THR and Population Health Management
Healthcare Leadership Council
Jonathan Scholl, Executive Vice President and Chief Strategy Officer

7/31/12
Texas Health Resources – Who we are

• Our Mission: “To improve the health of the people in the communities we serve”

• One of the largest faith-based, nonprofit health systems in the United States.

• Includes the Texas Health Presbyterian, Texas Health Arlington Memorial and Texas Health Harris Methodist hospitals of North Texas, a large physician group (THPG), outpatient facilities, and home health, preventive and fitness services.

  • More than 5,500 physicians with active staff privileges *
  • $3.75 billion in total operating revenue**
  • $4.6 billion in total assets*

* Fiscal year 2011
** Physicians on the medical staff practice independently and are not employees or agents of the hospital or Texas Health Resources.
Health is more than just the absence of illness

“Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.”

A person's well-being is what is ‘good for’ them; the notion of how well a person's life is going for that person.
Unfortunately, providing access to care only impacts ~10% of those factors that influence overall health.

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Influencers of Health

- Providing access to care (10%)
- Environment (20%)
- Genetics (20%)
- Health behaviors (50%)

US healthcare expenditures

- Providing access to care (88%)
- Other (4%)

Health behaviors

- (e.g., life style, food choices, exercise, etc.)
- (e.g., workplace, home, geography)

Source: Centers for Diseases Control and Prevention, University of California at San Francisco, Institute for the Future

Healthcare providers are best positioned to address health behaviors, but our historical spend has been primarily focused on access.
Value proposition: Individuals with higher well-being cost less and perform better

**Improve Well-being**
- Adopt or maintain healthy behaviors
- Reduce health-related risks
- Optimize care for health conditions and disease

**Reduce total medical cost**
- Hospitalizations
- Event rates
- Disease rates
- Lifestyle risks

**Increase performance**
- Productivity
- Engagement
- Absence
- Work impairment

**Increase total economic value**
- States
- Communities
- Sponsors
- Individuals

**Economic drivers**
- Prevent or delay next new case of disease or condition
- Prevent or reduce impact of the next new episode of care
- Enhance one’s ability to actively manage their well-being
Well-being can be measured through the research and science behind the Well-Being Index™

- More than 1,000 new interviews with U.S. adults each day

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<th>Austin, Round Rock</th>
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Source: 2011 Gallup-Healthways WBI Community Data
Improving well-being has economic benefits

Five-year, cumulative cost savings through interventions in modifiable behaviors
- Each intervention contributes to incremental savings
- By introducing comprehensive wellness programs that address all eight behaviors:
  - Medical costs reduced by 13.40%
  - Productivity costs reduced by 8.06%
  - Total costs reduced by 10.99%

Source: Healthways Simulation model with multiple public data inputs
A physician’s schedule has 25, 10 minute appointments with no system to manage the entire panel…

• Physician has limited time to see patient
• One major complaint is addressed, i.e. low back pain
• Brief examination reveals the need for a couple of prescriptions, i.e., muscle relaxant and pain relief
• Not enough time to discuss issues of weight, stress, or other concerns
• Janet leaves with issues not addressed; physician/clinician feels rushed

With evidenced-based care plans and a system to support…

• The physician reviews appointment schedule to identify areas that need special attention
• Janet receives counseling and loses 8 lbs. through a weight loss coaching program.
• Physician reminds Janet that it was really good she was able to reduce her level of stress and get into an exercise program.
• Behavior change becomes the new focus of the office visit. Janet feels her physician really cares about her overall health and not just her back pain. The physician feels he is really making a difference, not only for this patient but for all his patients.
THR and Healthways, partnering with physicians, is making this vision come alive in N. Texas

Assess the population

1. High cost claimants
2. Mitigable events
3. Disease mgmt.

- Keep well people well
- Treat chronic disease
- Take care of problems

Define the most important actions and interventions

Provide clinicians with tools/resources to better understand patient population and workflow

Clinician creates customized care plan with interventional support

Lower costs

Less illness and infirmity

Healthier people
Truly improving the health of a population will require engagement of multiple stakeholders.

**Customer:** “Any person or institution that takes risk for healthcare outcomes”

- **Consumers:** “I keep myself healthy using THR tools and programs”
- **Employers**
- **Plans**
- **Exchanges**
- **Communities:** “I control my healthcare costs using THR tools and programs”

One need in common across all: Mitigating healthcare risk by improving health and well-being.