



quality health partners  
OF SOUTHERN ILLINOIS

*Clinically Integrated*  
**PHYSICIAN HOSPITAL ORGANIZATION**

# Quality Health Partners Is a Clinically Integrated PHO

- A Physician-Hospital Organization (PHO) is a joint venture between physicians and a hospital/system that is authorized to contract with payers.
- The FTC does not normally allow independent physicians, groups or hospitals to collectively bargain with health plans through a PHO or similar organizations like Independent Physician Associations (IPA). However, in order to encourage quality improvement, they have allowed providers to do so provided that they “clinically integrate.”
- A clinically integrated PHO is one that uses systems and processes to improve quality and reduce cost through evidence based medicine, performance measurement, information sharing, and alignment of incentives.

# Quality Health Partners Was Developed to Capitalize On Long Term Market Trends As a Medical Community

- Historically, the reimbursement system in the US rewards quantity not quality.
- Health plans, States and CMS are gradually adopting policies to reduce or eliminate payment when a quality outcome is not achieved or the right technology is not utilized. These trends are likely to continue under any reform scenario.
- QHP seeks to capitalize on these trends by promoting better outcomes and adopting technology and thereby improving provider reimbursement.
- Responding to these trends requires significant investment in technology and intellectual capital. If providers can work together, they can share this investment and promote a single standard of care.
- Participation in QHP allows independent providers to continue their role without “selling” their practices.

# Key Elements of Quality Health Partners

Element	Role
Contract Negotiation	Negotiate contracts with health plans on behalf of physicians and SIH. Fee-for-service payments continue to go directly to physicians and hospitals but using the new fee schedule.
Incentive Payments	Negotiate incentive funds from payer which will be distributed to physicians and hospitals based on performance on agreed upon metrics using a system designed by QHP.
Quality Improvement	Design and implement a set of clinical protocols and outcome measures which physicians will utilize to improve quality and outcomes.
Performance Measurement	Implement an information system that allows QHP and its providers to measure clinical quality and outcomes at the PHO, group, physician and patient level.

# Contracts and Incentives

- QHP will contract with payers to provide incentive funding but in most cases physicians will be paid directly by payers.
  - The exact structure of QHP’s payer contracts is unknown.
  - QHP must complete “Clinical Integration” before it can formally negotiate with a health plan.
  - Without knowing the terms of the payer contract, we cannot determine the exact terms of any incentive or bonus system.
- QHP aims to emulate the terms that *Advocate Physician Partners* has successfully negotiated with most health plans in Illinois with the following terms:
  - Fee schedules negotiated by QHP.
  - Fee schedules continue to be paid to physicians directly by health plans. QHP can pool information about disputes and help physicians minimize and contest under-payments and denials.
  - Health plans pay QHP a percentage of all paid claims which helps QHP pay operating expenses and fund an incentive pool that the PHO can distribute to providers.
  - Design of the incentive system is up to the QHP Board although payers may wish to be informed to ensure funds are being used appropriately.

# The PHO Is Governed Jointly By SIH and Physicians

- “Sole member LLC” structure allows SIH to fund development of the PHO while sharing decision making with physicians. All major decisions are cast by QHP’s “Board of Managers.”
- The Board consists of two classes:

Physician/FQHC Class	SIH/SIMS Class
3 PCPs, 1 from each med staff 1 FQHC 1 Surgical sub-specialist 1 Medical sub-specialist 1 non-SIMS hospital based	1 SIMS hospital based physician 1 SIMS PCP Administration from all 3 campuses 1 community representative 1 SIH appointee

- All decisions by the Board require a majority of BOTH classes. If either class does not support a decision, the motion will not pass and the PHO will not proceed.
- Approval of payer contracts, clinical measures and incentive system require two-thirds of each class.

# An Interim Board of Managers Has Been Named Which Will Oversee the PHO For the First Year

<b>Independent Physician/FQHC Administration Class</b>	<b>SIH/SIMS Class</b>
<ol style="list-style-type: none"><li>1. Clare Fadden, MD</li><li>2. Suhail Istanbouly, MD</li><li>3. Patsy Jensen</li><li>4. Larry Jones, MD</li><li>5. Kim Mitroka</li><li>6. Anad Salem, MD, President</li><li>7. Penny Tippy, MD</li></ol>	<ol style="list-style-type: none"><li>1. Dale Blaise, MD</li><li>2. Rex Budde</li><li>3. Mike Kasser, Treasurer</li><li>4. Gerald McClallen, DO</li><li>5. Jim Miller, MD</li><li>6. Jeff Parks, MD</li><li>7. Phil Schaefer</li></ol>

# Committees Will Perform Much of the Work and Also Allow Other Physicians to Get Involved

- Three Standing Committees are provided for in QHP's Operating Agreement.

Committee	Role
Finance	<ul style="list-style-type: none"><li>• Oversee finances</li><li>• Set incentive bonus system</li></ul>
Clinical Measures & Programs	<ul style="list-style-type: none"><li>• Design the clinical program</li><li>• Monitor provider performance and improvement plans</li></ul>
Contracts & Network	<ul style="list-style-type: none"><li>• Review and approve payer contracts</li><li>• Oversee information system and data</li><li>• Work with providers to optimize use of information and minimize impact on work flow.</li></ul>

- Only participating providers are eligible to serve on a Committee.
- Any participating provider may ask to serve on a Committee. The Board may ask providers to serve and those providers agree to serve if asked.
- Additional Special Committees may be formed and/or may become Standing Committees.

