MHMD’s launch of our Advanced Primary Care Practices (APCP), patient-centered medical home (PCMH) initiative, last fall continues to receive recognition as that important work continues. The marketplace has begun to respond to what we’re doing in Clinical Integration (CI) and the building of our PCMH framework as evidenced by the recent Humana and UnitedHealthcare contracts.

The Humana contract involves the 215 primary care physicians in our APCP program and represents favorable base rates for reimbursement and significant per-member per-month bonuses for EMR use and NCQA certification. These plans also include a bonus payment for the completion of a Health Risk Assessment for Medicare.

On a broader scale, MHMD signed a contract with UnitedHealthcare that affects our entire CI network of PCPs and specialists. It increases base rates as well as adds EMR incentives and monthly per-member payments. The new rates and incentives will be implemented in stages with PCPs first and specialists will follow. In addition, the contract will include value-based incentives for the entire CI network as we proceed forward.

In related news, MHMD and Memorial Hermann will be submitting a joint application to participate in the CMS Accountable Care Organization (ACO) program during the March timeframe. We are already at work to take CI practices to the next level by adding point-of-care IT tools and resources for care and disease management. This will in turn provide us with many more quality-based contracting opportunities over the next few months.

Along with our upcoming ACO application, these managed-care contracts signal our intent as a physician organization to be at the forefront of health reform to ensure that our physicians and their patients experience the maximum benefits from the coming changes.

As part of a new Inpatient Quality & Safety (IPQS) initiative, MHMD and Memorial Hermann have established shared objectives and goals to improve clinical quality and reduce serious safety events. We are offering MHMD physicians financial incentives tied to these IPQS metrics (see page 5). These value-based initiatives will continue to be driven by our CI network and the Clinical Programs Committee (CPC) structure.

One thing is certain in these uncertain times, we are making significant strides in advancing our organization. Recognized by these recent contracts, our advances are positioning us well for future contracts with other payors and additional quality-based incentive programs as we strengthen our commitment to participate in accountable care opportunities with our members.
As my four-year term as MHMD board chair comes to an end, I wanted to take this opportunity to look back and reflect on how far we have come. It has been an interesting, exciting and consuming experience.

So what has happened? The old “steak and wine” club has become a nationally recognized physician organization that is vital to the future success of both its physician members and the Memorial Hermann Healthcare System.

Our new strategic alignment is a reflection of a dedicated all-physician board, a supportive system leadership, and a recognition that we are much better off working with one of the best healthcare systems in the nation rather than working alone.

The basis of our ability to move forward was the development in 2008 of the MHMD Compact with its physicians, providing a template for working as a group with a common goal. The Compact is due for refreshment under these new circumstances and I encourage your participation in this.

Our Clinical Programs Committee, with 400 physician participants, routinely recommends quality, safety and cost efficiency measures that are accepted across the hospital system. We have built over 400 evidence-based order sets directed by our all-physician Editorial Committee, including 20 observation care protocols.

Our new Inpatient Quality & Safety Initiative (IPQS) focuses on a set of common goals shared with the hospital system. Working together with aligned financial and quality goals, we will make Memorial Hermann and MHMD physicians the safest source of the best possible healthcare anywhere.

Technology has been a major focus for the new MHMD. We have delivered the eClinicalWorks® EMR to 500 of our physicians at reduced rates, allowing for both CMS bonus payments and Meaningful Use compensation. We are currently working with the first 100 members of our Advanced Primary Care Practices to provide a “point of care” tool, care managers, a Health Information Exchange, and resources for practice transformation in the coming era of population management.

Clinical Integration and the Advanced Primary Care Practices are the foundation for the development of an Accountable Care Organization (ACO) and we are moving rapidly to establish our own. Federal regulators have now released the final rules for ACOs, with significant changes designed to make participation more attractive to providers. The final version makes ACO participation much more attractive to providers by identifying patient members in advance and reducing the number of required metrics. Importantly, physicians participating in the ACO may negotiate exclusively through the ACO, underscoring its importance of and increased value for participants.

For four years, we asked both physicians and the hospital system for trust – trust that we would make the organization an effective partner for both as we all enter a new era of healthcare. Our past and future efforts have demonstrated our commitment, and our results have proven us worthy of that trust. We have improved patient safety and quality, and obtained two new contracts (with UnitedHealthcare and Humana) and revitalized our contract with MHealth. As we move into this future, we need each other more than ever and will be most successful working as one.

Finally, I would like to thank the MHMD board for their steadfast support, insightful criticism and visionary thinking. In particular, I want to thank the MHMD executive committee made up of Drs. Emmett McDonald, Jon Gogola, Charlotte Alexander, Enrique Quintero and Vinnie Bajwa. These dedicated members met almost every two weeks for several years and are owed a debt of gratitude by all of our members.

Outgoing MHMD Board Chair Keith Fernandez, M.D., speaks at the fall series of CI meetings where attendance reached all-time highs.

Emmett McDonald, M.D.
Incoming MHMD Board Chair

Gogola, Charlotte Alexander, Enrique Quintero and Vinnie Bajwa. These dedicated members met almost every two weeks for several years and are owed a debt of gratitude by all of our members.

Keith Fernandez, M.D.
Outgoing MHMD Board Chair
CPC Guides Development of New PCMH Initiative

The PCP specialty subcommittee of the MHMD Clinical Programs Committee has been instrumental in developing MHMD’s new patient centered medical home (PCMH) initiative, called Advanced Primary Care Practices (Advanced PCP). The initiative is a collaboration between the healthcare system and affiliated primary care physicians and specialists. The elements of this initiative were developed by some of the leading primary care physician leaders in the Houston market, creating a model that increases care efficiencies, provides benefits at the practice level, and places resources that are needed to transform care as a collective.

Advanced PCP builds on the achievements of MHMD’s Clinical Integration program by attracting MHMD CI physicians who are willing to commit to delivering coordinated care for patients that is consistent with PCMH joint principles. The American Academy of Family Physicians (AAFP), the American Academy of Pediatrics (AAP), the American College of Physicians (ACP) and the American Osteopathic Association (AOA) are actively advocating the use of the PCMH model as a means to strengthen primary care.

