

SPECIAL POINT OF INTEREST

HNP's New Name, New Vision

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MHMD
Memorial Hermann Physician Network

ISSUE I • SUMMER 2010

Newslink

ABOUT MHMD

MHMD, Memorial Hermann Physician Network, is a clinically integrated physician organization comprised of more than 3,600 doctors across southeast Texas. MHMD is the largest independent physician organization of its kind in Texas. Visit our Web site at www.mhmd.com

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HNP Announces New Brand and Focus

The most significant healthcare reform effort in our nation's history is under way. Reform will change the way physicians practice medicine and it will change the way physicians and hospitals collaborate in caring for patients. Stated simply, this new environment will call for physicians and hospitals to work together as never before.

In January, the HNP board and management met with Memorial Hermann senior leadership to create a shared vision for the future. Over the next few months, both Memorial Hermann President and CEO Dan Wolterman and MHMD Board Chair Keith Fernandez, M.D., will be presenting integration strategies to Memorial Hermann medical staff physicians and employees. These

strategies will help ensure our ability to adapt and thrive in the post-reform healthcare environment.

One of the first steps in shaping the future of healthcare is the introduction of a new brand that better symbolizes who HNP is and what HNP stands for today. As you were notified earlier this summer, the HNP board voted to rename our organization as **MHMD – Memorial Hermann Physician Network**.

Change of any kind is never easy, but by working together, our two organizations have an unprecedented opportunity to help shape the future of healthcare and its delivery in greater Houston.

See page two for messages from Dr. Fernandez and Dan Wolterman.

New System Medical Staff Bylaws Available for Review

Memorial Hermann medical staff members are being asked to approve a uniform set of Medical Staff Bylaws for use at each of the Memorial Hermann hospitals. These bylaws were developed by a physician-led task force with the goal of helping improve quality of care and patient safety while resolving differences among existing medical staff bylaws. They are consistent with the vision, mission and goals of the Memorial Hermann System and in compliance with standards of The Joint Commission and other regulatory agencies. Once approved, the bylaws will replace the



CONSUMERS HAVE STRONGLY ENDORSED AND EXPECT BOARD CERTIFICATION AS A STANDARD. MEMORIAL HERMANN BELIEVES THAT GOING FORWARD, BOARD CERTIFICATION SHOULD BE A THRESHOLD STANDARD FOR MEDICAL STAFFS.

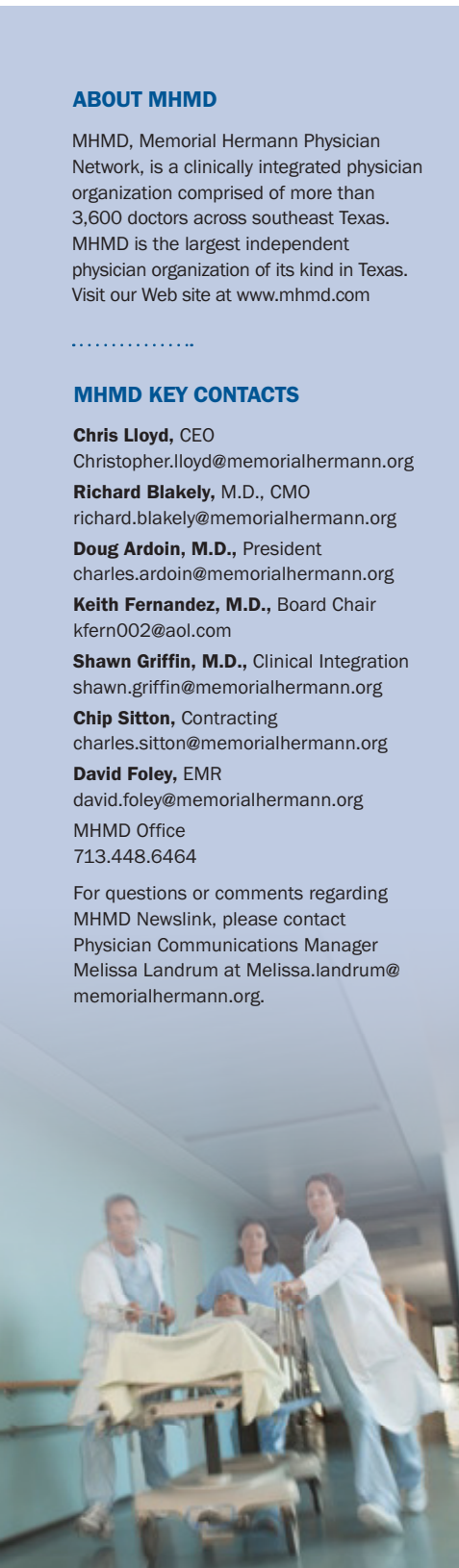
existing bylaws currently in use at each hospital.

