JULY 2015

what's up?

NEWS FOR WESTERN HEALTHCARE ALLIANCE



The new Pioneers Medical Center, located at 100 Pioneers Medical Center Drive in Meeker, opened on June 17.

We have been careful to design a sustainable plan for a healthy future, both for our facility and for all the lives we impact.

Ken Harman,
Chief Executive Officer
Pioneers Medical Center



Congratulations to Pioneers Medical Center

Pioneers Medical Center's new facility is now open! Area residents, workers, and visitors have always counted on Pioneers to provide quality healthcare that includes a full-service hospital and Level IV emergency department, the Meeker Family Health Center, outpatient therapies, diagnostic care, home healthcare, the Walbridge Wing long-term care residence, and wellness services through the Trails to Health program.

Pioneers broke ground for the new facility on March 21, 2014, allowing them to move forward with their vision of modernizing current services, providing new healthcare options locally, and ensuring room to meet the future needs of the community. This \$47 million project was funded through reserves, direct loans, grants and donations. The new facility opened on June 17 and includes a new hospital with inpatient, outpatient and emergency care; a larger Meeker Family Health clinic, and a re-imagined Walbridge Wing long-term care center.

"After more than 65 years, we continue to build upon our legacy of *Quality Care You Can Count On*. We are so proud to open a new Pioneers Medical Center! We have expanded care to include additional surgical, pediatric, and therapeutic services; infusion and cancer therapies; and cosmetic procedures. We have built private, more comfortable rooms, and Pioneers has successfully forged partnerships with some of the best providers in Colorado to augment the care we provide locally and to ensure smooth transitions of care for our patients. We have been careful to design a sustainable plan for a healthy future, both for our facility and for all the lives we impact," said Ken Harman, CEO of Pioneers Medical Center.

Congratulations Pioneers Medical Center!

Visit **pioneershospital.org** for more information.

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NEWS FOR WESTERN HEALTHCARE ALLIANCE

New Program for WHA Members Saves Hundreds of Thousands

Virtual Procurement Services recovers hundreds of thousands for hospitals in IT hardware and software purchases.

Western Healthcare Alliance members now have access to the expertise of Virtual Procurement Services, LLC (VPS) to reduce the costs of new IT acquisitions as well as help them recover money spent on previous technology purchases.

In the current purchasing environment, independent hospitals have a difficult time determining if the prices they are being charged for technology are the best available. Hospital IT Directors, CFOs and CEOs are forced to measure their purchase orders against benchmarks provided by their vendor, list prices which constantly are being updated, and outdated data. Another factor working against independent hospitals and those in smaller systems is the lack of access to group buy contracts with larger discounts. In the program, VPS aggregates WHA member data and purchasing volume along with others nationally to reduce overall hospital spends.

"At my previous hospital, VPS was able to recover \$120,000 on a deal that had been paid for three years previously. VPS went on to save us millions of dollars on net new spend," states Jake Dorst, CIO and Interim CEO at Tahoe Forest Health District in Truckee, California. VPS, which was founded in 2009, brings accurate real time pricing data and best IT negotiating practices to bear on WHA members' behalf.

VPS has saved tens of millions of dollars for customers by reducing the cost of new acquisitions and recovering money that customers have already spent in and around the data center.

"In the first year of working with Tahoe Forest, VPS reduced our best and final proposals by double digit percentages on hardware, software, and maintenance contracts. VPS has been able to accomplish this for us while actually enhancing our vendor relationships," Dorst adds.

VPS is the latest in a full slate of programs available through the WHA Preferred Corporate Partner Program. Members brought the VPS program to WHA for evaluation and Scot Mitchell, SVP and Tom Northey, Director of IT Collaboration then conducted a thorough due diligence process. The resulting contract assembled by WHA and VPS provides services at a deeply discounted rate based on the size of the membership.

WHA members have access to a courtesy evaluation by VPS. For more information about the analysis and the program, contact **Tom Northey** at **866.986.3657** or **tom.northey@wha1.org**.

VPS was able to recover \$120,000 on a deal that had been paid for three years previously.

 Jake Dorst, CIO and Interim CEO, Tahoe Forest Health District



Healthcare Management is New Strategic Service Partner for Quorum Purchasing Advantage

Western Healthcare Alliance's preferred revenue cycle solutions company, Healthcare Management (HCM), owned by members, is now a Strategic Service Partner for Quorum Purchasing Advantage (QPA) through Quorum Health Resources (QHR). QHR is a hospital management and consulting firm based in Brentwood, Tennessee.

Through this new relationship, HCM is now a preferred provider for more than 140 QHR members across the country for Centralized Business Office, self-pay billing, and bad debt and legal process solutions, including our own member/clients Community Hospital, The Memorial Hospital, Montrose Memorial Hospital, Pioneers Medical Center, Southwest Health System, and Valley View Hospital.

P2 New WHA Program, CBO/QHR Update For more information on this new partnership, contact **Pilar Mank** at **866.986.3590** or **pilar.mank@wha1.org**.





Medicare Fee-For-Service Payments Will Be Tied to Quality in 2016



Pershing Yoakley & Associates, the consulting firm engaged with Western Healthcare Alliance in the development of the Community Care Alliance, issued a white paper examining the rapid rise of value-based payment models and identifying the skills healthcare providers will need to succeed under these new models. Below is an excerpt from the paper. In next month's what's up, we'll share more details about the Community Care Alliance.