“We know that healthcare reform will change the way we practice medicine,” says Kevin Giglio, M.D., a primary care physician affiliated with Memorial Hermann Northwest Hospital and Clinical Programs Committee PCP subcommittee chair. “The PCMH model can be quite effective in helping private practice physicians by providing the resources and electronic tools needed to succeed in the post-reform environment.”

In the PCMH model, MHMD PCPs agree to adhere to specified quality standards and commit to deploy “Point of Care” technology to aid in the management of chronic diseases and coordinate patient care. “A key part of coordinating patient care will be utilizing Point-of-Care tools for issuing timely reminders of recommended screenings and condition-specific alerts for our patients,” adds Dr. Giglio.

Additionally, Advanced PCP offices will have access to resources such as TransforMed, an affiliate of the AAFP, to aid in the process of PCMH certification. They will also have access to bonus pools based on performance targets and be connected to the Memorial Hermann Information Exchange (MHIE), allowing participants to share clinical information and data. “Being connected via MHIE gives Exchange Members the ability to deliver more timely and appropriate care for our patients based on the latest patient data, radiology images and lab results.”

At the center of the PCMH model, is the patient’s PCP. “As part of Advanced PCP, we will be equipped and accountable to provide more integrated care for our patients,” adds Dr. Giglio. “Physicians will be working in partnership with nurses, dietitians, social workers and others to better manage chronic disease and identify emerging health issues in a timely manner. This will position MHMD physicians as proactive partners in our patients’ health.”

One of the first independent physicians to participate in the initiative is David W. Reininger, M.D., of Katy Internal Medicine Associates. “As a member of Advanced PCP, I will have additional resources available to benefit my patients and to provide more effective care. The ‘patient-centered care’ approach delivered by this model will help to improve patient management and clinical outcomes, and eventually lead to higher reimbursements associated with those positive outcomes,” says Dr. Reininger.

To learn more about Advanced PCP, call MHMD at 713.338.6464.
Clinical Integration Completes Second Successful Year

We have just completed a very successful second year with our Clinical Integration (CI) Program. Bonus payments reflected the percentage of requirements each participant met by the June 30, 2011, deadline. We are especially pleased to report that more than 1,300 of your CI colleagues earned some bonus based upon the board-approved requirements for 2011.

To qualify for 100 percent of the 2011 bonus, CI participants were required to meet all four requirements: self-reporting of quality measures on 50 percent of eligible patients, completion of online CME modules, achieving admissions order set usage at your designated hospital 60 percent of the time for seven designated conditions and attendance at one CI meeting. More than 450 CI physicians were able to reach this bonus level.

The mandatory CI meetings held at each Campus last spring and fall gave CI participants the opportunity to learn more about MHMD’s CI strategy as well as to further understand how to successfully meet the CI Bonus Eligibility requirements.

Besides qualifying you for bonus eligibility, your support and compliance with these CI requirements advances us in our clinical and quality efforts as we continue our journey toward becoming a more integrated organization. We are already seeing solid results of the impact our efforts are having on patients in ambulatory and inpatient settings. The 2012 CI Bonus Requirements information is available on PhysicianLINK.

Announcing 2012 MHMD Measures of Excellence

The MHMD Measures of Excellence for 2012 represent the focus for our physicians across all of our insurance plan contracts. Keeping these measures in mind while treating their patients and reporting them accordingly should help physicians qualify for their bonus goals and earn the quality-based incentives being offered.

Measures of Excellence Clinic Reminder Cards are being printed and distributed to all CI practices. This information will also be available on PhysicianLINK.

<table>
<thead>
<tr>
<th>MEASURE</th>
<th>POPULATION</th>
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<tbody>
<tr>
<td>1. BMI recorded</td>
<td>All patients</td>
</tr>
<tr>
<td>2. Medication monitoring (appropriate lab yearly)</td>
<td>Patients on ACE/ARB, digoxin, diuretic, or anti-convulsants</td>
</tr>
<tr>
<td>3. Beta-blocker after MI</td>
<td>Post-MI patients for six months</td>
</tr>
<tr>
<td>4. Osteoporosis management after fracture in women</td>
<td>Age &gt;67; BMD test or Post-Fx Medicine Tx</td>
</tr>
<tr>
<td>5. Colorectal CA screen</td>
<td>All Patients 50-75 yrs</td>
</tr>
<tr>
<td>6. Breast CA screen</td>
<td>Women 40-69 yrs</td>
</tr>
<tr>
<td>7. Cervical CA screen</td>
<td>Women 24-64 years</td>
</tr>
<tr>
<td>8. Cholesterol testing</td>
<td>Diabetics 18-75; Post CABG, AMI, or PTCA; Ischemic Vascular Disease Diagnosis within 2 yrs.</td>
</tr>
<tr>
<td>9. Cholesterol management</td>
<td>As above patients; LDL-C &lt;100</td>
</tr>
<tr>
<td>10. Diabetes A1c control</td>
<td>Diabetics 18-75; A1c&lt;9.0</td>
</tr>
<tr>
<td>11. Diabetes cholesterol management</td>
<td>Diabetics 18-75; LDL-C &lt;100</td>
</tr>
<tr>
<td>12. Diabetes management of nephropathy</td>
<td>Nephropathy testing or treatment</td>
</tr>
<tr>
<td>13. Diabetes HTN management</td>
<td>Diabetics with HTN on ACE/ARB</td>
</tr>
<tr>
<td>14. CAD lipid testing</td>
<td>CAD diagnosis; LDL-C performed</td>
</tr>
<tr>
<td>15. Health risk assessment. Completion/submission</td>
<td>All patients</td>
</tr>
<tr>
<td>16. Generic drug utilization</td>
<td>Generic rate % on all prescriptions</td>
</tr>
<tr>
<td>17. 30-Day readmission rate</td>
<td>All patients</td>
</tr>
<tr>
<td>18. Inpatient follow-up</td>
<td>Office appointment &lt;7 days after D/C</td>
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MHMD Announces Inpatient Quality & Safety Initiative

Memorial Hermann and MHMD have established shared objectives and goals for inpatient quality and safety as part of a new Inpatient Quality & Safety (IPQS) Initiative. These objectives and goals include: Improving Clinical Quality and Safety; Reducing Serious Safety Events, and Improving Quality and Safety Scores against National Benchmarks.