What's changed? Creation of the Physician Leadership Council

Today, the medical staff membership and privileges of every physician are granted by the board of directors upon recommendation of the local MEC. When inconsistencies arise, they are adjudicated by the System Quality Committee of the Board

consisting of appointed physicians and, mainly, lay members. Under the new System bylaws, such inconsistencies will be evaluated by

(continued on page 3)



Message from MHMD Board Chair Keith Fernandez, M.D.

One of the first steps in reshaping the future of HNP is the introduction of a new brand that better reflects the organization we are today. Our new brand symbolizes a deeper alignment between Memorial Hermann and our MHMD physicians. It demonstrates a commitment to an equal partnership and encourages unprecedented collaboration.

One of the main aspects of healthcare reform is the movement toward establishing Accountable Care Organizations designed to increase the value and quality received for healthcare dollars spent. MHMD is committed to work within the Memorial Hermann System to create such an organization. Our new alignment and proactive measures position us well to create a healthcare delivery model that meets these goals and benefits our physician members.

MHMD's Clinical Integration Program is

designed to improve patient outcomes and reduce costs through the use of evidence-based medicine, clinical information technologies and quality improvement techniques. It is already increasing quality and lowering costs for payors.

The specialty subcommittees of MHMD's Clinical Programs Committee continue to establish performance measures that lead to reduced length of stay, lower charges and decreased complication rates. MHMD also is helping physicians implement electronic medical records in their practices to improve care coordination, reduce medical errors and avoid redundant testing. To advance the alignment of the MHMD organization, members are participating in Memorial Hermann System forums and decision-making opportunities and are being integrated into the board structure and operating meetings.

I invite you to read more in this issue of Newslink, which has been redesigned to reflect MHMD's new brand and vision. It contains information about the activities that support MHMD's new focus and alignment with Memorial Hermann, as well as new services to benefit your practice and the latest care advances available for your patients.



A handwritten signature in black ink that reads "Keith Fernandez MD".

Keith Fernandez, M.D.
MHMD Board Chair

Message from Memorial Hermann President and CEO Dan Wolterman

This is an exciting time to be in healthcare. Future success within our industry will be defined by how well healthcare systems and physicians can collaborate. Memorial Hermann and our medical staff physicians are well positioned to be leaders in this new business model. We need to continue down our integration paths and migrate toward working as one. The Houston community relies on our healthcare services, and together we will continue to be leading providers of patient care in this city.

On behalf of the Memorial Hermann System, I would like to extend congratulations to MHMD on their rebranding and new name. This physician organization has had a long history with Memorial Hermann, and I remain very encouraged by where we are today. Although I believe that we have some very involved work left before we have reached our full potential together, I am confident that we will get there soon. Through the ongoing

efforts of our physician leaders, MHMD will continue to be a national front-runner in clinical integration.

MHMD and Memorial Hermann have a great opportunity to come together and pursue accountable care and bundled payment pilots included in the recent healthcare reform legislation. I believe that our ability to get into these pilots and perform at a high level will have a major impact on our collective ability to prosper in the future.

Memorial Hermann continues to explore and invest in new ways of keeping affiliated physicians more informed and connected. Our Primary Care Connection physician referral program was designed in large part to encourage patients to establish medical homes for improved access to care and more efficient management of chronic disease. In addition, our System has completed server expansions to improve availability of Care⁴ and other patient care applications.

The System is also in the process of testing new subscription e-mail and text messaging services for important System announcements and updates. These will also be able to notify physicians when their patients are admitted to hospital facilities.

I hope you find the Newslink informative and encouraging. I also look forward to seeing you at the upcoming Campus events.



A handwritten signature in black ink that reads "Dan".

Dan Wolterman
System President & CEO

BYLAWS (continued from page 1)

the Physician Leadership Council, an all-physician body selected by physician peers, which will make recommendations to the System Quality Committee.

Board Certification

Board certification is viewed by key stakeholders to be a surrogate marker for high quality. For a number of years, many medical staffs have required board certification as a condition of staff privileges. It is a public statement to the community that Memorial Hermann's leaders and affiliated physicians take quality seriously. Consumers have strongly endorsed and expect board certification as a standard. Memorial Hermann believes that going forward, board certification should be a threshold standard for medical staffs.

However, the new bylaws do permit all physicians currently on staff without board certification to remain on staff.

Emergency Call Coverage

The task force determined that ER call is an operational issue that is best dealt with by each local facility and medical staff. Removing it from the bylaws has been viewed as a significant step forward.

