



ProMedica Health System | October 12, 2010

Medical Staff Town Hall Meeting

CEO Transition

- ▶ Listening Tour
- ▶ Surveys
- ▶ Mission/Vision
- ▶ Participation (Streaming Strategy)

Regional Economic Challenges

- ▶ Local Health Status
- ▶ Bad Debt/Charity Care
- ▶ Unemployment
- ▶ Loss of Insurance
- ▶ Workforce Shortages
- ▶ Managed Care Pressure
- ▶ Operating Pressure
- ▶ State Budget

Strategy for New Era

Health Care Reform

- ▶ Increased Access
- ▶ Decreasing Reimbursement
- ▶ New Taxes
- ▶ Bundled Care
- ▶ ACO's/VBP
- ▶ Accepting Risk

Physician Challenges

- ▶ Recruitment/Retention
- ▶ Employment
- ▶ Partnerships
- ▶ Integration
- ▶ Access

Organization Preparedness

- ▶ Infrastructure
- ▶ Board/Mgmt. Structure
- ▶ Culture
- ▶ Increased Access
- ▶ Integrate Care/Reduce Cost
- ▶ Use of Capital
- ▶ New Business Model



ProMedica Health System

2020 Vision

Over the next decade, ProMedica will become a more mature regional healthcare system while evaluating potential opportunities to become or join a super-regional system. This move is motivated by a desire to lower costs, improve the care continuum, link to national clinical partner(s), respond to ongoing healthcare pressures and potential changes in reimbursement models.

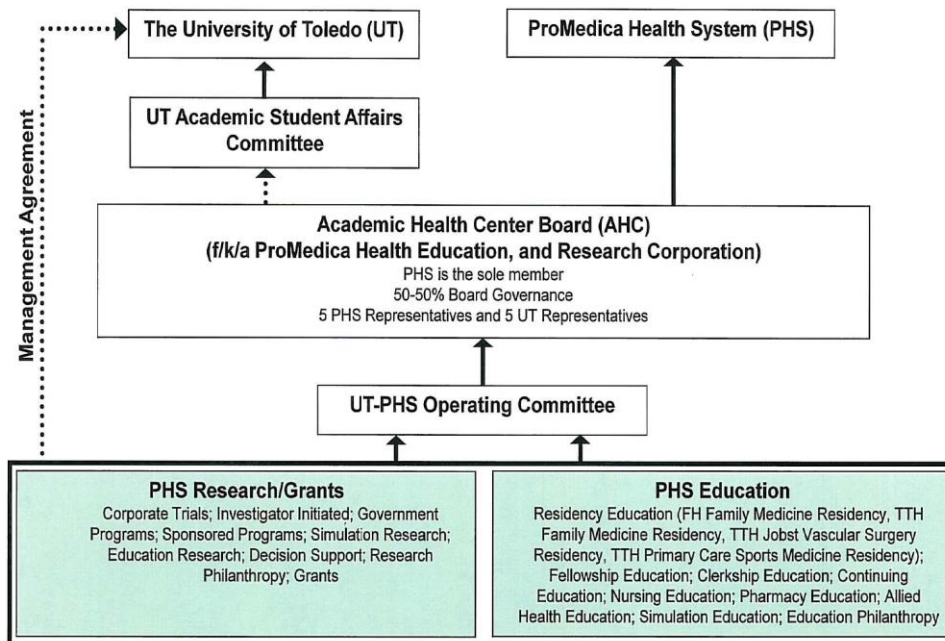
As part of this ongoing vision, ProMedica will be:

- Mission-Focused
- Non-Profit
- Committed to IDS Model
- A Regional healthcare leader / partner (Education/Support Role with Community, Business, Government and PHN)
- Increasing Role as an Academic Medical Center with Expanded Capabilities in Academic Excellence, Research and Grants
- Evolving to an expanded regional system
- Increasing Physician focus with larger roles in governance and management
- Focused on creating new partnership approaches with physicians to improve patient care
- Ready to successfully adjust to legislative reform
- Clinically focused with the initial creation of a nursing center of excellence and others to follow
- Streamlined in governance and management, expanding governance focus on quality
- Streamlined and participative in strategic planning
- Focused on using system-wide clinical data and care, management approaches to more effectively and efficiently manage patients across the continuum
- Advocacy and community benefit focused
- Financially sound, focused on cost reduction / value enhancement
- Employer of choice



UT Affiliation Achieves PHS Vision to Increase its Academic Focus

A six-year academic partnership was entered into, effective 7/1/2010, with UT to manage and oversee academic endeavors across PHS under the guidance of the Academic Health Center Board which is composed of representatives from both UT and ProMedica:



Key Points

- Partnership
 - U.T. management
 - PHS reserve powers
- Community-Based Board

Summons	Peterson
Palmer	Staelin
Szuch	Boyle
Shapiro	Hammerling
Gold	Oostra
- Strategic Focus/Development - Resources



UT Affiliation Achieves PHS Vision to Increase its Academic Focus

Additional highlights:

- Expands PHS capabilities in clinical education
- Facilitates increased clinical research grants at PHS
- Assists with innovative new treatment options
- Strengthens education of UT medical students
- Improves retention rate of graduating residents in the region
- Improves quality of care in the community
- Supports healthcare Reform initiatives

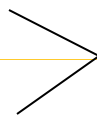


UT Affiliation Achieves PHS Vision to Increase its Academic Focus

- University of Wisconsin – Milwaukee
 - Nearly bankrupt
 - Lack of reputation – Unknown children’s hospital
 - Dwarfed by University of Wisconsin – Madison
 - Research dollars from \$49M (1994) to \$130M (2006)
 - 50 patents-75 pending/90 +outside U.S.
 - Founded 17 new companies
 - Nationally known children’s hospital

“Every \$1 million of research funding generates an average return
of \$2 million and 32 jobs”

- Opportunity to change the Medical Community
 - Greater Toledo
 - Regional Impact
 - National Reputation



Mentorship
Recruitment
Retention
Development



	Johns Hopkins	Mayo Clinic	Massachusetts General	BJC / Washington University	Duke University	University of Michigan	UT	PHS
# Physicians	2,962	2,058	1,886	1,845	1,876	-	3000	
# Beds	1,548	1,302	1,000	1,196	1,498	849	2,500+	
# Admissions	82,349	62,400	47,000	54,987	60,849	42,820	85,000	
# Surgeries	75,000	50,000	40,000	40,000	62,000	45,000	60,000	
# ER Visits	220,000	100,000	100,000	100,000	161,000	100,000	300,000	
# Faculty	3,697	1,240	-	1,641	1,800	1,600	-	
# Medical Students	482	169	705	1,105	415	700	700	
# Residents/Fellows	-	3,031	-	803	893	88	300	
\$ Research	-	\$769M	\$539M	-	\$630M	\$421M	-	
\$ Grants	\$749M	-	-	-	-	-	-	



Keys to Success

1. Recognize this is a partnership
2. Attitude is key!
3. Ongoing dialogue necessary
4. Respect our individual **and** collective strengths
5. Everyone does not need to be involved (voluntary)
6. Great things take time (Success depends on how you/we view our role)
7. Future Focus (Past Problems → Future Opportunities)
8. Bottom Line: This partnership is ultimately about better patient care!