

## Mosaic Life Care: Health Care Reimagined

Combining traditional health care  
with a focus on key life elements



Mosaic Life Care, St. Joseph, Missouri, is committed to providing the best and safest care, while creating a warm, inviting environment for patients, family members and caregivers. Their innovative life-care model combines traditional health care and a focus on key life elements that affect overall wellness. Mosaic is committed to the health, well-being and vitality of the communities and organizations it serves through health-related initiatives and opportunities.

### Overview

Over the past 30 years, Heartland Regional Medical Center has emerged as the leader in health care in a 23-county area of northwest Missouri, northeast Kansas and southeast Nebraska. In November 2014, Heartland rebranded into Mosaic Life Care. As an integrated health delivery system, Mosaic Life Care includes a medical center, long-term acute care hospital, several clinics and a Life Center. The general medical and surgical hospital in Saint Joseph, Mo., has 352 beds. In the past year, approximately 58,000 patients visited the hospital's emergency room, the hospital had a total of 17,718 admissions, and its physicians performed 4,682 inpatient and 6,118 outpatient surgeries. Mosaic Life Care at St. Joseph is supported by an LTCH as well as 63 clinics and a Life Care Center.



*Mosaic Life Care at Saint Joseph, Missouri*

When Mark Laney, MD, took over as president and CEO of St. Joseph, Missouri-based Heartland Health in 2009, the organization had just reached a pinnacle in winning the *Malcolm Baldrige National Quality Award*. The journey took more than a decade, and even for the year afterward, the leaders at Heartland spent a lot of time speaking, writing and hosting site visits.

The leadership team organized retreats to focus on a new vision, but ultimately the changes looming in reimbursement made the direction straightforward to identify. The leadership team decided to transform the organization into a “patient-centered optimal health model” and spent the next 12 to 18 months developing that plan. Heartland adopted a new brand, Mosaic Life Care, to encompass the transformation.

### Vision, Mission and Principles

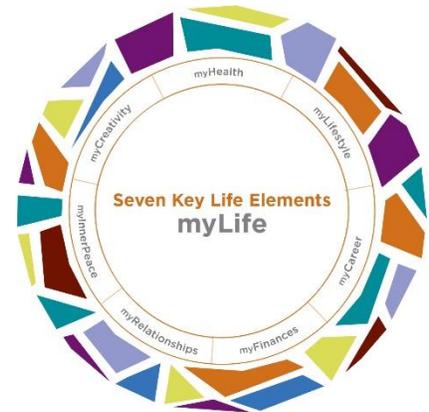
The vision and mission of Mosaic was clear: to be an innovative organization that helps to reinvent American health care and to establish a life-care organization by focusing on

patient-centered optimal health. The vision and mission are supported by a platform of seven principles that affect overall wellness:

1. Health
2. Creativity
3. Career
4. Finances
5. Inner Peace
6. Lifestyle
7. Relationships

### **A Solid Foundation**

Creative rebrands and lofty statements about being more patient-centered can backfire without legitimate transformation, so Heartland had to reinvent what had been a largely successful health system. They had a solid foundation, with strengths in several areas including:



*Performance and Efficiency:* The Baldrige journey had created a hardy, staff-driven performance improvement infrastructure and culture. The organization developed a problem-solving tool it terms PASTE (problem, analysis, solution, transition, and evaluation) that could be used at the unit level. The Baldrige effort also became a de facto cost-cutting mission as performance improvement teams identified and eliminated waste of between \$5 million and \$10 million a year.

*Electronic Health Records:* As an early adopter of electronic health records, they had long been a development partner with Kansas City-based Cerner. The EHR has achieved HIMSS stage 6 certification, and is integrated among the hospital, clinic and long-term care networks.

*Strong regional market position:* The market area covers a 23-county, three-state swath that is an hour north of the highly competitive Kansas City market. But within its own market area, Heartland became the dominant health system in 1984 as a product of the merger of Missouri Methodist Medical Center and St. Joseph Hospital. The rebranding to Mosaic Life Care also allowed for expansion into the northern Kansas City metro area.