Medical Staff Categories

Our various medical staffs currently have a total of nearly 25 categories, a confusing and inconsistently applied assortment that represents administrative challenges for medical staff coordinators and confuses most doctors. After considerable discussion, the task force concluded that simplification was needed. Categories would include an Active staff to represent the core group of actively involved physicians on the local campus. The Affiliate staff would be those who use the facility occasionally. The Honorary category will remain in place.

Designated Credentialing Facility

Currently, much costly and duplicative work is being done to process a physician in more than one Memorial Hermann hospital



System Bylaws Task Force Members: Front row (l to r) Drs. Anil Dara, Jeffrey Katz, Michael Shabot, Joseph Edralin, J.B. Tang, Charlotte Alexander, Dudley Koy, and Jose Ortega. Back row (l to r) Drs. Kulvinder “Vinny” Bajwa, James Guo, Joel Abramowitz, Horacio Guzman, William “Bill” Riley and David Thompson. Not pictured: Drs. Doug Ardoin, Teodulo Aves, Mary Cross, Edward Crouse, Susan Denson, Kevin Giglio, Gaddiel Rios and Robert Vanzant.

with identical outcomes most of the time. Each practitioner will select one hospital as his or her designated credentialing facility. This will be the facility where the physician is the most active and most well known. The bylaws do, however, accommodate for adjudication by physician peers when there are legitimate disagreements about a particular physician and his or her privileges. The goal is to have consistent application of credentialing and privileging standards across multiple facilities.

Peer Review Facility

When there is a request for corrective action, all System hospitals where the practitioner

has privileges will agree on which hospital will be the investigating facility and serve as the Peer Review Facility. Usually this designation will be either the physician's credentialing facility where he or she is best known or the facility where the incident in question occurred. Practice information from all facilities where the physician has privileges will be obtained for review. The chief of staff of the Peer Review Facility will conduct a corrective action review in accordance with the Bylaws.

The Systemwide Bylaws are now available for review. Contact your Campus CMO or Task Force representative, or visit [PhysicianLINK.org](https://www.newphysicianlink.org/mhbylaws) (<https://www.newphysicianlink.org/mhbylaws>).

SYSTEMWIDE BYLAWS TASK FORCE CAMPUS REPRESENTATIVES			
Katy	R. Dudley Koy, M.D. Gaddiel Rios, M.D.	Southwest	Charlotte Alexander, M.D. David Thompson, M.D.
Memorial City	Joel W. Abramowitz, M.D. Robert Vanzant, M.D.	Sugar Land	Kulvinder S. “Vinny” Bajwa, M.D. William “Bill” Riley, M.D.
Northeast	Anil Dara, M.D. Jose Ortega, M.D.	TMC	Jeffrey Katz, M.D. Susan Denson, M.D.
Northwest	Teodulo Aves, M.D. Edward Nuila Crouse, M.D.	The Woodlands	Joseph Edralin, M.D. James S. Guo, M.D.
Southeast	Mary Cross, M.D. Horacio Guzman, M.D.		

MHealth Bonus Eligibility Announced



Shawn Griffin, M.D.
Chief Quality & Informatics Officer

As part of the alignment with Memorial Hermann, MHMD is committed to accountability and the Clinical Integration (CI) business model. The MHMD board expects member physicians to practice evidence-based medicine and report quality performance. They are also expected to participate in performance feedback and uphold the behaviors and principles embodied with the compacts between MHMD and its members and between MHMD and the System.

CI continues to move ahead. More than 1,700 members are currently self-reporting clinical data to Crimson, our data warehouse. Of those, more than half are reporting clinical quality data using CPT2 codes on a regular basis.

MHMD passed a significant milestone in March, arriving at the deadline for CI physicians to qualify for the first bonus check. All CI participants should have received letters notifying them of their CI bonus qualification. The letters also provide the opportunity for physicians to correct any errors in bonus calculations.

To ensure that the bonus distribution was based on CI quality performance, the MHMD board set two requirements for bonus eligibility:

- (1) Documentation of completion of the online 15-minute CI module on physicianLINK.org
- (2) Reporting quality measures by March 31, 2010

Seventy percent of CI physicians qualified to receive a bonus check, which will be distributed later this year or January 2011. "MHMD offers many services to help CI participants become more proficient in reporting their quality measures," says Shawn Griffin, M.D., MHMD's chief quality and informatics officer. "Our provider reps offer support and guidance to help ensure each CI practice qualifies for higher reimbursement schedules and future

bonuses. We've recently hired field reps to visit individual offices to assist as needed."

Services available include:

- Conducting readiness assessments
- Training office staff
- Adding CPT2 codes to billing forms and patient files
- Uploading billing files with CPT2 codes

To schedule a visit by one of our new field reps, contact your provider rep.