As part of the new IPQS initiative, there will be six key metrics tied to these shared goals to encourage process improvement behaviors that will lead to improved scores. "MHMD is incentivizing these behavior changes to encourage and reward physicians for their safety and quality achievements that will make our physician network more attractive to payors and patients," says MHMD President Keith Fernandez, M.D.

One metric of the new IPQS initiative is reducing the incidence of perinatal safety events throughout the system. To help improve safety in this area, new online OB Safety CME courses funded by Memorial Hermann are now available to help ensure OB physicians are up-to-date on the latest safety techniques and aware of key patient safety issues and medical risks in perinatal care.

The OB Safety e-Education is endorsed by the CPC OB/Gyn subcommittee and all Memorial Hermann campus MECs. "Adverse events can occur at any time during labor. This OB safety program is designed to reduce such events by establishing obstetrical collaborative teams to standardize care for our pregnant patients across the Memorial Hermann System," says Jerrie Refuerzo, M.D., chair of the OB/Gyn CPC specialty subcommittee.

Memorial Hermann is funding the OB safety online courses. "Developed by Advanced Practice Strategies (APS), the 22-hour online OB Safety e-Education curriculum delivers important obstetric information to the entire OB healthcare team, using a common language and evidence-based expectations for care delivery," says Memorial Hermann CMO Michael Shabot, M.D. “The course reflects national standards for perinatal care while addressing the primary drivers of obstetrical claims.”

Among the anticipated changes may be significant reduction in OB practice variation and significant improvements in communication between members of the OB healthcare team.

“When the Hospital Corporation of America (HCA), the largest obstetrical healthcare delivery system in the country, implemented a similar comprehensive obstetric patient safety program, claims dropped from 13 per 10,000 births in 2000 to 4 per 10,000 in 2009,” adds Dr. Shabot. "Cornell, Yale and other hospitals have reported similar results. In some hospitals, OB claims payments dropped from tens of millions of dollars per year to zero.”

Physicians and other key staff members are required to complete the courses by August 15, 2012. MHMD has committed to reimburse all medical staff OBs for completion of the new online OB Safety e-Education. The earlier the course is completed, the higher the rate of reimbursement. More information on the OB Safety course is available at PhysicianLINK.org and InSite, or by contacting Rebecca.Putterman@memorialhermann.org.

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### INPATIENT QUALITY & SAFETY INITIATIVE METRICS

<table>
<thead>
<tr>
<th>INITIATIVE</th>
<th>PARTICIPANTS</th>
<th>METRICS</th>
<th>INCENTIVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coding &amp; Documentation CME</td>
<td>All Physicians</td>
<td>Complete online course by June 30, 2012</td>
<td>$200 per physician</td>
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<tr>
<td>Standard Order Sets</td>
<td>All Physicians</td>
<td>Achieve Order Set Compliance &gt; 65% OR CPOE usage compliance &gt; 75%</td>
<td>$500 per physician</td>
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<tr>
<td>Iatrogenic Pneumothorax</td>
<td>Specialties determined by CPC</td>
<td>Reduce incidence of iatrogenic pneumothorax Rate per 1000 discharges per campus</td>
<td>$500 per physician</td>
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<tr>
<td>Deep Vein Thrombosis</td>
<td>Specialties determined by CPC</td>
<td>Reduce incidence of PostOperative Pulmonary Embolism and/or Deep Vein Thrombosis Rate per 1000 surgical discharges with OR procedure Per campus</td>
<td>$500 per physician</td>
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<tr>
<td>Hospital-Acquired Infections</td>
<td>Specialties determined by CPC</td>
<td>Reduce HAs: CLABSI, VAP, Surgical Site Infections (pending)</td>
<td>$500 per physician</td>
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<tr>
<td>Saving Lives</td>
<td>All Physicians</td>
<td>Reduce incidence of Serious Safety Events Rate per 1000 admits Per campus</td>
<td>$500 per physician</td>
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### OB/GYN CME INITIATIVE

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<thead>
<tr>
<th>OB Safety online CME</th>
<th>All active OB physicians. (CI or MHMD membership is waived for this initiative.)</th>
<th>Complete online course</th>
<th>$3,000 by 1/31/2012</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>$1,500 by 4/30/2012</td>
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Health Reform: A Year Later, Where Are We Headed?

At the latest State of the System physician events, Memorial Hermann President and CEO Dan Wolterman introduced a new strategic Vision, Brand Promise and Culture as well as an internal mantra, One Memorial Hermann. We sat down with Wolterman to learn more.

We have been preparing for the impact of healthcare reform through our Creating a New Healthcare Model initiative. How do the changes introduced at the Annual Meeting correspond to that initiative?

DW. The changes represent the next major step in our transformation to a truly integrated health system. If you think about it, the vast majority of our time, energy and resources have historically been used for delivering quality healthcare services, whether in a hospital or an outpatient setting. We have been so successful that Memorial Hermann is known across the country for being the “best of the best” at delivering quality healthcare services. There is only one problem. The current economic model for hospitals and healthcare systems is unsustainable and has been for some time. So change is inevitable, whether it comes through health reform laws or from private sector market demand for greater value. While many healthcare organizations have made the choice to “wait and see,” we are an organization that leads change. It is important to note that the changes we are making do not imply that we will no longer deliver quality healthcare services. They mean that we can no longer deliver ONLY healthcare. We have made a strategic decision to use our strength and expertise to become an integrated health system that truly advances the health of the people we serve.

Can you talk more about the concept of “advancing health”?

DW. While we will always take care of the ill and injured, advancing health means expanding our focus and giving people the tools and support they need to be healthy and stay healthy. It means MHMD working with primary care physicians to increase the number of Advanced Primary Care Practices, or “medical homes,” where patients benefit from care that is fully coordinated, and where the goal is to keep them out of the hospital. It means clinically integrating physician practices and providing access to chronic disease management programs, and much more.

