

**“Developing the Workforce to Provide
Health Care for an Expanding Population
of Insured Texans”**

1

Baylor’s Durable Competitive Advantage

“Escaping from Old Ideas”

Joel Allison, President & CEO
Baylor Health Care System
February 28, 2011

Baylor's Durable Competitive Advantage

2

In our hospitals: To maintain our highest quality rating, we believe we must:

- Bolster those specialties impacted by an aging patient base.
- Foster an interdisciplinary approach and examination of physician roles.
- Continue to re-engineer our service lines by patient chronic condition.
- Continue to advance our research and learning in transitional care.
- Position our EDs to be effective “site-of-service” co-managers.
- Subsidize specialist compensation when reimbursement is too little.
- Foster an inclusive effort to become LEAN in all we do.

In our communities: To be proactive in the upstream fight for health, we believe we must:

- Allocate our resources to the “hotspots” (the 5% driving 50% of costs).
- Maximize the panel size of our PCPs through PCMH certification.
- Meet specific care needs in the home, the workplace and neighborhood.

Baylor's Durable Competitive Advantage: Baylor Quality Health Care Alliance (Our ACO)

3

Stacking Population Health Tactics

9. BQHCA Board: **Governance**/Extending Mission & Values/Standards
8. Local BQHCA Advisory Panels and Bundled Practice **Management** Teams
7. Clinical **Transformation**: STEEEP/BCHCRI/ DM/LEAN/ Explorys
6. Plan Mgmt: **Private Label**/ Benefit Design/Actuarial Analysis/Rewards/Mktng
5. PRM - **Active Patient Tracking System**: Access–Transition–Recall (Beryl JV)
4. Patient **Segmentation** & Compliance: Exception Episode Mgmt./Thrive
3. PCMH Collaborative: **Capacity Mgmt**/HealthTexas PCP & Panel Growth
2. **Neighborhood** Tactics: DHWI Diabetes Ctr./Community & Sr. Health Clinics
1. Precision Medicine: **Customized** Health Profiles for EACH Population Member

Baylor's Durable Competitive Advantage

4

Borrowing from LEAN consumption principles*, we aspire to:

- Solve our patient's problems completely by ensuring that all services work, and work together;
- Provide exactly *what* the patient wants;
- Exactly *where and when* it's wanted; and,
- Reduce the number of problems our patients need to solve.

Baylor Health Care System's challenge: Never ask our patients and the communities we serve to choose between access and quality.

- Who will do the work?
- Who will do the work most effectively and efficiently?
- Focus must be on the patient & community...nothing else is sacred.

Source: James P. Womack and Daniel T. Jones, "Lean Consumption" in the March 2005 Harvard Business Review