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Dr. Ankur Doshi shares his eCW experience with Clinical Integration participants at the recent EMR physician mixer

CI Physician Mixers Help Promote EMR Adoption

Ankur Doshi, M.D., addresses CI physicians at one of nine physician mixers held this spring to promote the advantages of implementing MHMD's EMR solution, eClinicalWorks®. To automate reporting and submitting of quality data, eClinicalWorks offers many innovations. To learn more about how this EMR can benefit your practice, read story on page 5 or call 713.448.6428.

Southwest Memorial Physician Associates

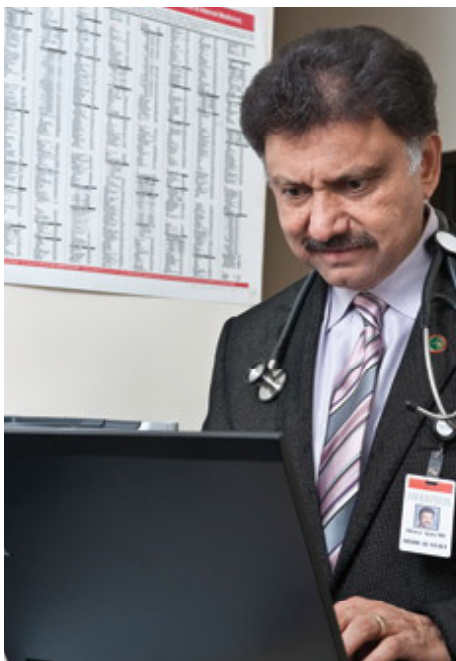
Gary Sheppard, M.D., received his medical degree from The University of Texas Medical Branch at Galveston. He completed his medical residency at The University of Texas Health Science Center. Specializing in internal medicine, he has been practicing since 1994 and currently serves as chief of staff at Memorial Hermann Southwest Hospital.

Dilawar Ajani, M.D., received his medical degree from Liquat Medical College, Sindh University at Jamshoro, Sindh, Pakistan, and completed his medical residency at The University of Texas Health Science Center. Specializing in internal medicine, he has practiced medicine since 1992.

Gary Sheppard, M.D., and Dilawar Ajani, M.D., of Southwest Memorial Physician Associates made the move to electronic medical records in February 2008. After comparing different softwares, they chose MHMD's EMR solution, eClinicalWorks® for many reasons. "We picked eCW because of the background research we conducted. We saw the features and the support from Memorial Hermann and MHMD and the cost structure was attractive," says Dr. Sheppard. "We chose eCW because we wanted a system robust enough to handle everything."

Being Web-based, eClinicalWorks expedites care by improving the physicians' access to patient information. "As primary care physicians, we're called by specialists all

Dr. Dilawar Ajani reviews a patient file on eCW.

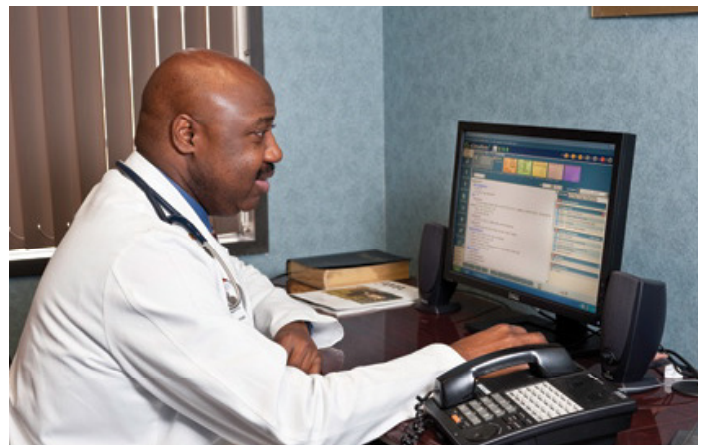


the time for patient EKGs," comments Dr. Sheppard. "With a few clicks, I can fax over the EKG form. It's cutting down on time spent hunting for charts."

Dr. Ajani agrees about the benefits of having a Web-based EMR. "Wherever you are in the world, you can still work on your charts, do your prescriptions and answer your patients' phone calls," says Dr. Ajani. "And when I'm on call and a patient presents with chest pain, I don't have to come to the office to pull the chart. From home, I can pull up the patient's chart online and see what was done before so we don't do extra workups."

Features like eClinicalWorks' templates and progress notes also help expedite care. "If a patient comes in with chest pain, it's already in the system. It's easy to just click and get the history you want," says Dr. Ajani. "And I find the format of the progress notes to be very helpful." Additionally, both doctors agree on the many advantages that having ePrescribing offers them and their patients.

