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Connecting you to the Heritage Provider Network **Issue 7** | July / August 2012



Healthcare Reform An Economic Imperative

Looking past the rhetoric
to the reality

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Healthcare reform is a hot topic these days and rightly so. Our country is at a critical juncture. We must learn how to balance the country's healthcare needs with the realities of our economy.

The solution requires the transformation of our current unwieldy delivery model into a system that encourages physicians, hospitals and other healthcare providers to deliver better, more coordinated care. Enter the accountable care model of healthcare delivery – a concept whose time has come.

Heritage Provider Network (HPN) is no stranger to the coordinated healthcare delivery model.

For more than 30 years, we have encouraged and supported an accountable care model of healthcare – a model predicated on providing care that is of the highest quality, that improves the health of our members, and that lowers their healthcare costs.

The feature story in this issue provides insight into how the directed, value-driven principals that have always shaped HPN's philosophy of healthcare delivery will play a key role in successful healthcare reform. The article also provides a snapshot of current developments in healthcare reform and a brief glimpse at similar efforts in U.S. history. Reading further, you'll find a primer on the business impact of social media as well as helpful recommendations for leveraging social media tools to grow your own practice. We at HPN hope that you find value in this information and we look forward to learning with you as we work together to transform healthcare delivery in the United States.

Richard Merkin, M.D.
President and CEO of HPN

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 www.heritage TouchPoints.com

Healthcare Reform

An Economic Imperative

Looking past the rhetoric to the reality

Healthcare reform is undeniably a polarizing topic. The Affordable Care Act (ACA) has been at the center of a political maelstrom since its passage two years ago with resurgence in national debate following the U.S. Supreme Court's decision to uphold the act's major provisions on June 28, 2012. The Court upheld the ACA on a 5-4 majority with Chief Justice Roberts providing the swing vote on the basis that the much contested individual mandate constitutes a tax, and therefore is within the scope of congressional powers to levy.

This ruling is only the most recent chapter in a long, and contentious, history. Attempts to implement universally accessible healthcare antecede even the New Deal, dating as far back as the Progressive Era in the early 1900's. On several occasions, proponents of various initiatives felt they were nearing success, but for nearly a century of U.S. history, all efforts at legislating universal healthcare have failed. With the ongoing dissidence surrounding the ACA it is easy to lose sight of the fact that no other legislation of its kind has ever made it to passage and implementation.

Why have universal healthcare reforms finally pushed past that historical barrier? The ACA began as previous legislation always has; with the altruistic motivation to care for the citizenry, and the pragmatic understanding that the strength of our nation is directly related to the health and well being of its citizens. So why passage now? What's different? Clearly, legislators are no more in agreement than they were one hundred years ago. The key difference lies not in the general political or cooperative climate, but in the current economic reality.

 **With studies projecting healthcare costs to approach or exceed 20% of the U.S. GDP by 2017, healthcare reform has become an imperative for the United States.**

Individual impact is also on the rise with the average family in the U.S. currently paying 25% or more of their annual income for healthcare. As a nation toiling



under an immense burden of foreign debt and with citizens struggling to recover from recession under record unemployment numbers, we simply cannot continue to support such trends. Therefore the imperative to reform healthcare has gone beyond practicality and compassion; it is now absolute economic necessity.

Necessary does not mean easy. Consider a transportation analogy to more simply illustrate the quandary of healthcare reform. Imagine that you are the mayor of a city with a policy providing city-funded taxi service to all residents. Over time, more and more people move to your city to take advantage of the popular program. Eventually so many are on the program that the cost and logistics become insupportable, driving the city toward insolvency.

As mayor, you can't simply cut the program because too many rely on it for necessary trips to work or for groceries or critical services. Completely eliminating city-subsidized transportation would cause a wider-system collapse. So, instead you introduce a citywide bus program to replace the costlier taxi service. Although it means more effort and less convenience, residents can still use this cost-saving conveyance to get from point A to point B.

Residents won't likely be happy with this shift, and perhaps the hardest part of your job as mayor is to ensure that being asked to use the new bus service isn't perceived as a downgrade. Meaning, the service and execution behind the new program must be impeccable, so that use of the buses is not only acceptable, but also appealing to the people of your city.

In healthcare reform, as in our hypothetical city, this is going to be a hard sell, essentially asking beneficiaries to put in more effort for the same end-result and like it. However, we can and will accomplish the shift, because we must. Furthermore, just as we are in a different economic era, we have tools, techniques and understanding at our disposal today that were unimagined even fifteen or twenty years ago.

For example, our understanding of the phenomenon of networking allows us new opportunities to generate successful reform by maximizing execution and service returns.