*Physician integration:* Mosaic is an integrated delivery system with its own multispecialty group of 170 employed physicians and another 100 providers. However, physician leadership wasn't always present throughout the organization. Over many years, a dyad structure was developed where physician unit leaders are paired with an executive partner to drive performance.

### **Transformation and Re-imagination**

In 1984, Missouri Methodist Medical Center and St. Joseph Hospital merged to form Heartland Health. After the passage of the Affordable Care Act in 2010, the health care

industry began its change from a hospital-centered care delivery model to a patient-centered care delivery model, more focused on preventative health and wellness. They were well positioned to make a strong move toward population health. The first step was to undertake a brutally honest self-evaluation. Through this initiative, leaders discovered that they were hospital-centered and physician-centered, but not patient-centered. The model was built around the convenience of the caregivers, not the access and convenience of patients. From a strategic standpoint, the health system was overloaded by investments in acute care bricks and mortar, and over-bedded.

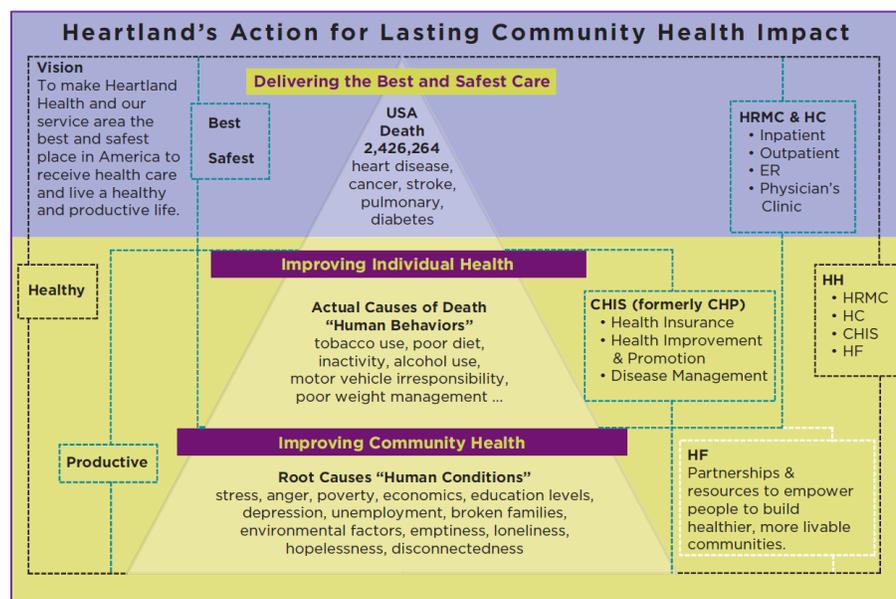
In November 2014, Heartland reimagined itself and transformed into Mosaic Life Care, a physician-led life-care delivery model connecting to the hearts, minds and spirits of consumers, helping them become the healthiest version of themselves and live life well. Mosaic Life Care is poised to continue the organizational mission to improve the health of individuals as well as communities, and provide the right care, at the right time, in the right place, at the right cost, with outcomes second to none.

The leadership team recognized the inherent shift in incentives when moving from volume to value-based purchasing. Ultimately, the brand identity that the team embraced was Mosaic Life Care, but the underlying DNA of that brand was the Triple Aim: improving the patient experience, improving the health of the population and reducing the per capita cost of care.

Mosaic's strategic objectives were three-fold: clinical integration, embracing the value proposition and managing risk. Doing so also required redesigning governance structures to align with objectives. This was addressed in part by introducing a clinically integrated network board of physicians with approval authority on contracts, along with regional boards aligned with geographic area to support and maintain local influence and control.