In making the transition from paper records to an EMR, it was important that the practice be able to get up and running with the new system as quickly as possible. MHMD offers implementation expertise plus local support and training. Clinical Integration members



Dr. Gary Sheppard using eCW.

enjoy a sizable discount on the eClinicalWorks software. Memorial Hermann and Dell are teaming up to offer validated hardware with enterprise support plus discounts and financing. Because Memorial Hermann hosts the EMR, there are no extra costs for servers, support or maintenance.

"With eClinicalWorks, when you add the efficiencies it can bring and everything else, including government reporting requirements, you're setting yourself up to be ahead of the curve and ready for whatever government or insurance is going to want," says Dr. Sheppard.

What are you waiting for?

To schedule a demonstration of eClinicalWorks, e-mail physicianEMRsolutions@memorialhermann.org or call 713.448.6428.

Examining the Impact of Healthcare Reform on Providers



Freddy Warner
System Executive, Public Policy
and Government Relations

The new healthcare legislation equates to an overhaul of the American healthcare system the size of which hasn't been seen since the creation of Medicare and Medicaid in 1965. Although no one can know for sure how things will look in the long run, based on the way the law looks today, we can come to some conclusions about its estimated impact on patients, physicians, healthcare organizations, insurance companies and small businesses. Here's a look at the impact the new legislation will have on physicians and hospitals.

Expansion of Medicaid and CHIP

The planned expansion of Medicaid and CHIP is expected to bring with it an increase in (fee-for-service or managed care) Medicaid payments for primary care services to 100 percent of Medicare payment rates for FY 2013 and FY 2014. The federal government will pick up 100 percent of the cost of the increased payment rates.

New Insurance Exchanges

The bill creates state health insurance exchanges to be implemented in 2014. Qualified health plans could offer coverage through a state exchange as long as they meet a minimum level of essential benefits. Individual states will be permitted to create Basic Health Plans for uninsured individuals making between 133 percent and 400 percent of the Federal Poverty Level, and would otherwise be eligible to receive health insurance

subsidies from within an exchange, provided the state plans have at least the same package of essential benefits as are offered through exchanges, and do not include premium costs in excess of exchange premium limits.

Innovating Healthcare Delivery

In 2011 a new Innovation Center within the Centers for Medicare & Medicaid Services (CMS) will evaluate innovation payment methodologies within Medicare, Medicaid, and CHIP to reduce costs while maintaining or improving quality of care. Beginning in 2010, a nonprofit Patient-Centered Outcomes Research Institute will promote comparative effectiveness research.

Accountable Care Organizations

Beginning in 2012, healthcare providers may create Accountable Care Organizations (ACO), which would allow organizations of hospitals and physicians that voluntarily agree to meet certain patient quality measurements to share in Medicare cost savings they achieve. An ACO must agree to coordinate care, be accountable for the overall care of Medicare beneficiaries under its care, meet primary care physician participation levels, promote evidence-based medicine, and submit quality and cost reports. The new reform law delegates responsibility to HHS for how this shared savings program will be developed.

Bundled Payment Pilot

By January 1, 2013, a five-year national pilot program begins for Medicare "bundled



BEGINNING IN 2012, HEALTHCARE PROVIDERS MAY CREATE ACCOUNTABLE CARE ORGANIZATIONS (ACO), WHICH WOULD ALLOW ORGANIZATIONS OF HOSPITALS AND PHYSICIANS THAT VOLUNTARILY AGREE TO MEET CERTAIN PATIENT QUALITY MEASUREMENTS TO SHARE IN MEDICARE COST SAVINGS THEY ACHIEVE.

payments" for acute, inpatient hospital services, physician services, outpatient hospital services, and post-acute services.

Medicare Payment Reductions

Beginning in 2013, the legislation reduces Medicare payments to hospitals for excessive preventable hospital readmissions, as compared to "expected" levels of readmissions based on national 30-day readmission measures for heart attack, heart failure and pneumonia, which are currently part of the voluntary Medicare Physicians Quality Reporting Initiative (PQRI) "pay-for-reporting" program within CMS. Hospital readmission rates must be published and available to the

public through CMS' Hospital Compare Web site. Beginning in 2015, it reduces Medicare payments to hospitals falling within the top 25 percent for national, risk-adjusted rates of hospital-acquired conditions (HAC) by 1 percent. Effective July 1, 2011, it prohibits federal payments to states for Medicaid services related to hospital-acquired conditions.

Requiring Financial Relationship Disclosure

Provisions of the new law require disclosure of financial relationships between healthcare entities, including hospitals, physicians, pharmacists, drug manufacturers, etc.

Malpractice/Tort Reform Litigation Alternatives

It provides \$50 million, to be appropriated over five years, beginning in FY 2011, for

demonstration programs for states developing, implementing and evaluating alternatives to current medical malpractice/tort reform litigation.

