

## Analytics powers Wilmington Health's journey to value-based care



Using analytics provided by Optum One has led Wilmington Health to decrease its overall hospitalization rates, readmission rates and ER visits, with savings of nearly 12 percent for individual Medicare patients since 2010. Analytics empowers Wilmington Health's patients to mold their own care by being completely transparent with doctor's ratings and patient satisfaction surveys. Both are publicly available and both have an impact on the doctor each patient chooses.

"The move toward value-based care is definitely a move from the art of medicine to the science of medicine," said Wilmington Health CEO Jeff James. "The platform has allowed our providers to understand just how good they are, and to understand those areas where they may need to improve."

When Wilmington Health decided to become a High Performance Health System five years ago, James put the organization's future into a system of change that is ongoing to this day. James terms it a "cultural transformation."

"The rate of change is dramatic," said James, who joined Wilmington Health in 2008 and proceeded to move his organization into the value-based realm by adopting a three-part system of change, which included leadership setting a new direction for care, process improvement at the ground level and a redesign of almost every process in the organization. "This was not by consensus. We still have some doctors who don't believe their patients are getting better because of our change. But results are getting the change implemented. Using metrics, analysis and critical assessment of each innovation, we were able to start understanding our quality."

Wilmington Health's move to fee-for-value, while still an ongoing process, has resulted in:

- ↑ **INCREASED**  
FINANCIAL BENEFITS
- ↓ **REDUCTION**  
IN OVERALL COSTS FOR PATIENTS
- 37.6%  
LOWER PATIENT HOSPITALIZATION RATE
- 38.6%  
REDUCTION IN EMERGENCY ROOM VISITS
- 20.5%  
LOWER 30-DAY HOSPITAL READMISSION RATE

Wilmington Health is a multi-specialty clinic made up of a balance between primary care and specialist physicians integrated into a system that includes 21 locations in the Wilmington, North Carolina, area. In 2012, Wilmington Health partnered with Blue Cross and Blue Shield of North Carolina to create the state's first commercial accountable care organization (ACO). Wilmington Health also became a participant in the Medicare ACO program in 2013.

In 2013 Wilmington Health was rated number two in ACO quality and number four in efficient costs among its ACO Cohort in the Medicare Shared Savings Program (MSSP). The quality scores for Wilmington Health were even better in 2014, and Wilmington Health demonstrated savings to the Medicare system for the fourth straight year. However, its quality rating actually dropped. "Our quality scores improved, but everyone else's scores went up faster. That tells you how fast the industry is changing," said James. "We measure everything and constantly ask ourselves how to reduce the cost, improve the outcomes and engage the patients."

The leadership at Wilmington Health is adamant about closely following its mission statement: "Wilmington Health is committed to using collaborative, evidence-based medicine in providing the highest quality of care to the patients we serve."

That commitment showed in 2013 when Wilmington Health was recognized as an Acclaim Award honoree by the American Medical Group Association (AMGA), joining prestigious organizations such as Mayo Clinic Health System, Johns Hopkins Medicine and Cleveland Clinic as honorees.

### Wilmington Health moves to value-based care

Established in 1971, Wilmington Health grew slowly as a fee-for-service organization serving southeastern North Carolina. It added several specialty care providers as the need arose, today boasting some 19 medical specialties ranging from audiology to weight management.

James' arrival at Wilmington Health coincided with the health industry's move into value-based care. Looking at his organization, James said he didn't feel as if Wilmington Health was ready for the change to value-based care or the transparency that was inevitable.

"We had to reach critical mass. We couldn't wait for consensus. Our board knew we needed to go, so we did," he said. "There was no ability for us to understand our quality and costs. There is no way the health care system in the United States could sustain itself based on the then-current trajectory. Transparency was on its way, no question about it."

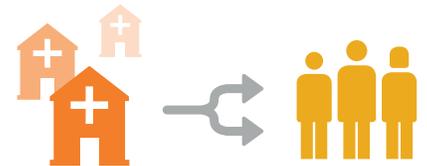
The first step in changing to value-based care is to understand the patient population and how care is actually being delivered to individual patients. Wilmington Health discovered Optum One at an AMGA conference, where James heard rave reviews about the software. So Wilmington Health adopted Optum One as its analytical tool to gather and analyze patient information. As the numbers came in, Wilmington Health created a group of pilot physicians to critically review the data and to recommend best practices based on the analytical information provided by Optum One. The pilot program not only provided invaluable data but also engaged the physicians in the process.

