



# CEO Healthcare ROUNDTABLE

A Partnership of The CEO Advisory Network & The Healthcare Roundtable

## Fall Meeting 2022

### ***“Disruptions: The Forces Re-Shaping the Market”***

**Keynote Speaker: Ceci Connolly, President, Alliance of Community Health Plans (ACHP)**

We were excited to again gather in-person at the Omni Scottsdale Resort at Montelucia **October 10-12, 2022**, for our Fall CEO Healthcare Roundtable to discuss the timely theme of ***“Disruptions: The Forces Re-Shaping the Market.”*** It was great to reconnect with existing members and to welcome several new members to the Roundtable. As we continue to try to move beyond the pandemic, members were willing to share their personal experiences, as well as learn from our distinguished group of national expert speakers, about the many “disrupters” that continue to drive change, challenges and opportunities for our entire healthcare industry.

### **Trends in the Payor Sector | Growth of Medicare Advantage Plans, Digital Care**

Our October Roundtable began with our **Wednesday** afternoon “keynote” speaker, **Ceci Connolly**, President of Alliance of Community Health Plans (ACHP) in Washington DC. Ceci is a highly regarded national healthcare expert, author,



consultant and journalist. Given her experience in the managed care industry as President of ACHP, as well as her years of experience in Washington DC, Ceci was able to set the stage for the Roundtable by sharing her insights on the state of the payer sector. She also shared her thoughts and observations about current and post mid-term elections in Washington D.C.

Ceci opened her comments by sharing that the “Big Are Getting Bigger.” This trend will continue as payers and health systems continue to grow through various mergers and acquisitions to enable them to gain greater control and influence over how healthcare is delivered and funded. She noted that..

***“with over 48% of Medicare beneficiaries now enrolled in a MAPD plan and an additional 10,000 baby boomers becoming eligible for Medicare every day, payers have reached an inflection point in determining how best to spend the premium dollar to focus on keeping people well instead of paying for sick care.”***

This change in emphasis will disrupt current models of care delivery and have significant implications for providers of care moving forward.

Ceci then shared that a major disrupter, as evidenced by the most recent trend in payer acquisitions, will be digital transformation with the goal of creating a model of “Care Anywhere.” She noted that...

*“...bolstered by lessons learned during the pandemic, payers will continue to drive adoption of virtual care as a major disruptor.”*

Ceci’s comments then shifted to her observations about the current mindset in Washington D.C. There is general agreement that in spite of all the political rhetoric, two of the most important issues that currently concern Americans and will significantly influence the mid-term elections are:

- Inflation/Economy
- Healthcare Affordability

Ceci closed her comments by noting that in spite of the praise and recognition heaped on health systems and care providers by the media and Washington during the pandemic, the current sentiment in Washington is that the government gave hospitals *“tons of money”* during the pandemic so hospitals and health systems should neither expect nor ask for more.

## Disruptors Are Accelerating Change | Think of Patients as Consumers

**John Abendshien** is Founder & CEO of Integrated Clinical Solutions in Chicago, IL. He is a frequent



speaker and lecturer on the subject of strategic planning and organizational change management and is author of the recently published book: *“Health Care in the Next Curve:*

*Transforming a Dysfunctional Industry.”* John set the stage for our first full day of discussions by challenging Roundtable attendees with the question, *“Are hospitals becoming an endangered species?”* He

observed that four significant “squeezes” are challenging hospitals:

- Operations Squeeze
- Payor Squeeze
- Consumer Expectations & Behavior Squeeze
- Market Disrupters Squeeze

The combination of these four influences have created a “New Reality” that there will not be a return to the traditional pre-covid concept of “normal.” Instead, the “new normal” will be one of accelerating change driven by various disrupters.

*“These new disrupters are totally consumer focused and, unlike hospitals and health systems who think of “patients,” the disrupters think in terms of “consumers” and “lives.”*

Disrupters are strategically agile, target high margin programs and services, understand that digital health is becoming the front door to healthcare services and are highly supported by payers since they can offer payers lower prices.

To overcome these challenges, John observed that our healthcare systems and hospitals can’t just manage their way out of problems. To succeed long-term, they must have a focused growth strategy. He concluded his presentation with the following **Five Critical Keys to stability and growth:**

1. **Consumers** – Hospitals and health systems must develop a patient centered culture as well as consumer centric systems and processes
2. **Platform** – Must re-design the delivery platform around patient needs and preferences
3. **Portfolio** – May not be able to offer all current services and must focus on offering programs and services desired by patients
4. **Medical Staff** – Need to align and secure a strong, loyal provider base while supporting the move towards value driven payment models
5. **Operations** – Relentlessly pursue ways to improve financial performance

## Disruptors Affecting Physician Groups | Focus on Value-Based Care

Our next presentation was by **Tom Ferkovic**,



Founder & CEO Medic Management, Akron, OH a leading expert in physician practice management, and **Dr. Rodney**



**Ison**, CEO Community Health Network & Agilon, Clinton, OH, a large independent primary care group which recently affiliated with Agilon.

Tom Ferkovic and Dr. Ison partnered on a discussion focused on how disruptors are impacting hospital and health system relationships with physicians. Tom opened by using the example of the ways that UBER has totally disrupted and changed the traditional ways that people quickly move from place-to-place.

*“Just as UBER has successfully, and unexpectedly, disrupted the ride-hailing and food delivery (Uber Eats) services, hospitals and health systems need to be aware that “the company that puts us out of business will not look like us.”*

Disruptors, especially in the physician services and support sectors actively listen to the market and are designing programs and services that are not only attractive to patients but also to the physicians and other healthcare providers who deliver services.