So that’s why we changed our Vision and Brand Promise?

DW. Our previous Vision has served us well over the past six years. It promised “the best possible clinical outcomes with exceptional patient care experiences.” I am proud to say that everyone associated with Memorial Hermann took that promise to heart. We have gone above and beyond in terms of quality, patient safety and customer service. We are truly “best of the best” in many aspects of our business. However, the degree of change that will happen over the next few years is profound. The healthcare model will fundamentally transform, and we recognized the need to establish a new Vision for Memorial Hermann.

There are five parts:

1. Memorial Hermann will be the preeminent health system in the United States...
2. by advancing the health of those we serve...
3. through trusted partnerships with physicians, employees and others...
4. to deliver the best possible health solutions, 5. while relentlessly pursuing quality and value.

This represents exactly what we aspire to be as an organization. It’s not about us. It is about advancing the health of the people we serve. Our new Vision also emphasizes that we cannot achieve anything without having the support of our trusted partners – namely physicians and our employees.

Finally, it makes the point that it is essential that we maintain a relentless focus on quality and value.

If “We advance health” is our new Brand Promise, what is “One Memorial Hermann. Care delivery. Physicians. Health Solutions.”?

DW. To achieve our new Vision of advancing health, our identity must also include an expansive physician network and a portfolio of health insurance products that deliver value. Imagine if care delivery (all of the people and facilities that care for patients), physicians (UTHealth, MHMG and MHMD), and health solutions (MHealth and other products) were so closely aligned that we operate as “One Memorial Hermann.” Together, we could truly advance health.
New CFOs Focused on Integration

Both Memorial Hermann Healthcare System and MHMD are benefitting from new financial leadership to help navigate the untraveled waters of health reform. With the recently announced new Vision and Brand Promise exemplified by One Memorial Hermann, the System and MHMD are focused on integration and building on physician alliances to connect models of physician service to the health system and health solutions from MHealth Insurance Company.

Dennis Laraway, the former chief financial officer for Scott & White Healthcare, came onboard last September as Memorial Hermann’s new System CFO. Laraway’s experience leading financial policy and corporate finance functions for hospitals, clinic operations, health plan, and research and education affairs while with Scott & White will benefit both Memorial Hermann and MHMD. “Careful strategic and financial planning is paramount in terms of setting direction for the coming three to five years,” says Laraway.

With a background that includes working in academic medicine, establishing physician organizations and operating insurance models, Laraway succeeds Carrol Aulbaugh, who retired after 11 years of skillfully leading Memorial Hermann to unprecedented growth and success. Prior to joining Scott & White, Laraway served as vice president and chief financial officer for St. Joseph’s Hospital & Medical Center in Phoenix – part of Catholic Healthcare West (CHW). His career as a CFO began in the capital district of New York, where he served as CFO for the Seton Health system, part of Ascension Health.

“It’s very hard to be everything for everyone. So, Memorial Hermann uses a comprehensive planning approach, both long-range and short-term budgeting, to be able to guide its resource allocations, including key alliances with physicians and service lines, for the best possible outcomes to the community,” comments Laraway. “We embrace the planning function not only to connect strategy, operations and finance, but to help connect One Memorial Hermann in terms of physicians, care delivery sites and health solutions.”

Laraway brings the expertise of leading Scott & White, one of the most integrated medical systems in the nation. Scott & White has a network of 12 hospitals, the state’s largest physician group practice and the state’s top-rated health plan, and serves as the primary teaching affiliate of Texas A&M Health Science Center – College of Medicine.

“Indeed, he is considered one of the top CFOs in the nation, with a solid reputation within the healthcare community and the capital markets,” says Memorial Hermann President and CEO Dan Wolterman. “Adding Dennis’ outstanding healthcare credentials and proven competencies to Memorial Hermann’s leadership team will well-serve the System as we prepare to transition during these uncertain times associated with healthcare reform.”

Additionally, building depth in MHMD, Becky Cook became its CFO last fall. Previously, she had spent 14 years with Aurora Medical Group and Aurora Health Care in Milwaukee, Wisconsin, as director of finance. “My work with the group was focused on supporting the physicians, the group and the system through several successful integration projects that included implementing single-practice management systems, single-fee schedules, information data systems for performance reporting and a single-compensation plan for 800 physicians and 25 specialists,” says Cook. “All of these projects contributed to enhancing the clinical and financial performance of the physicians, the system and the multispecialty group while ensuring our patients remained at the center of all we planned.”

Prior to working with Aurora, Cook served with Baptist and Physician’s Integrated Delivery System in Memphis and Via Christi in Wichita, Kansas. These healthcare organizations are known for building relationships with physicians through IPA, contracted or employed options.

“Becky brings a level of expertise from a mature market and a skill set that rounds out MHMD’s CI program and will be integral in bringing value-based initiatives to our CI network,” says Chris Lloyd, MHMD CEO.

Both Cook and Laraway agree that integration will play an important role in the future of both organizations in the years ahead with many opportunities for the healthcare system and its physician network to work together as never before.

“The success of Memorial Hermann over the last decade will likely look much different over the next five to 10 years,” says Laraway. “The footprint of hospitals will need to be supported by our expanding initiatives as an insurance company and with tighter physician alliances.”

“Each integrated system has to find its own pathway, especially with new ACOs immediately ahead of us,” adds Cook. “My hope is that my background and skill set will be valuable to the physicians and MHMD as we progress to new models of providing care and forming a new culture based on collaboration and cooperation within the Memorial Hermann system.”
eOrdering Rolls Out to More Campuses

Last fall, Memorial Hermann Texas Medical Center deployed Computerized Physician Order Entry (CPOE) or eOrdering in their Adult and Heart & Vascular Institute services, joining Memorial Hermann Katy, Sugar Land, Southeast and Northwest hospitals. Transitioning gradually to eOrdering, hospital by hospital, allows each facility to train employees and affiliated physicians on how to use the new system as well as analyze usage and optimize the software as needed.

eOrdering offers many benefits to physicians and their patients. Studies show that eOrdering systems reduce the rate of serious medication errors and adverse drug events because medical orders are integrated with patient information. When entered into the computer, physician orders are automatically checked and alerts are instantly issued if there is a potential for a patient drug interaction, allergy or overdose.

