

## **AtlantiCare Organizational Profile**

### **Organizational profile preamble:**

AtlantiCare has established a new construct in the continuing pursuit of excellence in healthcare delivery, one that reduces cost yet improves both quality and accessibility. Based on a belief that it is time to re-examine and challenge the fundamental principles upon which the healthcare industry has been built, AtlantiCare is inspired by the elusive goal of achieving optimal health for all members of the community by focusing on the prevention of illness and injury and the effective management of existing health risks and chronic disease.

AtlantiCare is committed to building healthy communities through partnerships with local organizations that share its interest in health (i.e., employers, unions, payors, physicians, churches, schools, community organizations, etc.). Through these organizations, relevant and trusting relationships with their constituents are established around the shared management of their individual health status.

AtlantiCare's primary service offering of Healthcare Delivery, integrated with the complementary and strategic service offerings of Health Information and Health Engagement, formerly known as Epidemic of Health (EOH), is focused on delivering value at every stage of an individual's health (healthy, at-risk, episodically ill or chronically ill). Together, these services offer the elements necessary to achieve, maintain or return each member of the community to optimal health.

AtlantiCare believes that each of us can make a difference one individual at a time; and by doing so, build healthy communities. As an organization, we are confident we have the leadership, talent, resources and most importantly, the commitment to act as the catalyst in what we refer to as the Epidemic of Health (EOH) to produce truly healthy communities here at the Jersey Shore and our region.

**P.1a (1)** AtlantiCare's primary service offering is healthcare delivery (acute and chronic care). Complimentary and strategic service offerings include health engagement (preventative and at risk services), and health information. The integration of these three key service offerings is our core competency.

#### ***Delivery Mechanisms and Services***

**Healthcare Delivery: AtlantiCare Regional Medical Center (ARMC)** is a 589-bed teaching hospital providing a full range of inpatient and outpatient services from perinatology to geriatrics. ARMC focuses primarily on the physical healthcare of the community. Services include: **Heart Institute ▪ Level II Trauma Center ▪ Center for Childbirth ▪ Neonatal Intensive Care Unit (NICU) ▪ Stroke Services ▪ Joint Institute ▪ Cancer Care Institute.**

**AtlantiCare Behavioral Health (ABH)** offers mental and behavioral health services. The main services include: **PIP, inpatient psychiatric, adult and child partial care programs, and school based interventional programs.**

**AtlantiCare Health Services (AHSvs)** offers a wide variety of healthcare and wellness services outside the hospital setting designed to complement those offered by ARMC and ABH. They include: the **AtlantiCare Surgery Center (ASC) ▪ Clinical Labs ▪ Urgent Care Centers ▪ Hospice**

**Program ▪ Home Care ▪ Family Medicine ▪ Occupational Medicine ▪ Childcare and Early Learning Centers ▪ and Mission Healthcare (an FQHC caring for the homeless).**

All programs within the healthcare delivery service offering of AtlantiCare are delivered directly by AtlantiCare staff in concert with medical staff physicians and, occasionally, in collaboration with a select number of partners whom we believe add value to our local service offerings.

**Health Engagement:** Health Engagement's focus is primarily on the prevention of injury and illness, the management of health risks, chronic illnesses and healthcare utilization in our community. The ultimate goal is to improve the overall health status of our community, thereby reducing unnecessary utilization and related expenditures, and increasing the likelihood of continued access to health insurance coverage for every member of our community.

Key delivery mechanisms for Health Engagement include the Special Care Center (SCC) and the LifeCenter (medically supervised health and fitness center). Under its Community Health initiatives, AtlantiCare partners with schools, businesses, social and governmental agencies, neighborhoods, churches and other community stakeholders to improve their health, social, and overall well-being. The Special Care Center located at the HealthPlex is an innovative approach to the integration of the three main service offerings into a new 'medical home model' of care which supports AtlantiCare's vision. Other health engagement delivery mechanisms include the AtlantiCare Health Plans and AtlantiCare Administrators' Incorporated (AAI).

