



4 Pittsburgh-area independent hospitals partner to better tackle patient care issues

Darrell Sapp/Post-Gazette

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JUN 15, 2017

12:00 AM



After years of false starts, four Pittsburgh-area community hospitals are joining forces to tackle thorny patient care issues while bulking up in an increasingly competitive health care environment.

Bridges Health Partners was formed by Butler, Excelsa and Washington health systems and St. Clair Hospital in Mt. Lebanon to provide medical care in a way meant to put the brakes on costs through preventive medicine and other measures that have been proven effective in bettering the quality of care. Excelsa is based in Greensburg.

The concept, increasingly popular among health insurers and other payers, is sometimes called “population health” because a large group of patients receives treatment based on shared protocols created for diseases such as diabetes, asthma and heart problems.

“We’ve all been doing something with population health, but we’ve all been doing it independently,” Bridges’ interim executive director Charles Vargo said.

Creation of Bridges Health comes after years of failed behind-the-scenes efforts by Pittsburgh’s so-called bridge hospitals to present a unified front against market intrusions by patient-hungry giants Allegheny Health Network and UPMC.

The project also reflects the innovation that’s happening at the region’s independent hospitals at a time of [rapid hospital consolidation](#) in central Pennsylvania and elsewhere.

The collaboration's first project is the creation of an accountable care organization — a program through Medicare that allows doctors affiliated with the community hospitals to treat up to 20,000 Western Pennsylvania seniors in ways intended to better coordinate care, hold down overall health care spending and improve the quality of care rendered.

Bringing the four hospitals together on the project allows them to involve more patients and to share the savings that come from standardizing care for certain conditions.

Smaller hospitals may be better able to contract with Medicare in the implementation of innovative payment models because of greater agility when compared to Pittsburgh's big health care systems, Bridges' medical director Elliot Smith said.

"I suspect we're a bit more nimble," said Dr. Smith, an internist with offices in Evans City. "We have a much bigger interest in managing care within our communities."

In years past, Jefferson Regional Medical Center, now part of the AHN network, and Heritage Valley Health System were among the so-called bridge hospitals seeking ways to work together more closely. Discussions to create Bridges Health began about 18 months ago, Mr. Vargo said.

Patients would have to choose to participate in the program, which could give them improved access to medical professionals and a personalized approach to their medical issues, according to Bridges.

More than 23 million people nationwide receive care through an ACO, an idea that was part of the Affordable Care Act of 2010. By the first quarter of 2015, there were 744 operating nationwide, up from 64 in the period in 2012, according to a study by Leavitt Partners, a Salt Lake City-based medical consultant.

The theory is that traditional fee-for-service payments to doctors from the government and insurance carriers encourage high volume of services over high quality, leading to misaligned incentives between the payer and patient.

Accountable care organizations restructure the way doctors are paid by rewarding low-cost quality care rather than number of procedures performed.

The accountable care organization is only the first way Bridges hospitals plan to work together. A joint investment in a shared information technology platform, shared treatment protocols and shared electronic medical records are also planned, Dr. Smith said.

Other groups have had success with Medicare's alternate reimbursement models.

McCandless-based Genesis Medical Associates Inc. and Preferred Primary Care Physicians of Scott formed one of the earliest ACOs in Western Pennsylvania in 2014, providing care for 7,800 seniors with fee-for-service coverage. The physician practices' three-year contract with Medicare expires this year, but Genesis executive director Mark Kissinger said the practice plans to renew the contract for 2018.

Tony Farah, Highmark Health's chief medical and clinical transformation officer, offered a word of caution for health care providers considering participation in such Medicare programs.

AHN formed a clinically integrated network earlier this year, which is similar to an accountable care organization, with goals of reducing costs while better coordinating and improving care. Both independent and employed doctors are participating.

"We're very happy with how things are going," Dr. Farah said. "But the reporting requirements are pretty significant" along with the need for shared information technology and medical records. "A lot of providers aren't ready for it, that's the reality."

Only about 20 percent of accountable care organizations yield savings to split among participating doctors and hospitals, he said, partly due to geographical pricing differences.

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