Last year, in *Healthcare 2014: Embracing the New Normal*, we commented on the industry's dawning realization that payment reform was real, profound, and somewhere on the horizon.

With 20/20 hindsight, we see that we correctly identified key trends, but underestimated how rapidly value-based payment models would move from being the exception to becoming the rule. The industry is now turning the corner and heading directly into the transition from volume- to value-based payments.

Secretary Sylvia Burwell's recent announcement regarding Medicare's goals drives this point home: "Our goal is to have 85% of all Medicare fee-for-service payments tied to quality or value by 2016, and 90% by 2018."

As payments are increasingly tied to quality and efficiency, healthcare delivery systems will have to evolve rapidly to meet these changing incentives. In the "new world," providers will need to be more collaborative, adaptive, patient-centered and tech-savvy. [Visit wha1.org to learn how members are already in the "new world" through the comprehensive menu of IT, supply-chain and revenue cycle solutions.] In the words of Albert Einstein, "The measure of intelligence is the ability to change." As you confront these revolutionary changes in healthcare, we offer three suggestions to help raise your healthcare IQ:

Keep Cookie Cutters Out of Your Toolbox

For years, healthcare providers have relied on off-the-rack strategies to improve performance, but now the rack is empty. Be prepared to start from scratch, with a thorough understanding of where your organization is today and where it needs to be headed in the near future.

Become a Disciple of the 70 Percent Solution

The U.S. Marines are credited with formulating the 70 Percent Solution: when you are 70 percent ready and have 70 percent consensus, it's time to act. In an environment where information is imprecise and ever-changing—like the healthcare industry today—the 70 Percent Solution drives an organization to the best possible decision under challenging circumstances.

Be Willing to Build It While You Fly It

This is the corollary to the 70 Percent Solution: be prepared to improvise. Do not commit to a specific solution to the point that you are unable or unwilling to make course corrections. Instead, regular performance evaluations and adjustments should be built into your project work plan so that your organization can continue to adapt to a dynamic environment.

Learn more about the WHA Community Care Alliance by contacting **Dave Ressler** at **866.986.3675** or **david.ressler@wha1.org**. For the complete white paper, visit PYA at <u>http://www.pyapc.com/pya-white-paper-healthcare-</u> 2015-turning-the-corner/.

Our goal is to have 85% of all Medicare fee-for-service payments tied to quality or value by 2016, and 90% by 2018.

– Sylvia Burwell,

United States Secretary of Health and Human Services

P3 Medicare Payments Tied to Quality

Collaborating to Improve Community Healthcare

UPCOMING EVENTS

WHA Rehab Peer Network Meeting	Friday, July 10th 10:00 am – 2:00 pm Valley View Hospital, Conference Room 3A, Glenwood Springs
WHA IT Peer Network Meeting	Tuesday, July 14th 10:00 am – 2:00 pm Western Healthcare Alliance, Grand Junction
WHA CNO/QIRM Peer Network Meeting	Thursday, July 23rd 10:00 am – 2:00 pm Western Healthcare Alliance, Grand Junction
WHA Board Meeting	Wednesday, August 5th and Thursday, August 6th Westin Riverfront, Avon
WHA Communications & Marketing Peer Network Meeting	Wednesday, August 12th 10:00 am – 2:00 pm Western Healthcare Alliance, Grand Junction
WHA IT Peer Network Meeting	Thursday, September 10th 10:00 am – 2:00 pm Western Healthcare Alliance, Grand Junction
WHA PFS Peer Network Meeting	Thursday, September 17th 10:00 am – 2:00 pm Western Healthcare Alliance, Grand Junction
WHA CFO Peer Network Meeting	Wednesday, September 23rd 10:00 am – 2:00 pm Hotel Colorado, Glenwood Springs

For more details regarding the WHA Peer Network Meetings, contact Tracy Luster at 866.986.3585 or tracy.luster@wha1.org.



Western Healthcare Alliance



Strategic Leadership



Financial Strength



Operational Efficiencies



Clinical Excellence



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Upcoming Events

Staff Directory

Carolyn Bruce Chief Executive Officer 866.683.5203 • carolyn.bruce@wha1.org

Steve Hubbard Chief Financial Officer 866.683.5207 • steve.hubbard@wha1.org

Scot Mitchell Senior Vice President 877.683.5227 • scot.mitchell@wha1.org

Jessica Taylor Vice President, Marketing & Client Relations 866.986.3651 • jessica.taylor@wha1.org

David Ressler Executive Director, Community Care Alliance 866.986.3675 • david.ressler@wha1.org Tom Northey Director, IT Collaboration 866.986.3657 • tom.northey@wha1.org

Bobbie Orchard Director, Marketing 877.683.5223• bobbie.orchard@wha1.org

Pilar Mank Director, Client Services 866.986.3590 • pilar.mank@wha1.org

Gloria Sacco Director, Central Business Office 866.986.3620 • gloria.sacco@wha1.org

Stephen Day IT Director 866.683.5205 • stephen.day@wha1.org

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Collaborating to Support and Sustain Quality Healthcare in All Our Communities

888.828.0011