In addition to issuing alerts, eOrdering standardizes order entry, reducing the possibility for misinterpretations that can lead to errors. Patient care is expedited because computerized physician eOrders are activated immediately and visible to all departments: nurses, lab, pharmacy, radiology, respiratory therapy, etc.

To assist in the adoption and usage of eOrdering, an eOrdering R.N. concierge analyst or Clinical Support Analyst (CSA) is being made available on these Campuses to provide “at the elbow” support and assistance to physicians when using eOrdering.

User support is also available online. By selecting the new eOrdering support button on Care4, physicians can initiate a chat session with an eOrdering expert or trained R.N. concierge that will reply on screen. The physician simply follows the prompts and accepts the terms to initiate the help session. This gives permission for the eOrdering R.N. to see the physician’s computer screen to answer questions and provide step-by-step guidance through the eOrdering process in real time.

For additional eOrdering assistance, physicians can call the Physician Support Center at 713.704.DOCS (3627), and press “2” for Care4 eOrdering support.

MHiE Puts the Latest Patient Data at Your Fingertips

Memorial Hermann has launched the first health information exchange of its kind in Houston. Called Memorial Hermann Information Exchange (MHiE), the new program uses a secure encrypted electronic network to integrate and house patients’ digital medical records so they are easily accessible to authorized MHiE members. It vastly enhances image and clinical data management, distribution and exchange between referring physicians and hospitals in Southeast Texas.

MHiE’s suite of solutions includes a Community Health Exchange (cHX), a Diagnostic Health Exchange (dHX) for test orders and results, an Image Gateway offering radiologists and physicians 24/7 access to images captured within the network of provides that use the service and supports the regional trauma network.

The image-sharing technology is powered by DICOM Grid. “DICOM Grid eliminates the need for CDs and traditional radiology film because authorized facilities can now easily and instantly transmit images to our Level I trauma center or receive radiology studies from our Imaging Centers, including MRI and CT scans, via the system,” says David Bradshaw, chief information, planning and marketing officer.

“The image-sharing capability accelerates diagnosis and treatment and helps avoid unnecessary imaging tests. Images can now arrive at our emergency center well ahead of patients, allowing the studies to be read and the clinicians to be prepped and ready to go as soon as patients come through our doors,” says James McCarthy, M.D., Emergency Center medical director at Memorial Hermann-Texas Medical Center.

To learn more about becoming an Exchange Member, visit memorialhermann.org/MHiE or call 713.704.DOCS (3627).
Ankur Doshi, M.D., is both an internist and a computer scientist, but he says you don’t have to be a computer scientist to use eClinicalWorks®. “As far as technology goes, we’re all using iPhones® and iPads® and I think most physicians are on the same level playing field,” says Dr. Doshi.

Dr. Doshi and his associates had been interested in adopting electronic medical records for some time and started using eCW three years ago. “We looked at a lot of EMRs and we liked eClinicalWorks. We thought it was very compatible with our office,” says Dr. Doshi. “We’ve implemented it in both our Memorial City and Katy offices. This is definitely a benefit as some patients will go to both offices, so it’s nice to use the same EMR in both locations.”

When they first made the switch, it was important for the practice to get the new EMR up and running as fast as possible. “We received training and support through MHMD. It took about three days to get the basic training. We did not see patients for three days and on the fourth day we went live,” says Dr. Doshi. “By day five, we were up and running and seeing patients regularly.”

For offices with multiple specialties, eCW’s templates for different specialties help facilitate care.

“If you know that in the next couple of years you’re going to need electronic records, I recommend eCW. eCW is definitely one of the ones that is the most user friendly.”

MHMD’s Clinical Integration program members are offered discounts and financing on eCW. There are no extra costs for service, support and maintenance.

“If you know that in the next couple of years you’re going to need electronic records, I recommend eCW,” says Dr. Doshi, “eCW is definitely one of the most user friendly.”

To schedule a demonstration of eClinicalWorks, email physicianEMRsolutions@memorialhermann.org or call 713.338.6428.

For questions or support with an existing eClinicalWorks system, contact the Physician Support Center at 713.704.DOCS (3627).
Additions at Children’s Memorial Hermann Hospital

The new Imaging and Procedure Suite at Children’s Memorial Hermann Hospital can accommodate a full range of pediatric gastroenterology procedures and has pediatric catheterization labs offering pediatric noninvasive cardiology services, including fetal and pediatric echocardiography, ultrasound, tilt-table testing and stress testing.

“We’ve completed phase one of the renovation which allowed us to improve customer service, operate more efficiently and add new services, including pediatric electrophysiology,” says Shannon Wright, director of operations for Women’s and Children’s Services. Phase two of the renovation is under way, with plans to include radiology/fluoroscopy, ultrasound imaging services and magnetoencephalography (MEG).

Additionally, Children’s Memorial Hermann Hospital is the first pediatric hospital in Texas to have a portable CT scanner that delivers high-quality, real-time imaging and timely diagnosis at the bedside or during surgery. “The CereTom® portable scanner is an excellent tool, specifically in the treatment of traumatic brain injury. It is innovative and has great potential to improve care for seriously injured and ill patients,” says Nathan Strobel, M.D., medical director of the Pediatric Intensive Care Unit at Children’s Memorial Hermann Hospital and assistant professor of clinical pediatrics at The University of Texas Health Science Center at Houston (UTHealth) Medical School.

New Pulmonary Rehabilitation Program at Southwest

Memorial Hermann Southwest now offers a multidisciplinary pulmonary rehabilitation treatment program for patients with chronic respiratory impairment. Recent studies, including one by the NIH on COPD patients in a comprehensive pulmonary program, have shown patients experience a significant improvement in exercise performance and perceived dyspnea with daily activities.

“Pulmonary rehabilitation programs are now at the forefront of treatment strategies for many chronic lung conditions,” says Tehmina Badar, M.D., a pulmonologist affiliated with Southwest. “This multidisciplinary program of care for patients is individually tailored and designed to optimize each patient’s physical and social performance and autonomy.”