**Health Information:** Effective Healthcare Delivery and Health Engagement require timely, accurate and comprehensive health information, delivered in real-time at the point of care or intervention. Working with community partners, **InfoShare**, AtlantiCare's technology company, has built a "Connected Community Health Information Exchange" (HIE) that shares health information seamlessly among all participating Healthcare and Health Management stakeholders. This innovative model dramatically improves patient safety and quality as clinical decisions are based on more accurate, comprehensive and timely health information. In addition, costs will be reduced through improved diagnosis, the reduction in duplicative testing and the adoption of evidenced-based medicine. This application of critical clinical systems is expected, over time, to yield improved community health status.

The Connected Community begins with AtlantiCare's commitment to automate organizational clinical processes and to capture and share all health information electronically. The model extends into the community through the offering of an outpatient complete electronic medical record (EMR) which is the electronic recording of clinical data for a patient within a single facility and practice management solution to community based physicians. The system addresses the physician's needs in the front office (electronic scheduling, eligibility verification), mid-office (clinical documentation), and back office (electronic coding and claims submission, accounts receivable management). Powered by an innovative health exchange engine, participating clinicians and AtlantiCare share real time clinical treatment data, creating a

continuum of care and a comprehensive picture of a patient’s care and health risks. A portal that patients can access to view test results, schedule appointments, refill prescriptions, pay bills, update insurance information, receive health alerts and reminders, and communicate directly with the physician is scheduled to come on line in early 2010.

AtlantiCare manages these delivery mechanisms under five Business Units (BU): AtlantiCare Regional Medical Center (ARMC), AtlantiCare Behavioral Health (ABH), AtlantiCare Health Services (AHSvs), InfoShare; and AtlantiCare Health Plans

**P.1a (2)** AtlantiCare encourages and values each individual’s engagement in all levels of strategy deployment, beginning with a story adapted from the works of Loren Eiseley that resonates with AtlantiCare’s staff about a young man walking along a beach the morning after a storm. Coming upon a section of the beach covered with starfish that had washed ashore, and recognizing that the rising sun would soon spell their demise, the young man went quickly to work returning the starfish to the ocean. Along came the next beach stroller who questioned the usefulness of his effort by asking, “How could you possibly make a difference?” Undeterred, the young man selected the next starfish, threw it into the ocean, and promptly replied, “I made a difference for that one.” With that, the second beach stroller, and then others, joined in, making it possible for all of the starfish to be returned safely to a healthier environment. This story brings together the key characteristics of both individual and teamwork that are reflective of AtlantiCare’s culture.

AtlantiCare’s mission, vision, values, and strategy map create a focus on innovation and performance excellence and define the way it serves the community, conducts its business and relates to one another. They form the basis of the organizational culture. AtlantiCare believes each individual can make a difference one person at a time. This is reflected in, and validated by what are called “starfish stories.” AtlantiCare’s mission, vision, and values are listed below:

- Vision:** AtlantiCare builds healthy communities.
- Mission:** We deliver health and healing to all people through trusting relationships.
- Values:** Safety, Teamwork, Integrity, Respect, Service.

Four years ago, as part of its quality journey, AtlantiCare piloted work on the creation of an epidemic of health (EOH) in the local community. This evolved into the emergence of Health Engagement as a strategic bridge between mission and vision. The integration of the three key service offerings, Healthcare Delivery, Health Information and Health Engagement, is the core competency. It gives AtlantiCare a strong competitive advantage and supports the journey to achieve its vision.

**P.1a (3)** AtlantiCare, with its 4,911 employees, is the largest non-casino employer in the region. ARMC has a volunteer staff of over 170 people, and a total of 562 physicians. The employed workforce profile is represented in Figure OP.1.

The key factors that motivate the workforce include respect, trust in leadership, positive working conditions, recognition and feedback on performance, competitive pay and benefits, and opportunities for individual growth and

development. Key benefits have been shaped by workforce needs and desires and include flexible benefits (medical, dental, Rx, Life, and LTD), a defined benefit pension plan, meal subsidy, tuition reimbursement and 403B match. Flexible benefits are available to meet the differing needs of the employee population. These include health, transportation and dependent care spending accounts, vision, subsidized pharmacy benefits, subsidized legal support, discounted Life Center memberships, Health Risk Assessments (HRA), personal wellness coaching and flu vaccinations.