Encouraging Care at Home

Beginning in 2012, it creates the Independence at Home demonstration project, providing certain Medicare patients with primary care services in their homes, and allowing healthcare professionals to share in any cost-savings associated with reduced preventable hospitalizations.

Promoting Medical Homes and Chronic Disease Management

It provides funding over a five-year period, beginning in FY 2010, for the development of training programs focusing on primary care models, medical homes, team healthcare management of chronic disease, and integrated management of physical and mental healthcare.

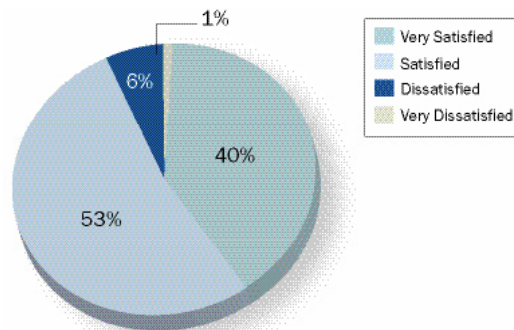
Financing Healthcare Reform

The nonpartisan Congressional Budget Office estimates that, overall, the bill is projected to reduce the federal deficit by \$138 billion over the first 10 years and \$1.2 trillion over the second 10 years. In short, the new healthcare reform law will be financed through the creation of new taxes, fees and penalties, representing approximately one-half of the total cost; with the remainder coming from reductions in Medicare and Medicaid payments.

For the latest information on the new healthcare bill, visit these Web sites:
The Library of Congress – www.thomas.gov, Kaiser Family Foundation – www.kff.org, Government Health Reform – www.healthreform.gov, The White House Online – www.whitehouse.gov, The Annenberg Public Policy Center – www.factcheck.org

Overall Physician Satisfaction Rates Continue to Rise

For the sixth year in a row, physician satisfaction scores continued to rise in the annual MHMD-commissioned Physician Satisfaction Survey conducted by HealthStream® Research. This year's survey reported that Memorial Hermann's Overall Satisfaction Rate topped 93 percent, a two-point improvement over last year. One of the major drivers for physician satisfaction is Nursing Care. This year's survey revealed that the percentage of physicians who were satisfied or very satisfied with nursing care increased four points to 93 percent.



The Memorial Hermann Campuses scoring 90 percent or higher for positive responses in Overall Physician Satisfaction included: Sugar Land, Northwest, Katy, Southeast, The Woodlands, TIRR, Children's Memorial Hermann Hospital and Memorial City. Southeast received 100 percent positive responses from its physicians in regard to overall satisfaction.

System Physician-in-Chief Doug Ardoin, M.D., attributes the steady upward growth in satisfaction levels to the hard work and commitment of Memorial Hermann employees throughout the System. "Despite some difficult issues over the past year at some of our Campuses, we were able to work through our differences and keep satisfaction levels improving by focusing our attention and energies on what physicians value most in a hospital," says Dr. Ardoin.

MHMD views the survey as a member benefit because it provides physicians a venue for collectively voicing concerns and suggestions for improvements in hospital facilities and services.

The sixth-annual physician survey was performed by HealthStream® Research. One of the healthcare industry's foremost benchmarking resources, the company surveyed the opinions of 1,067 active and provisional Memorial Hermann medical staff members to evaluate satisfaction and engagement.

"We appreciate physicians taking the time to participate in the survey. It is only through their regular feedback that we can work together to make our hospitals the best places for practicing medicine," adds Dr. Ardoin. "We will utilize the results and responses of this year's survey to guide our efforts in aligning our operations more closely with the needs of physicians and their patients."

KEY DRIVERS OF OVERALL PHYSICIAN SATISFACTION

Memorial Hermann exceeded national scores in the top 10 items found most important to physicians:

- **Skill:** Administration's ability to manage the hospital
- **Quality Improvement:** Efforts to continuously improve quality
- **Responsiveness:** Administration's responsiveness in addressing issues important to patient care
- **Safe Care:** Efforts to provide safe and error-free care
- **Consistency:** Efforts to maintain a high quality of care consistent across all shifts and floors
- **Communication:** How well the administration communicates with physicians
- **Nursing care**
- **Willingness to recommend hospital to family and friends needing care**
- **Security:** Efforts to provide a safe and secure environment for staff and patients
- **Treatment of families of patients throughout their interaction with the hospital**



Four Memorial Hermann Hospitals Named among “America’s 50 Best” by HealthGrades



Memorial Hermann’s Northwest, Southeast, Southwest and The Woodlands hospitals named among “America’s 50 Best” hospitals by HealthGrades®.