The program includes lower extremity training, inspiratory muscle training, education, psychosocial counseling and exercises for patients after rehabilitation. To refer a patient, call 713.778.6248.

New Cancer Center at Memorial City

Memorial Hermann, Texas Oncology and US Oncology have joined forces to create the new Memorial Hermann Cancer Center at Memorial City, and the Texas Oncology Radiation Oncology Center at Memorial City.

“We are excited to bring this comprehensive $12 million Cancer Center to west Houston,” said Keith Alexander, Memorial Hermann Memorial City CEO. “We now offer a full continuum of care for diagnostic, treatment and support services under one roof.”

The Center includes the state’s first VarianTrueBeam STx™ linear accelerator. It enables physicians to pinpoint tumors and deliver precise radiation at a higher dose rate while saving surrounding healthy tissue and reducing treatment time from 10 to two minutes.

“Lung cancers are complicated to treat because the tumors are often in motion because of respiratory function,” says Vivek Kavadi, M.D., a radiation oncologist affiliated with Memorial Hermann Memorial City and medical director of Radiation Oncology at US Oncology. “This accelerator provides gated RapidArc® radiotherapy that compensates for breathing motion and allows for accurate targeting of the moving tumor.”

New radiation services available with the linear accelerator include stereotactic radiosurgery (SRS) for brain tumors and stereotactic body radiation therapy (SBRT) to treat tumors in the spine, lung, liver and prostate. To learn more, visit memorialherman.org/memorialcity.

New Complex Arrhythmia Center at HVI-TMC

For the first time in the Gulf Coast area, patients can receive a continuum of care from initial evaluation, through treatment to discharge – all at the new Complex Arrhythmia Center located at the Memorial Hermann Heart & Vascular...
the former Institute’s offerings to include cross-sport research to improve athletic performance and recovery, and reduce injuries. New research protocols examining training regimens of endurance athletes will now benefit athletes in all sports.

“Our clinical expertise coupled with their extensive knowledge of endurance training and recovery will enhance our ability not only to help injured athletes return to their sport faster, but also to help strong athletes become even stronger,” said Walt Lowe, M.D., medical director of the Ironman Sports Medicine Institute and chairman of the department of Orthopaedic Surgery at The University of Texas Health Science Center at Houston (UTHealth) Medical School.

Southeast’s Esophageal Disease Center Streamlines GI Care
The Esophageal Disease Center (EDC) at Memorial Hermann Southeast Hospital is the first and only place in Houston offering diagnostic testing and treatment at one location for patients with conditions affecting the upper GI tract. “Not only is having one location more convenient for patients, it ensures continuity of care,” said Frazaneh Banki, M.D., director of the Center and assistant professor of cardiothoracic vascular surgery at The University of Texas Health Science Center at Houston (UTHealth) Medical School.

The EDC provides diagnosis and procedures for common and rare esophageal disorders, including achalasia, Barrett’s esophagus, dysphagia, esophagus and stomach cancer, gastroesophageal reflux disease, hiatal hernia, ulcers and Zenker’s diverticulum.

The Center’s technology includes high-resolution esophageal manometry to measure the pressure inside the esophagus, Restech™ pharyngeal probe to measure acid in the pharynx in patients with respiratory symptoms, upper endoscopy, endoscopic ultrasound and 24-hour pH probe and Bravo™ 48-hour pH test, to measure acidity in the esophagus. To refer a patient, call 281.929.3321 or visit memorialhermann.org/edc.

New Pediatric Outpatient Facility at TIRR Memorial Hermann
TIRR Memorial Hermann Pediatric Outpatient Rehabilitation opened a dedicated therapy center for children at 2453 South Braeswood. The facility is designed for children whose conditions call for the intensity of conventional inpatient rehabilitation, but do not require overnight nursing care. These patients benefit from an integrated and intensive rehabilitation program in a clinical setting during the day, combined with the family’s emotional support at home.

The interdisciplinary team consists of speech-language pathologists, physical therapists, occupational therapists, neuropsychologists and social workers. Services include:
- Physical therapy
- Occupational therapy
- Speech-language pathology
- Neuropsychological testing
- Pediatric wheelchair assessments

For more information, call 713.524.9702.
The Physician’s Role in a High Reliability Organization

According to Weick & Sutcliffe’s “Managing the Unexpected,” High Reliability Organizations (HROs) like air traffic control, nuclear submarines, naval aviation and nuclear power plants operate under difficult conditions all the time and yet manage to have fewer than their fair share of accidents. This is possible because HROs are reliability-seeking organizations. They are distinguished by how they manage unexpected events and prevent them from becoming adverse events.

The high-reliability infrastructure is grounded in a process called “collective mindfulness”, which means that everyone remains constantly and consciously aware that a safety lapse might occur. Collective mindfulness leads to the capability of detecting and managing unexpected events, thus preventing them from becoming an adverse event. Collective mindfulness requires that leaders and organization members pay close attention to shaping the values of the organization and to establishing a set of processes and practices that jointly contribute to the overall culture of safety.

Several basic principles are important to healthcare safety as part of a comprehensive improvement strategy:

- In any complex situation involving the performance of multiple individuals, uniformity of processes generally yields improved results.
- Each member of the team involved in these processes must speak the same language, and be empowered to stop any person or process deemed unsafe by means of escalation to a clearly defined chain of command.
- Quality and safety metrics must be chosen to optimize care processes that lead to safety or quality events.
- Accountability systems are an essential part of patient safety improvement.

Each member of the Memorial Hermann medical staff is in a unique position to contribute to our success as an HRO. Physician leaders have significant influence on planning patient care, implementing evidence-based care plans and prioritizing resource utilization. Physicians play critical roles in maintaining situational awareness, solving problems and making crucial decisions at the patient’s bedside.

Physicians can demonstrate that safety as a core value cannot be compromised at any time, and find and fix causes of problems that challenge safe, high-quality care. They can also reinforce and build accountability for behavioral expectations for error prevention in their own practice and in the practice of others.