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Wilmington Health implemented a culture of transparency. Every doctor's quality ratings were posted on bulletin boards and patient satisfaction was listed on the company website so anyone, patient or doctor, could review them. "Everyone could see how they were doing compared to other doctors," said James. "If they don't want their individual scores posted on our walls or listed on the Internet, they probably should not come here."

When some of the doctors voiced concern that the new system was not positively impacting care, James merely pulled up the numbers that showed improvements across the board. "I showed them how their patients were getting better," said James. "The data showed us what we needed to be working on in areas that were problematic."

Wilmington Health has pledged to transform the delivery system. Using analytical software such as Optum One allows Wilmington Health to design programs and services to meet the future needs of an evolving health care landscape and to meet their goals. Partnering with Blue Cross and Blue Shield to create the region's first ACO is just one way Wilmington Health is developing collaborative and innovative solutions to improve quality, reduce costs and create value for each patient.

"We're going to make a difference," said James.

### Wilmington Health takes lead in clinical research

Since 1997, Wilmington Health has partnered with PMG Research, headquartered in Winston-Salem, North Carolina, to conduct numerous clinical research studies on such conditions as diabetes, high blood pressure, arthritis, heart disease and many other diseases. PMG Research–Wilmington has enrolled more patients in clinical trials than any other facility in North America.

"We have robust medical records that allow us to create the data," said Dr. Kevin Cannon, medical director for clinical research and a physician at Wilmington Health.

"We sometimes pick up things that are unrelated to the study but are important to the patients' care."

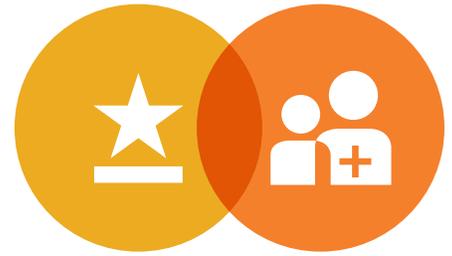
One such patient is Becky Fowler, who enrolled in a clinical study of high cholesterol. In the course of routine blood work it was discovered that she had a rare, potentially fatal form of leukemia. "If it were not for PMG I would not be here talking to you," she said.

CEO James credits analytics with PMG's high rate of patient engagement and enrollment. "One of the ways that we've been able to have such success in our clinical research program is utilizing the Optum One platform," he said. "It improves patient engagement and satisfaction. It reduces the cost of care. It's demonstrated to improve outcomes."

### How has Wilmington Health fared with value-based care?

Wilmington Health's move to fee-for-value, while still an ongoing process, has resulted in a number of financial benefits. From 2010 to 2013, Wilmington Health recorded significant reductions in the overall costs for patients. During that time period Wilmington Health showed a near 12 percent decline in average total yearly expenditures by a Medicare patient. Cost of care for each patient in 2013 was \$2,844 less than it had been a mere three years earlier, translating to almost 29 percent in savings.

Compared with their peers in the ACO world, Wilmington Health recorded a 37.6 percent lower patient hospitalization rate (per 1,000 person years), a 38.6 percent reduction in emergency room visits (per 1,000 person years) and a 20.5 percent lower 30-day hospital readmission rate (per 1,000 person years).



#### Culture of transparency:

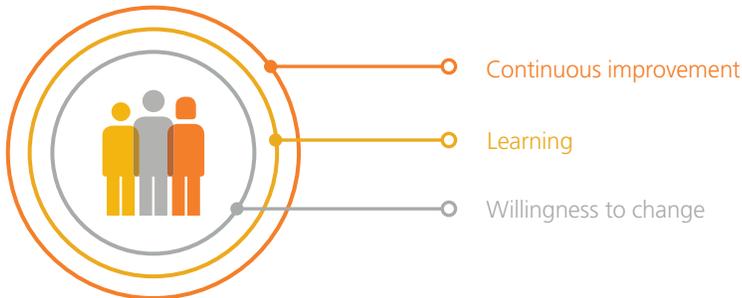
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"Our quality scores took a big spike up this year," said James. "We'll be in the top 10, I hope. We still need to be working on some areas. For example, I think we could be doing better in some of our research areas. But I think we are closing the gaps in care."

Wilmington Health has developed a patient-centric culture that, according to James, embraces continuous improvement, learning and a willingness to change. That is why all doctors have their quality ratings publicly displayed. That patient-centric approach means Wilmington Health is focused on creating economic strength and lower health care costs that produce the highest quality of care.



"Our health care revolves around the Triple Aim," said James, referring to the framework developed by the Institute for Healthcare Improvement for optimizing health system performance, which puts improving the quality of patient care as its first goal. "We are trying to take it from an organizational level instead of an individual doctor level."

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### About Optum

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