**EMPLOYED STAFF PROFILE**

Figure OP.1

Position		Diversity	
Clinical	31%	White	66%
Support	42%	Black or African American	15%
Professional / Technical	19%	Hispanic or Latino	8%
Management	8%	Asian	8%
		Other	3%

  

Tenure		Education	
0 - 4	47%**	High School	39%
5 - 14	33%	College / Technical	50%
15 - 24	14%	Graduate	7%
25 +	6%	Post Graduate / Physician	4%

  

Business Units	
System	1.5%
AAI / Health Plans	3.5%
InfoShare	3%
Health Services / Surgery Center / APG / HomeHealth	11.5%
ARMC	75.5%
ABH	5%

*\*\*The higher proportion of 0-4 years is reflective of staff required for new and expanded services .*

Workforce safety requirements across the system include a safe work environment (fire safety, smoke free environment, universal precautions, access to voluntary health and wellness offerings and personal safety), as well as special BU specific safety needs. These include safe driving, violence prevention, BU specific OSHA requirements and safe patient handling procedures. In addition, the workforce requires confidentiality of employee health information. There are no bargaining units in AtlantiCare.

**P.1a (4)** AtlantiCare has eight major campuses – the ARMC City Campus in Atlantic City, the ARMC Mainland Campus (12 miles to the west), a large ambulatory care facility in Atlantic City (the HealthPlex), a 30-acre ambulatory care campus at the center of the county (the Health Park), Delilah Road campus which houses InfoShare, Airport Commerce (Financial offices), Hammonton (AtlantiCare Health Plans and Health Engagement), and a satellite Emergency Department in Hammonton.

In 2007, AtlantiCare opened a new patient tower at the city campus, incorporating private rooms, state of the art equipment, and a community inspired healing environment. This included a new emergency center, radiology department,

and nursing floors, including a medical unit, surgical unit and ICU. This tower represents a \$130 million investment in the community. In addition, in the new patient tower in the city campus, a state of the art, “smart” OR was opened in January 2008. Features include: Boom technology, blade computer systems, bedside computers, Computers on Wheels (COWS), centralized cardiac monitoring, and DaVinci robotics. In 2009, the Mainland campus expanded its cardiac intervention capabilities with the Cardiac Catheterization and Rhythm Center. The Health Park opened a new wound center with hyperbaric capabilities in the 1<sup>st</sup> quarter 2009, and a Leadership in Energy and Environmental Design (LEED) Certified Cancer Center which opened in the summer of 2009, with cyber knife capabilities.

Other technology used to support healthcare delivery includes PACS, Linear Accelerator, electrophysiology labs, telepsychiatry, teleneurology, MRI, 64-slice CT scanner, biplane interventional suite, invasive and minimally invasive surgical equipment, digital mammography, and a complete EMR.

Health engagement is supported through a comprehensive inpatient and outpatient electronic health record (EHR), which provides access to health information from multiple visits at multiple facilities, and the AtlantiCare connected community which helps create a virtual medical home model for greater contiguous care.

**P.1a (5)** AtlantiCare operates in a highly regulated environment, governed by numerous federal, state and local agencies. Some agencies are specific to healthcare, such as the Joint Commission and the Centers for Medicare & Medicaid Services (CMS). oversee general business, such as the IRS, OSHA, and FDA. Bond rating agencies including Moody's, Fitch, and Standard and Poor's measure financial health in relation to the bond market. Many regulations are unique to specific entities and departments. For example, skilled nursing facilities and home health agencies have federal and state specific regulations, while the Nuclear Regulatory Commission (NRC) regulates the radiology department.