Michael Shabot, M.D.
System Chief Medical Officer

<table>
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<tr>
<th>RELIABILITY-SEEKING ORGANIZATIONS MANAGE THE UNEXPECTED THROUGH FIVE PROCESSES</th>
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<tbody>
<tr>
<td>Sensitivity to Operations – paying attention to what is happening on the frontline</td>
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<tr>
<td>Preoccupation with Failure – regarding small, inconsequential errors as a symptom that something is wrong</td>
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<tr>
<td>Reluctance to Simplify – encouraging diversity in experience, perspective and opinion</td>
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<tr>
<td>Commitment to Resilience – developing capabilities to detect, contain and bounce-back from events that do occur</td>
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<tr>
<td>Deference to Expertise – pushing decision-making down to the person with the most related knowledge and expertise</td>
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PHYSICIAN SATISFACTION SURVEY RESULTS

Overall Physician Satisfaction Rates Continue Upward Trend

For the seventh year in a row, physician satisfaction scores continued to rise in the annual MHMD-commissioned Physician Satisfaction Survey conducted by HealthStream® Research. The 2011 survey reported that the percentage of physicians satisfied or very satisfied with Memorial Hermann hospitals topped 95 percent, a two-point improvement over last year. One of the major drivers for physician satisfaction is nursing care. The 2011 survey revealed that the percentage of physicians who were satisfied or very satisfied with nursing care increased to 94 percent. Additionally, the percentage of physicians who would recommend Memorial Hermann facilities to their families or friends increased to 95 percent.

MHMD Chief Quality & Informatics Officer Shawn Griffin attributes the steady improvement in satisfaction scores to the growing alignment of Memorial Hermann employees and MHMD physician members. “By listening and working with our physician members more closely at each Memorial Hermann campus, the System is improving its capacity to identify and respond to the needs of our physicians and their patients.”

The Campus scoring the highest overall satisfaction rates was Memorial Hermann Sugar Land, with a 3.56, placing it in the 94th percentile nationwide. The Campuses seeing the greatest improvement in their satisfaction scores were Children’s Memorial Hermann Hospital and Memorial Hermann Southwest Hospital. At Southwest, satisfaction scores jumped from 3.04 (29th percentile) to 3.54 (92nd percentile) on a 4.0 scale, representing a dramatic turnaround.

“This accomplishment serves as a confirmation of progress on our journey to developing a ‘servant leadership’ culture throughout the hospital. This change must start at the top and be fully adopted throughout the organization for it to make a difference,” says Southwest CEO George Gaston. “I cannot say enough about the dedication of our affiliated physicians, staff and volunteers who provide the highest quality of care and service on a daily basis. Being highly aligned with our physicians in a transparent and collaborative manner is essential in today’s increasingly complex healthcare environment.”

MHMD views the survey as a member benefit because it provides physicians a venue for collectively voicing concerns and suggestions for improvements in hospital facilities and services. For the first time, the 2011 survey offered an opportunity for physicians to submit specific verbatim comments anonymously.

“We received a large proportion of positive comments as well as a variety of insightful and constructive comments on areas where improvement is still needed,” adds Dr. Griffin. “These comments will be carefully reviewed and utilized for planning purposes by the leadership at each hospital.”

The seventh-annual physician survey was performed by HealthStream Research. One of the healthcare industry’s foremost benchmarking resources, the company surveyed the opinions of 1,168 active and provisional Memorial Hermann medical staff members to evaluate physician satisfaction and engagement. Participants were selected randomly from among a pool of physicians logging a minimum of 12 cases per year. In 2011, HealthStream distributed 2,492 surveys, 250 more than the previous year, and maintained an impressive 47 percent response rate.

“We appreciate the physicians taking the time to participate in these annual surveys,” adds Dr. Griffin. “Their input and regular feedback is invaluable in helping to ensure our two organizations continue to become more closely aligned and Memorial Hermann hospitals continue to be where our members prefer to practice medicine.”

Overall Physician Satisfaction Rates Continue Upward Trend

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<tr>
<th>Very Satisfied</th>
<th>Satisfied</th>
<th>Dissatisfied</th>
<th>Very Dissatisfied</th>
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<tr>
<td>47%</td>
<td>48%</td>
<td>5%</td>
<td>1%</td>
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KEY DRIVERS OF OVERALL PHYSICIAN SATISFACTION

Memorial Hermann exceeded national scores in the top 10 items found most important to physicians:

1. Consistency: Hospital’s efforts to maintain a high quality of care, consistent across all shifts and units
2. Skill: Administration’s ability to manage the hospital
3. Safe Care: Efforts to provide safe and error-free care to patients
4. Satisfaction with Nursing Care
5. Responsiveness: Administration’s responsiveness in addressing issues important to patient care
6. Quality Improvement: The hospital’s efforts to involve physicians in improving quality of care
7. Teamwork: How well the nurses, doctors and other staff work together
8. Willingness to recommend hospital to family or friends needing care
9. Communication: How well administration communicates with physicians
10. Administration’s efforts to involve physicians in hospital’s decision-making process
Transitioning to 5010 and ICD-10

Physician offices that check patient eligibility online, file claims electronically or receive remittance advices electronically must be updated to 5010 to continue using these functions and get paid.

Last November, CMS released a statement announcing a “90-Day Period of Enforcement Discretion” for 5010 compliance. This announcement means CMS will not enforce compliance until March 31, 2012. However, if you are not currently compliant, CMS may require you to “produce evidence of a good-faith effort” to become compliant. And some payors may still reject the 4010 claims and not pay them.

“5010 compliance is the first step in preparing for ICD-10,” says Memorial Hermann Chief Community Benefit Officer Carol Paret. “5010 is designed to accommodate the expanded code length of ICD-10.”

The new ICD-10 classification system promises to provide much better data for measuring the quality, safety and efficacy of care as well as monitoring resource utilization. It also will affect the design of payment systems and processing claims for reimbursement, necessitating the switch from Version 4010 to Version 5010 for electronic claims.

