
Reimagining How We Provide Medical Services

- Use of Technology
- Nurse Practitioner/Physician Assistants
- Navigators
- Clinical Pathways
- Tools such as INTERACT
Transitions in Care Across the Continuum

- Acute Care Setting
- SNF
- Home Care
- Hospice
- Services@Home (private duty)
- Senior Housing
- Assisted Living
Sales and Marketing to Providers and Consumers

• National Sales
  – Focused on referral partners and payer sources
  – Building relationships with C-suite
  – Contracts – ACOs, affiliations, preferred providers, Medicare Advantage

• Regional & Local Sales
  – Developing territories to address market needs
  – Designing a dedicated sales philosophy
  – Determine the correct market (hospitalists)