Numerous agencies grant accreditations, certifications and licenses to AtlantiCare. Major voluntary accreditation agencies include: Magnet, AAAHC, NAEYC, and JCAHO disease specific certifications in joint replacement and stroke. AtlantiCare maintains its own internal credentialing, safety and risk management functions, accreditation survey and regulatory readiness and corporate compliance processes. This standardized approach allows AtlantiCare to ensure regulatory requirements are met or exceeded consistently throughout the system and facilitates sharing of best practice or lessons learned. The Corporate Compliance Plan helps AtlantiCare fulfill its mission to patients and the community by ensuring consistent compliance with laws relating to business activities, such as the Health Insurance Portability and Accountability Act (HIPAA).

**P.1b (1)** AtlantiCare is governed by a System board of trustees (BOT). BU boards report up to the system board, as appropriate, with the exception of ABH which is a subsidiary of ARMC. The system board is composed of 17 members, and includes the chairs of BU boards with the exception of

ABH. The system board has 9 standing committees which report back to the board. The system board is responsible for setting overall business strategy and policy direction for the organization. BU boards are responsible for overseeing the successful implementation of the strategic and operating plans. The members of the Senior Leadership Team (SLT) report through the CEO, who, in turn, reports to the system board.

**Fig. OP.2**

Key Customer/ Stakeholder Segment	Key Requirements
<u>PSA Patients/Families</u> * Gender * Age * Acute * Chronic * At Risk	* Access/convenience * Safety/High Quality * Top Box Customer Service * Communication/information * State-of-the-art facilities/technology * Coordination, aggregation, navigation of services
<u>Other Customers</u> * Competitors' customers * Fitness/Wellness <u>Employers/Partners</u>	* Same as above plus cost (fitness) * Same as above + low cost & targeted interventions
<u>Community</u> * Schools * Churches	* Access * Information/Communication * Resource and financial support * Customer service * Improved health status
<u>RSA Patients/Families</u> * Gender * Clinical Franchise (tertiary) hearts bariatric joints cancer <u>Other Customers</u> * Competitors' customers	* Access/convenience * Safety/High Quality * Top Box Customer Service * Communication/information * State-of-the-art facilities/technology * Coordination/aggregation/navigation of services  * Same as above

**P.1b (2)** AtlantiCare’s regional market includes Atlantic, Cape May and the southern portion of Ocean Counties. The market is segmented by Primary Service Area (PSA) and Regional Service Area (RSA). The market segments are broadly prioritized within that construct for strategic planning purposes and then further segmented during annual BU planning cycles according to how care is managed (e.g., age, gender, specific geography, wellness/disease state) or how the business is managed (e.g., service lines, payor mix, engagement status). As a healthcare provider, AtlantiCare’s focus is on patients and families, but its core competency (integration of healthcare delivery, health engagement and health information) extends its reach to other customers and stakeholder segments in the regional and primary service areas. These include community and corporate partners such as schools, churches and other organizations as well as employers. Physician partners, both employed and voluntary,

represent a segment crucial to managing the business as well as managing the care of patients, families and other customers and are considered part of AtlantiCare's workforce.

Requirements are similar for some key groups, such as access, state of the art facilities and technologies and quality outcomes. Community and corporate partner groups are more focused on overall costs and preventive care.

**P.1b (3)** As an integrated health system, AtlantiCare maintains many relationships to obtain essential supplies, equipment and services. Key types of suppliers/partners include: medical surgical suppliers, pharmaceuticals, medical equipment, facility services and technology vendors.

Many of these partners assist AtlantiCare in achieving best practice and are critical to the provision of patient care. To promote innovation, vendor input is requested to identify leading edge, evidenced based processes and technology. Additionally, they collaborate with us to create innovative approaches such as HIE, SCC, Mission Healthcare, Horizon JV, and partnership with H.E.R.E.I.U.

Key supplier, partner and collaborator relationships and communication mechanisms include correspondence, email, web based information, individual and group meetings, formal advisory groups, newsletters, contracts and purchase agreements. Communication occurs on an ongoing basis, tailored to the needs of AtlantiCare and the individual supplier, partner or collaborator. The most important supply chain requirements are quality, cost and timeliness.