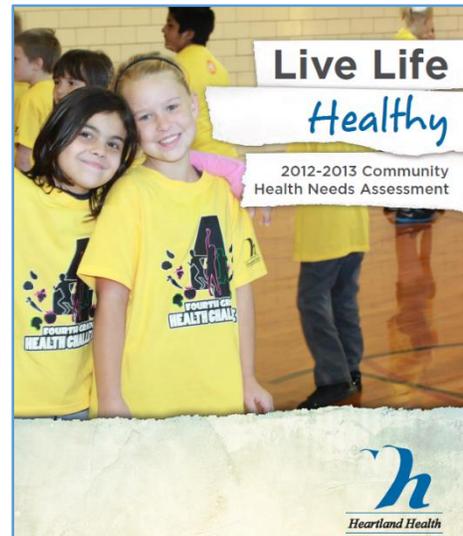
## Population Health

For years, Mosaic Life Care has invested heavily in educational and wellness programs designed to improve the health status of local residents whose rates of obesity (38%) and smoking (27%) exceed those of the state and the nation. Mosaic's efforts address all levels of what is called the health pyramid, the actual physical conditions forming only the tip.



Often major health problems of a community are based in human behaviors, which in turn have their root in basic human conditions. A community survey was conducted to determine the health need priorities, according to the opinion of individuals in Mosaic Life Care's service area. By combining the data from the Buchanan County community survey, external data sources and community focus groups, the top three community health needs were determined:

1. Mental health services
2. Adult and childhood obesity
3. Education on health and health resources



To fully meet the needs specified by the survey and research results, Mosaic Life Care will implement a three-year action plan. In addition, Mosaic has partnered with Missouri Western State University to create an undergraduate Population Health major.

Mosaic continues working to improve the health of the population through efforts such as increasing its patient engagement activities by encouraging new Medicare enrollees to take advantage of the "Welcome to Medicare" office visit, educating Medicare beneficiaries about its Accountable Care Organization (ACO) model and assessing each patient's activation level to determine who needs additional support to achieve their health goals.

### **A Value Proposition**

Past investments in performance improvement initiatives and population health programs included a dynamic care management program for high-risk patients. A robust health information technology infrastructure was important to the foundation of Mosaic's life care efforts. This footing allowed participation in the Center for Medicare & Medicaid Innovation (CMMI) Model 2 of the Bundled Payments for Care Improvement initiative. Under the initiative, organizations enter into payment arrangements that include financial and performance accountability for episodes of care. These models may lead to higher quality and more coordinated care at a lower cost to Medicare and its beneficiaries.

Model 2 involves a retrospective bundled payment arrangement where actual expenditures are reconciled against a target price for an episode of care. Under this payment model, Medicare continues to make fee-for-service payments to providers and suppliers furnishing services to beneficiaries in Model 2 episodes. The total expenditures for a beneficiary's episode is later reconciled against a bundled payment amount (the target price) determined by CMS. A payment or recoupment amount is then made by Medicare reflecting the aggregate performance compared to the target price.

In Model 2, the episode of care includes a Medicare beneficiary's inpatient stay in the acute care hospital, post-acute care and all related services during the episode of care, which ends either 30, 60, or 90 days after hospital discharge.

### **Accountable Care**

Becoming a life care organization was the vision, but the economic and clinical structure to drive that transformation was accountable care. Heartland Regional Medical Center ACO was one of 114 ACOs to join the Medicare Shared Savings Program (MSSP) in 2012 and one of only four to choose a two-sided risk model. The ACO reduced spending by roughly 15 percent in the first year of the program by expanding its care management program for high-risk patients and engaging employed physicians in quality improvement initiatives.

They were not new to managing risk, since it had owned and managed an insurance entity called "Community Health Plan" in the past. The system launched the MSSP-ACO and three similar contracts with commercial payers simultaneously, bringing the percentage of the system's 135,000 patients who are covered by risk-sharing agreements to one-fourth (this includes 12,600 MSSP-ACO beneficiaries). Mosaic's care management program, which deploys nurses and social workers as navigators to help high-risk patients manage their care, lent necessary experience to the fledgling MSSP-ACO.

As a reward for its efforts, the ACO achieved shared savings and earned \$5.01 million in the first year and \$2.01 million in its second as its portion of shared savings from operations. Their plans to use shared savings to fund incentive payments for employed, high-performing physicians and Advance Practice Registered Nurses to reimburse for past investment in and continued enhancement of ACO infrastructure, and to enhance the new health care delivery model.