A look back on the evolution of computing shows a progression from early IBM punch card machines through building-sized mainframe systems to the current iteration wherein computing tasks and information are nimbly shared and executed across a network of users or PCs. This highly effective structure of largely independent components working in conjunction is now being applied with great success in the non-cyber world as well. From the European Union to airline alliances to unheard of levels of cooperation and information sharing amongst U.S. military branches in Afghanistan, the world has found immense power in sharing resources and information across adaptable networks.

Adopting a collaborative model likely did not come easily to these institutions. Surely the executives of highly competitive corporate airlines chafed at the thought of sharing space, equipment and resources with their rivals. Generals of the various U.S. military branches entrenched in secrecy and autonomy must have recoiled at the thought of sharing information and command. Still, driven by necessity, they did it, and succeeded because of it.

We've seen a similar shift in healthcare, with network collaboration being the essential force impelling quality of care and cost containment.

» In order to succeed, healthcare reform must build on this premise, bringing together major organizational bodies such as large specialty clinic groups (like HPN), hospitals and insurers.

No single one of these categorical entities will contain all of the components for successful healthcare reform. Instead ascendancy will belong to cohesive networks combining all three constituents in a way that adroitly deploys the key strengths of each. In this regard, HPN is uniquely positioned to marshal these key players, having a demonstrated history of mobilizing resources to deliver quality, value-based healthcare.





Creating positive buzz for your business

How to grow your practice and connect with your patients using social media.

Today's consumers are increasingly turning to social media and networking to make decisions about everything, from what restaurant to eat at to who will mow their lawn. Beyond the everyday, they are turning to social media to make meaningful decisions about important and very personal aspects of their lives, including which doctor they will choose. Statistics show that eight out of ten consumers first look online for local businesses. With the proliferation of social media and networking, it's becoming increasingly important for you, the healthcare provider, to understand the various types of social media, how it can impact your practice and how to use it to your advantage.

The definition of social media is ever evolving, but essentially it encompasses a variety of internet-based technologies and platforms through which user-generated content is created and shared. Social media is immediate and accessible and fosters interactive dialogue and a sense of community among its users. Social media includes photo or video-sharing sites (e.g. YouTube and Flickr), blogs, Internet forums, social networking sites (e.g. Facebook and Twitter), user review and local search sites (e.g. Yelp and City Search), and much more. While the thought of delving into the world of social media may seem daunting, all it takes is a little know-how and you can tame the social media beast and use it to your advantage, proactively managing your social media presence.

- 8/10 Consumers first look online for local businesses
- 9/10 Customers trust their peer recommendations
- 7/10 Customers trust online reviews
- 8/10 Customers say an online review influences their decision making
- 60% of Facebook and 79% of Twitter users are more likely to share or recommend a business on a social media site

Making Connections through Social Media and Networking

One of the greatest strengths of social media is the ability to make immediate connections with others. Through the use of social networking sites, such as Facebook and Twitter, you have the ability to make a connection with your patients beyond the walls of the exam room. Social media gives you the opportunity to disseminate important health information and resources to a large group of people with a just a few strokes of the keyboard. It allows you to control the conversation. In addition to pushing out information, the two-way nature of social media allows your patients the opportunity to share their valuable thoughts, ideas and experiences with you.

Most importantly, you can bridge gaps between doctors and patients, forging the connection outside of the office to help enhance the doctor-patient relationship inside the office. The end result will be an overall better healthcare experience for both you and your patients.

Beyond strengthening your relationship with your existing patients, social media is the ultimate word of mouth marketing, which makes it the perfect vehicle to engage new patients. Sixty percent of Facebook Users and seventy-nine percent of Twitter followers are more likely to share or recommend a business on a social media site. Friend to friend recommendations on Facebook and customer review websites lead to a higher conversion of new customers. A full nine out of ten customers trust peer recommendations. That means, with satisfied patients sharing their experiences on social media, you are exposed to a whole new audience of potential patients.

Create that Facebook page, Twitter account, or blog for your practice and you are on your way to connecting with your patients and engaging them in a meaningful way to build lasting loyalty and awareness that can't be found through the traditional medical practice. The added benefit is you will receive marketing that money can't buy!

»» EXCLUSIVE *continued...*



Reputation and Decision Making

As a physician, your reputation as a medical professional is of particular importance. It can make or break a reputation. Google your name. Whether or not you participate in social media, there is a web page with your name on it. It's up to you to decide if you are going to manage the information and reviews that may appear on the page. Eight out of ten customers say an online review influences their decision making, while seven out of ten customers trust online reviews. Consumers believe that patient reviews are more credible than physician marketing or advertising. Is ignoring your online reputation a risk you can really afford to take?