To help prepare physicians for the changes ahead, Memorial Hermann has been offering presentations on 5010 and ICD-10 readiness since July 2010. “We want to help physicians be compliant in time so they do not risk being denied payment by their insurance companies.

New Clinical Documentation CME
To help prepare physicians for the transition from ICD-9 to ICD-10, MHMD has created a new CME and is offering an incentive for MHMD Physicians who complete it before June 30, 2012.

It is entitled “Clinical Documentation for Physicians: Impact on Physician Payment, Performance Evaluation and on our Hospitals” and is available online at PhysicianLINK.org. For questions, email MHMDProviderRelations@memorialhermann.org.

Quick Tips for ICD-10 Implementation

- Identify your current systems and work processes, either electronic or manual, which use ICD-9 codes. Encounter forms and/or superbills need to be converted. If you use an encounter form or superbill to mark symptoms or diagnosis for patient visits, you will need to convert the ICD-9 codes to ICD-10 codes.
- Talk to your current practice management system vendor.
- Talk to your clearinghouses and billing services.
- Talk to your payors about possible changes to your contracts as a result of implementing ICD-10 codes.
- Identify potential changes to existing practice workflow and business processes.
- Identify staff training needs.
- Perform testing with your trading partners – payors and clearinghouses.
- Budget for implementation costs, including expenses for system changes, process changes, resource materials, consultants and training. ICD-10 implementation costs are estimated to range from $84,000 for a small physician practice to $3 million for large practices.
MHealth News

MHealth Insurance Company Employer Group Health Insurance Plans Now Available

Affordable, high-quality health plans are now available through MHealth Insurance Company, the licensed carrier for the MHealth Insured group health insurance products.

MHealth Insurance Company currently offers eight small and large group benefit plan designs available for companies with two or more employees with 80 percent of employees living within the six-county Houston region.

MHealth also administers self-funded plans, MHealth Choice.

For more information about MHealth’s group health insurance plans for you and your employees, contact MHealth Sales Director Lisa Munoz at 713.338.5054 or lisa.munoz@mhealthbenefits.org

MHealth Adds New Provider Relations Department

In an effort to improve customer service to its provider partners, MHealth established a new Provider Relations department to assist providers with questions and issues relating to network status, credentialing, demographic changes and more.

MHealth Provider Relations 713.338.4801

Email: mhealthpr@mhealthbenefits.org

View eligibility and claims online at MHealth Provider Web Portal Mhealthbenefits.org

New MHealth CEO Arrives

In September, Brian Wells became chief executive officer of MHealth. Wells brings 30 years of managed care experience to his new role at MHealth. In his past responsibilities, he garnered experience in operational management, sales leadership, financial management, medical management, regulatory and accreditation compliance and contract negotiation.

He began his healthcare career at Harvard Community Health Plan in 1980 as a pharmacist before joining Blue Cross and Blue Shield of Massachusetts in 1982, where he served in numerous leadership roles including operations director, division executive director and regional director. A decade later, Brian joined Healthsource in Massachusetts and quickly progressed from vice president to CEO.

When CIGNA acquired Healthsource in 1997, Brian served as senior vice president and president of various business units before becoming COO of Coventry Health Care of Florida in 2009.

“Brian is passionate about managed care and is particularly adept at leading start-up operations. I am confident that his deep understanding and knowledge about managed care will build on MHealth’s success and skillfully position it as a major player in the Greater Houston area health insurance industry,” says Dan Wolterman, Memorial Hermann president and CEO. “Brian’s exemplary experience in the managed care field will serve him well as the leader of MHealth.”

“Quality within medical care has been and remains a constant aspiration throughout my career,” says Brian Wells, MHealth CEO. “Memorial Hermann is clearly at the forefront of this and I look forward to working with MHMD physicians as we continue this goal.”

Symposium on Quality Initiatives in Neuroscience

Saturday, February 18, 2012
7:30 a.m. to noon
Hotel Granduca
1080 Uptown Park Blvd.
Houston, TX 77056

To register, visit mhmni.com/cme

Memorial Hermann Hospital System is accredited by the Texas Medical Association to provide continuing medical education for physicians.

Memorial Hermann Hospital System designates this live activity for a maximum of 3.00 AMA PRA Category I Credits™.

Participants should only claim credit commensurate with the extent of their participation in the activity.

Find Out What’s New in CME

The Memorial Hermann CME website on PhysicianLINK.org connects you to:
• Upcoming live CME events
• Online CME courses
• CME summary of credits
• Search for CME events
• Other resources
• Quick reference videos and training guides

Contact Us
E-mail: cmesupport@memorialhermann.org
Phone: 713.448.5101 or 713.448.5914
Memorial Hermann was the only hospital system in Houston and one of only two in Texas named among the nation’s 15 Top health systems by Thomson Reuters, a leading provider of information and solutions to improve the cost and quality of healthcare. According to the study, Memorial Hermann ranked in the top five among large health systems. The prominent award is based on criteria such as clinical outcomes, patient safety, patient satisfaction and operational efficiency.

Researchers from the Thomson Reuters 100 Top Hospitals® program analyzed the clinical quality and efficiency of more than 300 health systems to identify the top 15.

“We are extremely delighted and proud to receive this distinguished recognition,” said Memorial Hermann President and CEO Dan Wolterman. “This award was based on objective public data – not reputation – meaning that our keen focus on patient safety and quality differentiated Memorial Hermann from any system in Houston, and placed us among the top healthcare systems in the nation.”

“This award is a game-changer and a true testament to the outstanding employees and medical staff at Memorial Hermann,” he continued. “Such recognition makes a strong statement that Memorial Hermann cares about quality clinical outcomes, patient safety and exceptional patient care experiences, while maximizing the cost efficiencies of care. This allows Memorial Hermann to deliver value in the care we provide our patients.”

“This year, we are seeing stronger systemwide performance and increased rates of improvement, particularly among the 15 Top Health Systems award winners. Health system performance is beginning to reflect aspirations to provide more consistent outcomes across communities served,” said Jean Chenoweth, senior vice president for performance improvement and 100 Top Hospitals® program at Thomson Reuters. “Healthcare reform appears to have stimulated the increased rate of improvement at the system level.”