To achieve its objectives, the ACO focused its first-year strategy on enhancing quality reporting at the point of care. The care management team built a dashboard, known as the "m-page," that appears whenever a patient's chart is opened, revealing the ways his or her care diverges from evidence-based standards and the quality requirements imposed by the MSSP. The dashboard gives members of the care team a quick synopsis of the patient's diagnoses, his or her medication history, and utilization patterns; it also flags gaps in care, such as missed diagnostics or tests for patients with chronic conditions.

The medical information analytics team built a system to automatically generate lists of patients at risk, or those deemed to be at risk, including those with multiple chronic conditions or because of elective surgery or an acute condition. The process mines data to reveal patients whose total treatment costs place them in the top 15 percent of ACO patients in terms of spending. The lists are sent daily to care managers who, when necessary, follow up by phone, through office visits and, in some cases, by visiting patients in their homes. To better improve this process, Mosaic is transitioning to

OPTUM for data gathering analysis and reporting with providers, payers and employers and working with other partners including physicians and post-acute and long-term care facilities.

The final stage of the ACO's strategy was to educate physicians about new quality improvement priorities and provide them with quarterly performance reports to help them identify deficiencies. Communication policies were developed by physicians and administrators working in dyads and were implemented by physician champions.

The goals of the ACO – reducing health care costs while improving health outcomes – are consistent with the Mosaic's past efforts to improve a patient's experience and the health of the community, and take costs out of the health care system so that employers could reinvest the money in economic development. Patients are drawn from a 23-county region that stretches into parts of Kansas and Nebraska, but the majority come from Buchanan County, which has St. Joseph as its seat.

### Multi-state Provider Network



St. Louis-based Mercy, St. Joseph-based Mosaic Life Care and Columbia-based MU Health Care formed a multi-state provider network. The new collaborative, *MPact Health*, will be structured to allow members to work together as equal partners on common goals, while enabling each health system to serve the health care needs of its communities and preserve its independence and unique identity. Combined, Mercy, Mosaic Life Care and University of Missouri Health Care have more than 5,600 hospital beds, more than 47,000 employees and approximately 3,000 employed and affiliated physicians. The health systems serve patients in urban and rural areas of Missouri and surrounding states.

To meet its goals, the three health systems will work together to share best practices in business, clinical and operational practices. The work of the network will be conducted by task forces comprising leaders and physicians from each health system. *MPact Health* is governed by a nine-member board composed of three members from each system and a separate nine member board to govern the CIN.

Specific initiatives already underway by task forces include:

- Expanding telemedicine to underserved areas of Missouri
- Enhancing health care quality led by physician teams
- Creating a database for analytical research and evidence-based medicine to support population health management
- Working with payers to offer innovative network options that are patient-centered and provide high-quality care at a lower cost
- Exploring the development of a clinically integrated network of employed, independent and private practice physicians focused on improving health care quality and outcomes

## **Mastering the Fundamentals**

As Mosaic continues to evolve and as it does, it does so on the groundwork of its experience. Dr. Laney said that “mastering the fundamentals” is essential in any health care organization moving toward transformation. In Mosaic’s case, this includes:

- Process efficiency. Mosaic developed this particular expertise by going through the Baldrige experience; Dr. Laney said this is fundamental to the ability to evolve. Mosaic also became proficient with LEAN and Six Sigma, which translates to higher quality, greater safety and more efficiency in organizations.
- Quality. Mosaic is recognized as one of the highest quality providers by CMMI as an MSSP-ACO. Already having these strategies in place made transformation easier and swifter.
- Big data. Establishing an infrastructure for robust information technology and data warehousing.
- Leadership. Physician alignment and champions who understand the process.
- Experience in risk-taking. As mentioned, Mosaic formerly owned Community Health Improvement Solutions, a now defunct insurance company. Because of this, they had experience with the most efficient level of risk to take.

## **Conclusion**

Mosaic Life Care continues to evolve in strategy and implementation. As their partnerships and innovations continue, they are well positioned as a patient-centered, optimal, life-care organization. As such, the Mosaic Life Care model is one to emulate and adapt for achievement of improving population health, controlling costs and improving patients’ experience of care.