While you can't control what a patient writes, there are steps you can take to manage your online reputation. Do an Internet search of your name to find your existing web pages. Make sure the content is correct. Many websites simply crawl the Internet to cull information, so chances are there will be incorrect content. Review sites are more than happy to assist you in cleaning up your profile. Continue to search your name at least once a month.

Acknowledge inflammatory or negative reviews publicly. A genuine response can go a long way towards changing perceptions. Through online reviews, you have the opportunity to address actionable issues, such as long waiting times, slow or no responses and lack of follow-up and take corrective actions. Make sure you broadcast changes made to correct these issues. Patients will see that you are listening to their concerns.

Managing your social media takes time, but it is becoming a necessary part of managing your practice. The importance consumers place on social media for their decision-making continues to grow. If you find yourself strapped for time, enlist a trusted staff member to assist you in this endeavor. There are also professionals who can expertly manage all your social media needs. Whatever you choose, you can't afford not to do it. The payoff will be a stronger doctor-patient relationship and the opportunity to grow your practice.

main street hub

GET CONNECTED. GET CUSTOMERS.

Heritage Provider Network believes in the power of social media. That's why we've partnered with Main Street Hub for an exclusive offer for Heritage Provider Network physicians.

50% OFF **Initiation Fee When You Sign Up for an Account with Main Street Hub and mention Heritage Provider Network!**

Main Street Hub is the only full-service social media management company focused exclusively on "local" businesses, such as physicians. Their proprietary technology enables them to be more effective in managing your social media and online reputation to retain and acquire patients for you. They do all the work for you on the social media sites that matter most to your patients so that you and your staff can stay focused on running your practice.

When you work with Main Street Hub, you will get:

Localized Social Media Strategy for Facebook & Twitter

- **Customize and optimize profiles:** Customize physicians' profiles to spread word of mouth through local friend networks and attract more customers
- **Increase fans and followers:** Use proprietary technology and materials to increase the number of people who follow your practice online
- **Convert fans and followers into patients:** Create engaging content, promotions and announcements to generate more revenue from Facebook and Twitter
- **Post and respond to all comments:** Write posts and responses regularly to stay constantly engaged with patients
- **Tweet @'s:** Monitor and reach out directly through Twitter to nearby potential patients talking about health-related topics

Customer Review Websites (Google Places, Yelp)

- **Customize and optimize online profiles:** Make it easy for patients looking for a physician to find your practice on the most important customer review websites
- **Respond to all reviews:** Spread word of mouth from positive reviews and prevent potential harm to your practice from negative reviews
- **Create promotions and announcements:** Give patients a reason to pick up the phone and call you in the right moment

» **Contact Main Street Hub at 888.900.0920 for a complimentary social media assessment.**
www.mainstreethub.com

Heritage in the News

Media contact: Janet Janjigian, DC Media Group LA, Inc.

CAPG Awards Elite Status to Heritage Provider Network



Dr. Richard Merkin, President and CEO of Heritage Provider Network, is pleased to announce that for the 5th year in a row HPN and its family of medical groups has received the prestigious rank of Elite Status of Excellence for medical care from the California Association of Physician Groups (CAPG) 2012 Standards of Excellence Survey.

HPN received the coveted Elite Status of Excellence for its medical groups in all categories of the Standards of Excellence Survey for 2012, including Care Management Practices, Health Information Technology, Accountability and Transparency and Patient Centered care.

“Once again, our team members at HPN have worked very hard to continue our commitment to quality, affordable healthcare,

making critical differences in the lives of more than 600,000 of our enrollees,” said Dr. Merkin. *“I congratulate all of our team members, you have made it possible for us to receive this elite status of excellence in medical care from CAPG for 2012, and I am very grateful, thank you.”*

“Heritage Provider Network sets the bar in California for outstanding access, quality and cost effective healthcare. Their consistent Elite Status for Standards of Excellence reveals their dedication to improving healthcare in our state and we applaud them for it,” said Donald Crane, President and CEO of the California Association of Physician Groups.

Elite Status in all categories of the survey was achieved by each of HPN’s family of medical groups.

National ACO Summit Features Healthcare Leader Dr. Richard Merkin



The third National Accountable Care Organization (ACO) Summit in Washington, DC, featured healthcare leader Dr. Richard Merkin, President and CEO of Heritage

California ACO. Dr. Merkin shared meaningful insights on Early Experiences in Medicare: Pioneer ACOs and the Medicare Shared Savings Program.

Heritage California ACO is the largest of the 32 Pioneer ACO’s in the Country and was selected by the Centers for Medicare & Medicaid Services (CMS) Innovation Center to participate in the new ACO initiative that seeks to provide Medicare beneficiaries with higher quality care, while reducing growth in Medicare expenditures through enhanced care coordination.