Memorial Hermann’s Northwest, Southeast, Southwest and The Woodlands hospitals have been named among “America’s 50 Best” hospitals by HealthGrades®, a leading independent healthcare ratings firm. This latest achievement validates ongoing efforts to make these hospitals the best places to practice medicine in the Houston area and the country, and places these facilities among the top 1 percent of hospitals in the United States.

To be identified in the annual report, hospitals must have had risk-adjusted mortality and complication rates that place them in the top 5 percent nationally for the greatest number of consecutive years, indicating sustained, outstanding patient outcomes. “Being among America’s top 50 hospitals validates the efforts and commitment of these facilities and their medical staffs

to deliver extraordinary patient care,” says Dan Wolterman, Memorial Hermann president and CEO. “These facilities experience lower patient mortality and incidence of complications when compared to other hospitals and that translates into thousands of lives saved each year.”

These Memorial Hermann facilities are included among the best of the top-performing hospitals that are setting the quality standard nationwide. “These hospitals are setting national benchmarks for excellence in clinical quality, and as we continue to debate healthcare reform, they should stand as institutions to be learned from and emulated,” says Rick May, M.D., a HealthGrades vice president and author of the report.

For over a decade, HealthGrades has been providing objective clinical quality ratings

based on the outcomes of nearly every hospital in the country for 26 diagnoses and procedures. Consumers can compare hospitals by their star ratings on a local, regional or national basis by visiting www.healthgrades.com. “When you put our recent Magnet status designation and HealthGrades side by side, we are truly among the best in the nation,” says Steve Sanders, The Woodlands CEO. “We accomplished this with the team efforts of employees, physicians and volunteers.”

The HealthGrades risk-adjusted analysis uses CMS Medicare data for Memorial Hermann from 2006 to 2008 to produce facility-specific comparisons of actual and predicted performance. Outcomes are rated, by service line and procedure or diagnosis. “We wish to acknowledge our affiliated medical staff physicians for their ongoing support which has allowed us to be named among America’s 50 Best,” says Southwest CEO George Gaston. “Without them, this latest achievement would not have been possible. We’re excited at the opportunity it presents to recognize the hard work and dedicated efforts that helped us to sustain this superior level of care.”

How They Ranked

The four Memorial Hermann hospitals that operate under one provider number ranked in the top 5 percent in the nation for quality outcomes in these areas:

- Stroke treatment
- Overall pulmonary services
- Overall GI services
- Critical care
- General surgery
- Maternity care

Additionally, for eight years in a row, this group of hospitals has ranked among the top 10 percent in the nation for joint replacement.

CPC Restructuring Now Complete



Richard Blakely, M.D.
Chief Medical Officer

MHMD’s Clinical Programs Committee (CPC) is composed of specialty-specific subcommittees consisting of physicians of like specialties from all Memorial Hermann hospitals. As a result, the CPC is considered the “clinical science” arm of MHMD. For example, the CPC subcommittees oversee and approve the Order Sets deployed throughout the System. This Systemwide committee structure and

Order Set development teams enable MHMD to be fully engaged in promoting, educating and facilitating the ability of member physicians to practice medicine consistent with current scientific evidence and best practices.

The CPC has five critical functions.