Using Community Health Care as a case study, Dr. Ison noted that to be successful, physician groups must be aware that *“Mission drives purpose.”* He then shared Community Health Care’s journey, as a large independent primary care physician group, from a fee-for-service reimbursement practice model to a highly successful reimbursement model focused on value-based care and risk-based contracting with payers. He

concluded his presentation with a brief discussion of the rationale for Community Health Care’s recent affiliation with Agilon Health as a means for improving overall performance while maintaining its status as an independent physician group.

## Medicare Advantage | Comprehensive Strategy Required

**Ken Jennings**, CEO of 3<sup>rd</sup>-River Partners of



Westfield, IN, is a national expert on change management, population health and accountable care teamed up with

**Gerry Meklaus** from Premier to discuss a new concept and program for hospitals and health systems as a proactive response to the disruptions created by traditional payer relationships. As an advisory board member to Alignment Healthcare, Ken

discussed how Alignment has been partnering with hospitals and health systems to create an alternative way for health systems to enter the MAPD space.

*“Given the continued growth of Medicare Advantage and general consumer satisfaction with payer led MAPD plans, Ken noted that a comprehensive Medicare Advantage strategy is now a requirement for hospitals and health systems.”*

Although a comprehensive strategy should include relationships with key national and regional payers, he noted that many successful health systems are also creating an alternative of smaller, more local Medicare Advantage options which they can influence or control. These options are often more attractive to consumers and create more flexibility for the health systems. A relationship with a program like Alignment Healthcare can create a viable option for hospitals and health systems that might not have the expertise, capital or

risk tolerance to create their own insurance company or MAPD plan. Gerry then shared that Premier recently announced that they had formed a joint venture relationship between Alignment Health and Premier. This new venture will create a broad spectrum of opportunities for development of Medicare Advantage and Value Based strategies through a three-way partnership between hospitals / health systems, Alignment Healthcare and Premier.

## Major Disruptors Impacting Members | Follow-up Webinar Discussion

Our final session on “Disruptors” was led by **Scott**



**Spohn**, Partner, FORVIS (formerly DHG) of Marietta, GA. Scott engaged the attendees in a discussion and activity focused on ways that our Roundtable members can balance managing

the Disruptors while leading and addressing the strategic and operational needs of their organizations. Using the information presented in the Roundtable’s earlier sessions, as well as information presented by Scott and Kevin Locke at the recent August CEO HealthCare Roundtable Webinar entitled **“Looking Back and Looking Forward...The Emerging Leadership Imperative,”** Scott led a discussion on the major Disruptors most deeply impacting attendees’ organizations and the leadership skills needed to address them. He then engaged attendees in a lively discussion about Disruptors which they wish could / would materialize over the next few years. Following the discussion, Scott ended the session with a review of the following five “near term” market themes that will demand attention and require leadership by CEO Healthcare Roundtable members:

1. Strategy
2. People
3. Value
4. Growth
5. Margin

## Innovation Session | Virtual Care Delivery

**Tony Buda**, is Founder & CEO of Banyan Medical System of Omaha, NE. Banyan is an innovative healthcare technology company focused on transforming the way care is delivered. Following our tradition of closing each CEO Healthcare Roundtable by focusing on the ways entrepreneurs and private equity are impacting revenue, cost, and market share, we invited Banyan Medical System to share their innovative program for addressing one of the most urgent issues facing our Roundtable members – Nurse staffing and Nursing costs. Tony Buda opened the session by stating that attendees are not alone in facing this issue as...

*“CEOs across the country are struggling with staffing issues, turnover and out-of-control travel nurse labor costs.”*

He then stated that these staffing problems are not going away so hospital CEOs need to find a way to proactively use technology and innovation to address this serious issue. He then presented a case study on ways that hospitals are using Banyan Medical’s virtual nursing care program to provide 24/7 staffing technology and change management to improve outcomes and patient satisfaction while significantly reducing staffing costs.

Key areas where Banyan is currently providing virtual support to hospitals include, but are not limited to:

- Admissions
- Education
- Rounding
- Fall & Environment Monitoring
- Discharge Planning

To conclude the presentation, Tony presented the following performance improvement statistics based

on results shared by a sample of Banyan's current hospital partners:

- 18% Reduction in Re-Admissions
- 25% Reduction in LOS
- 75% Reduction in Falls with Injury
- 39% Reduction in Travel RN Expense
- 60% Reduction in Nurse Overtime
- 35% Reduction in Nurse Staff Turnover
- 23% Reduction in Bedside Nursing Hours

The combination of the timely theme, outstanding presentations and opportunity to gather together in person to network and learn, as well as candidly share successes and challenges, again demonstrated the value of the CEO Healthcare Roundtable for our members. Please mark your calendars now so you don't miss our **Spring CEO Healthcare Roundtable March 29 -31, 2023**

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For reservations and inquiries about the Spring 2023 meeting, please contact Alexis Matic at [Alexis@healthcareroundtable.com](mailto:Alexis@healthcareroundtable.com)

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## SAVE THE DATE!

**Next Scheduled Spring Meeting**  
**March 29-31, 2023**



**Hyatt Place Nashville Downtown**  
301 3<sup>rd</sup> Avenue S, Nashville, TN 37201



**Marty Hauser**

Facilitator, CEO Healthcare Roundtable

**Alexis Matic**

CEO, The Healthcare Roundtable

**CEO Advisory Network**

Senior Partners and Partners

**[www.CEOHealthcareRoundtable.com](http://www.CEOHealthcareRoundtable.com)**