# QHP Has Enrolled Over 180 Physicians

- SIMS
- SIU Healthcare
- Shawnee Health Service
- Christopher Rural Health Planning Corp
- CHESI
- Harrisburg Primary Care Group
- Prairie Cardiovascular
- Southern Illinois based independent physicians

# QHP Network Breakdown

The Network	
FQHC	46
Harrisburg Primary Medical Care	11
Independent/Private Practice	12
Anad Salem, MD	
Kidney Disease and Medicine Specialty Consultants	
Lloyd Neal McCain, MD	
Marsha Ryan, MD	
Midwest Regional Neonatology	
Southern Illinois Allergy and Asthma Center	
Southern Illinois Neurology and Sleep Medicine	
Southern Illinois Respiratory Disease Consultants	
Sujatha Rao, MD	
Swafford Pediatrics	
Prairie Cardiovascular	9
SIU Healthcare	9
Southern Illinois Medical Services	96
<b>Total Network</b>	<b>183</b>

Primary Care	
Family Medicine	52
Internal Medicine	8
Pediatricians	14
<b>Total Primary Care</b>	<b>74</b>

Specialty Care	
Allergy/Immunology	2
Bariatric Surgery	2
Breast Surgery	1
Cardiology	9
Cardiothoracic Surgery	2
Emergency Medicine	25
Gastroenterology	2
General Surgery	10
Gynecology	1
Hematology/Oncology	2
Hospitalist	16
Infectious Disease	1
Neonatology	2
Nephrology	3
Neurology/Sleep Medicine	2
Neurosurgery	3
Obstetrics/Gynecology	4
Occupational Medicine	1
Otolaryngology	3
Pain Management	1
Podiatry	1
Psychiatry	1
Pulmonology	5
Urology	2
Wound Care	1
<b>Total Specialty Care</b>	<b>109</b>

# QHP Has Established Preliminary Clinical Priorities Based on Physician/SIH Priorities and Perceived Payer Needs

REGISTRY	MEASURE
<b>Comprehensive Adult Diabetes Care (CDC)</b>	HbA1c Performed Annually
	HbA1C >9 Uncontrolled or Not Done
	HbA1C <8 Controlled
	LDL Performed Annually
	LDL Result <100
	Blood Pressure Performed Annually
	Blood Pressure Controlled < 140/90
	Influenza Vaccine Annually
	Nephropathy Screening Annually
	Smoking Assessment Annually
Smoking Cessation Counseling Annually	
<b>Comprehensive Ischemic Vascular Disease Care (IVD)</b>	LDL Performed Annually
	LDL Result < 100
<b>Comprehensive Ischemic Vascular Disease Care (IVD)</b>	Antiplatelet Therapy
	Blood Pressure Performed Annually
	Blood Pressure Controlled < 140/90
	Influenza Vaccine Annually
	Smoking Assessment Annually
	Smoking Cessation Counseling Annually
<b>Asthma</b>	Influenza Vaccine Annually
	Controller Med Prescribed Last Year
	Smoking Assessment Annually
	Smoking Cessation Counseling Annually

REGISTRY	MEASURE
<b>Immunizations</b>	Influenza Vaccine Annually (>=50 years)
	Pneumonia Vaccine Once (>=65 years)
	Tdap Annually (19-64 years)
<b>COPD</b>	Influenza Vaccine Annually
	Pneumonia Vaccine Once
	Smoking Assessment Annually
	Smoking Cessation Counseling Annually
<b>Cancer Screening</b>	Breast Cancer Screening (40-69 years)
	Colon Cancer Screening (50-75 years)
	Cervical Cancer Screening (21-65 years)
<b>Electronic Prescribing %</b>	Electronic Prescribing %
<b>CPOE %</b>	CPOE %
<b>Generic Prescribing %</b>	Generic Prescribing %
<b>IH Registry Usage %</b>	IH Registry Usage %



# Participation Will Require Limited Changes to Your Practice Workflow Which Quality Health Partners Will Help Optimize

- You will continue to schedule, bill, and collect for patients the way you do today.
- For patients who have insurance with plans that QHP has negotiated and who have certain conditions (e.g., diabetes, COPD, obesity) you will have access to the online patient registry that will inform you of the services the patient has received from you and other providers as well as diagnostic results and health status indicators.
- For these patients, the registry will also compare their care and health status to agreed upon protocols and targets.
- It's up to you how to use this information. QHP will help you define the easiest and best way.
- Periodically, initially monthly, you will need to provide QHP with information from your billing system and, if you have one, electronic record. QHP will make this as routine as possible.
- You don't need an electronic record to participate.
- You may be asked to serve on the Board and/or Committees and QHP expects you to serve if nominated.

# What Must I Do to Participate?

- Pay an administrative fee of \$2,500 per physician to help fund the PHO's infrastructure and signify your commitment to QHP's goals.
- Maintain credentials and other stipulations typically required to participate in health plans (e.g., medical records).
- Sign the Participating Provider Agreement.

# Some Key Terms from the Participating Provider Agreement

- QHP is empowered to negotiate on your behalf.
- Physicians must accept all contracts that QHP agrees to.
- Physicians may not close their practice to patients from one of QHP's payers unless their practice is closed to all new patients.
- You will continue to bill and collect but according to QHP's fee schedule. Only incentive payments may come directly from QHP.
- You must refer to providers within QHP unless the patient expresses a non-QHP preference, there is an emergency or medical need, or a payer agreement that requires otherwise.
- You commit to providing data to QHP.
- You commit to having high speed internet in your office.
- You can terminate for any reason without cause with 90 days notice.

# Contact

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