Physician partners participate in the strategic planning process, the strategic planning committee, and serve on the BU boards. They are also involved in operational and administrative committees such as patient safety, quality and discipline specific committees, such as trauma and ED leadership. Ongoing physician communication includes newsletters from the CMO, e-mail and Intranet access, and a dedicated physician liaison department.

**P.2a (1) Healthcare Delivery** – As the largest healthcare provider in the region, ARMC is one of two safety net hospitals in southern New Jersey, providing ninety percent of the free care in Atlantic County – more than the seven local hospitals combined. In the PSA, AtlantiCare is the sole acute care hospital with three competing hospitals on the fringe of the PSA and another in Cape May County. In the PSA, ARMC has 59% total and 70% local market share. In the RSA, ARMC has 10% total and 14% local market share.

**Health Information** – AtlantiCare is building a connected community of providers to meet the challenges of healthcare delivery and improve the quality and safety of patient care. The approach requires an electronic medical record or digital environment within the health system, and an electronic medical record in community based physician practices with the ability to share data among all parties. This integrated approach, coupled with advanced clinical information systems, produces a new, proactive, model of care and creates opportunities to reduce cost, improve access to essential clinical data, reduce patient risk, improve the quality of care and expand the physician referral base and physician loyalty. This is a unique approach used only by AtlantiCare as part of its core competency.

**Health Engagement** – AtlantiCare has entered into a joint venture with Horizon Blue Cross/Blue Shield. Through this joint effort, Horizon has worked collaboratively with AtlantiCare to pilot innovative approaches to lower cost and improve efficiencies. Their work in diabetes resulted in the only accredited diabetes education program in the primary service area.

Local competitors include Shore Memorial Hospital, Southern Ocean County Hospital, and Cape Regional Medical Center. These are all designated as general acute care hospitals. The primary outmigration competitor is University of Pennsylvania Health System in Philadelphia, providing cardiology, open heart surgery and neurosurgery.

**P.2a (2)** Success in AtlantiCare's service offerings is dependent upon the journey to being the BEST (defined as top 10<sup>th</sup> percentile ranking) at Quality, Customer Service, People & Workplace, Growth, and Financial Performance (the 5Bs). In Healthcare, key success factors are tied to physician and patient perceptions of access, quality, and customer service performance. In Health Engagement, success is measured by the number of partnerships established (the journey with Horizon and H.E.R.E.I.U., largest payor and group of covered lives, respectively, in the region has started) and the quality of relationships established, as determined by the perceived value of the customers. Success in Health Information is reflected in the number of private physicians engaged in the connected community work. Integration of the service offerings enables the creation of better solutions and greater success in the future.

There are several key changes taking place in the local community. The first is a new found willingness of providers, payors and consumers to form partnerships/relationships aimed at improving overall health status while improving quality of care and managing costs. Second, increasing numbers of niche players are entering the market and attempting to ally themselves with AtlantiCare medical staff. This has resulted in increased opportunities for partnerships with physicians, and forces innovation and collaboration. Finally, the economic downturn nationally, casino downsizing, hospital closures within the state of New Jersey, and availability of federal health information technology dollars related to the 2008 presidential election is impacting the growth of the primary and regional service areas while also providing a funding source for work in Health Information. This increases the need for access to healthcare in an underfunded and uncertain environment.

**P.2a (3)** Although healthcare in general is increasing the focus on transparency in information, it remains in the early stages of identifying and sharing key indicators and benchmarks. Limitations to obtaining data from within and outside the industry include increasing financial challenges associated with obtaining the comparative/competitive data, as well as the current lack of transparency in healthcare indicators nationwide. As AtlantiCare works toward mastering the 5Bs, success will follow and therefore the focus is on achieving performance in the top 10th percentile over the next three years in the following comparative and competitive data.