“For over 30 years, we at Heritage have encouraged and supported an accountable care model of healthcare – a model predicated on

providing care that is of the highest quality, that improves the health of our members, and that lowers their healthcare costs,” said Dr. Merkin. *“We are committed to leading the ACO journey, implementing and passing these important savings opportunities on to the consumer.”*

Sponsored by The Dartmouth Institute for Health Policy and Clinical Practice and the Engelberg Center for Healthcare Reform at The Brookings Institution in Washington DC, the ACO Summit focused on how organizations can align public and private sector ACO initiatives, align quality improvement and cost reduction efforts, effectively participate in the Medicare Shared Savings Program, and learn from the experiences of organizations in the Pioneer ACO Model.

Find out more at www.HeritageCaliforniaACO.com



Go Viral to Improve Health Prize

Check out video of Heritage Provider Network’s “Go Viral to Improve Health Prize” winners announcement on HPN’s YouTube channel at www.youtube.com/hpnhealth

Creating value for members and providers through technology

Desert Oasis Healthcare (DOHC)

DOHC knows that its healthcare providers and members are two of its most valued customers. That's why we are committed to on-going research and implementation of innovative, real-time services that offer convenience as well as function to both. DOHC continues to be a leader in the healthcare evolution. Today's technology helps us to connect to each other like never before and we are proud to be trailblazers in this regard.

Our website, www.mydohc.com, provides such information as:

- **Provider Portal:** Providers can log into this site to view the status of claims, eligibility, policies and procedures and more
- **Member Services:** Members can find a doctor or specialist, learn about our services and locations, view our events calendar, find links to health information websites, contact contracted health plans, and more
- **Online Patient Registration:** Members can complete a convenient registration form that is submitted to their primary care physician or specialist

Additionally, DOHC provides our physicians with:

- **NextGen:** DOHC utilizes an electronic health record and practice management system to assist us with coordinating member care
- **NextMD:** DOHC is implementing a comprehensive portal that will allow patients to review test results, schedule appointments and communicate electronically with their physician
- **Facebook:** DOHC actively engages hundreds of members through Facebook, providing daily tips and information on lifestyle and healthcare

High Desert Medical Group (HDMG)

HDMG, in its efforts to advance patient-doctor communications, employs cutting-edge technology in the delivery of its healthcare services. HDMG's sophisticated telephone messaging system, Televox, allows important messages to be forwarded to patients in an efficient and convenient manner. NextMD, a web-based service, allows a patient to communicate with their doctor through a secure environment including rapid access to medical records, general medical information, appointments, and overall wellness reviews.

HDMG has collaborated with major organizations in the Antelope Valley to better deliver our message of health and wellness through electronic ads and email blasts. All reviews posted on HDMG's webpage and on the Internet are monitored regularly in an on-going effort to improve services and reputation.

In addition, HDMG includes social media in its marketing tool chest as a means of creating dialogue with the new tech-savvy generation. HDMG's Facebook page offers immediate and meaningful information to its patients and friends.

Heritage Provider Network Affiliated Medical Groups

One of the largest integrated physician associations in California

- **Affiliated Doctors of Orange County**
www.adoc.us | Phone: 800.747.2362
Counties Served: Central and North Orange County.
Total Number of Contracted Physicians: 1,000+
- **Bakersfield Family Medical Center**
www.bfmc.com | Phone: 661.327.4411
Counties Served: Serving all of Kern County.
Total Number of Contracted Physicians: 400+
- **Coastal Communities Physician Network**
www.ccpnhpn.com | Phone: 800.604.8752
Counties Served: San Luis Obispo and Tulare.
Total Number of Contracted Physicians: 600+
- **Desert Oasis Healthcare**
www.mydohc.com | Phone: 760.320.5134
Counties Served: Imperial, Riverside & San Bernardino.
Total Number of Contracted Physicians: 500+
- **Heritage Victor Valley Medical Group**
www.hvvmg.com | Phone: 760.245.4747
Counties Served: Los Angeles and San Bernardino.
Total Number of Contracted Physicians: 200+
- **High Desert Medical Group**
www.hdmg.net | Phone: 661.945.5984
Counties Served: Los Angeles and Kern.
Total Number of Contracted Physicians: 275+
- **Lakeside Medical Group**
www.lakesidemed.com | Phone: 818.637.2000
Counties Served: Los Angeles, Ventura, Riverside and San Bernardino.
Total Number of Contracted Physicians: 2,350+
- **Regal Medical Group**
www.regalmed.com | Phone: 866.654.3471
Counties Served: Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura.
Total Number of Contracted Physicians: 12,100+
- **Sierra Medical Group**
www.sierramedicalgoup.com | Phone: 661.945.9411
Counties Served: Kern, Los Angeles and San Bernardino.
Total Number of Contracted Physicians: 100+