**Fig. OP.3**

	Comparative Healthcare	Comparative Out of Industry
Customer Service	PRC, Jackson CMS	
Quality	CMS, NJDHHS, NJAMHA, NDNQI Quadramed, CAP	Baldrige winners
HR	NJHA, HR solutions	Baldrige winners
Finance	NJHA FAST Report Moody's, S&P, Fitch NJHCFFA Apollo Report	
Growth	Solucient	

**P.2b Strategic CHALLENGES**

**Healthcare Delivery**

1. Engaging physicians in new models of collaboration and partnership
2. Creating sustainable growth outside of the PSA
3. Identifying and prioritizing healthcare service opportunities for investment/recruitment

**Health Engagement**

4. Developing new business and care models to support and grow primary care
5. Identifying and improving critical success factors for community health and wellness

**Health Information**

6. Increasing quality of care through clinical communication and transparency
7. Using technology to improve patient safety and clinical quality

**Operational**

8. Recruiting, training, and retaining a highly skilled workforce
9. Succeeding in an environment of decreasing reimbursement and access to capital, and increasing uninsured population

**ADVANTAGES** – AtlantiCare has achieved market advantage with its diverse array of services delivered through the broadest and most comprehensive distribution network in South Jersey as measured by the number of locations and customer volumes. Its integrated network leverages the ability to improve the health of the community through access to services and information transfer. No competitors have AtlantiCare's higher end, regional designations. AtlantiCare's groundbreaking work in Health Engagement, specifically around chronic disease management, childhood obesity and diabetes, also sets it apart from other local competitors.

While size, market share and unique regional services alone do not guarantee organizational sustainability, when coupled with the MVV and strategies, AtlantiCare is a powerful regional force.

**P.2c** There is a culture of process improvement across the system coupled with an expectation of achieving the 5B goals. In the 1990s, the concept of PACE (patients are the center of everything), and the adoption and application of the total quality management (TQM) philosophy and tools led to sustainable improvements in customer service. They provided

a disciplined approach to process improvement. This has evolved into AtlantiCare's current performance improvement model which includes the systematic application of PDCA (Plan, Do, Check, Act), including rapid cycles of PDCA. Additionally, in 2000, the organization began to use the Malcolm Baldrige criteria as a management tool to further accelerate performance to even higher levels. Since that time, the organization's management team has been learning, applying, and executing plans based on these criteria. Feedback from the Baldrige application process provides management with additional opportunities to improve organizational performance and learning. New managers attend an interactive one day training session. Critical components of the improvement cycle are an ongoing focus on learning, researching best practice, team-based implementation processes and the development of scorecards to measure progress against benchmarks and to identify opportunities for continuous improvement. New tools and skills are introduced into the performance improvement process after careful vetting. Currently, skills in servant leadership are being adopted by the SLT, with cascaded deployment to the management team over the course of the next two years. Lean process improvement has been introduced in focused areas with a more thorough education and deployment plan in process for 2009.

Innovation is inherent in the organization's improvement processes. AtlantiCare has adopted Peter Drucker's definition of innovation: "a change that creates a new dimension of performance." A formal system level Innovation Council has been chartered to be the catalyst for breakthrough thinking, fostering a culture of innovation across AtlantiCare. Innovation goals have been set for 2009 as part of a larger three year plan. A small group of leaders (Creativity Champions) were trained in 2008 in creativity processes to support ongoing process improvement and innovation across the system.

At an organizational level, research on best in class practices inside and outside of healthcare in the 5Bs drives new services and quantum improvements in existing services and processes. AtlantiCare's idea management inputs (Employee Voice, Peminic, and community advisory and focus groups), provide a continuous source of ideas that may stimulate continuous improvement or innovation. Finally, the organization's team based culture inserts innovation in departmental PDCA processes through the inclusion of the thinking of many people.

Organizational learning is accomplished through multiple mechanisms. Bimonthly ALT meetings share best practices and key organizational knowledge. The cascading B Team infrastructure promotes sharing between the B Teams and the BUs. The annual awards process showcases the exceptional outcomes of team based improvements within the 5Bs. And the AtlantiCare Intranet houses BU or discipline specific portals, the Leader's Toolbox, policies, starfish stories and B team information in order to create access to information across all the BUs.