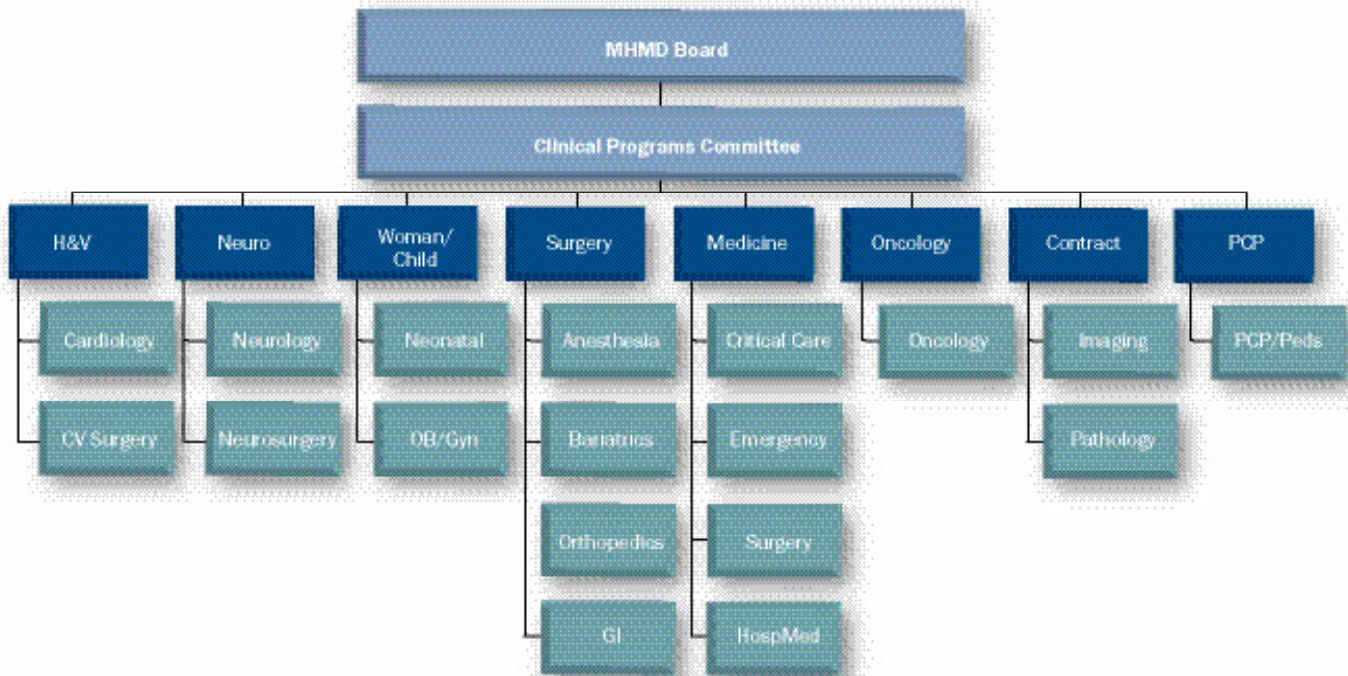
- (1) Establish and maintain performance of physicians against goals
- (2) Establish protocols that facilitate practice of evidence-based medicine
- (3) Oversee products – pharmaceuticals, supplies and vendors
- (4) Pursue optimum payment structures – P4P goals, bundled payment methodologies
- (5) Monitor patient/physician satisfaction levels

During the recent CPC restructuring process, new suggestions were received from CPC subcommittees throughout the System. It was determined that some related subcommittees

such as Neurosciences and Heart & Vascular should have combined meetings. The Primary Care committee will have increasing importance in regard to Medical Home and disease/population management. General Medicine was changed to Hospital Medicine and will include hospitalists. CPC subcommittee chairs are encouraged to actively enforce or implement subcommittee decisions and connect subcommittee actions with Service Line leaders at the hospitals. It was also suggested that CNOs should be included in liaison roles and directors should be included on the subcommittees. “MHMD physicians are encouraged to learn more about the activities of CPC subcommittees for their respective specialties,” says Richard Blakely, M.D., MHMD CMO.

All CPC meeting agendas and minutes are posted for viewing on the CPC Sharepoint site on PhysicianLINK.org

MHMD Clinical Programs Committees



Children’s Memorial Hermann Hospital’s New Patient Advisory Council

Children’s Memorial Hermann Hospital is giving its young patients a voice in the care they receive through the new Children’s Patient Advisory Council (CPAC). The first order of business is setting up a patient-feedback hotline and finding strategies to improve caregiver-patient communications. The Council recruits 15 patients to participate in monthly meetings for one year. According to Children’s Memorial Hermann Hospital CEO Craig Cordola, individuals can play a strong role in advocating the needs of all patients. “The Council is a working board with meaning, value and purpose. We expect to be able to implement many of their ideas and, in doing so, make our institution even more patient friendly.”

Southeast Gets New CEO



Erin Asprek

In March, Erin Asprek became CEO for Southeast Hospital. A seasoned healthcare leader, Asprek joined Memorial Hermann in 2002 where she has served the past six years as CEO for Memorial Hermann

Heart & Vascular Institute-Texas Medical Center and recently as CEO for the Heart & Vascular Institute-Southwest. “Erin established a solid foundation for heart and vascular care, led the effort to open the Heart & Vascular Institute at TMC in 2008 and achieved three years of continued growth,” says Juanita Romans, CEO, Memorial Hermann-TMC Campus.

Asprek says her vision for Southeast is threefold: “First is growth – developing a service line infrastructure, investing in key service lines, establishing a greater presence in the community and creating programs for specific demographic populations. Second is differentiation – moving Memorial Hermann to the top 10 percent in quality and service, and being the employer of choice. And third is physician alignment – working with physicians to

Single-incision surgery debuts at Memorial Hermann Southeast

A single-port colectomy, an operation that removes the colon, was performed on February 16 at Memorial Hermann Southeast Hospital, successfully removing the entire right colon from a woman diagnosed with colon cancer. This new and unique procedure has been done at a small number of hospitals around the nation and only a few times in Houston. During the procedure, a single, small incision made around the navel is created to allow instruments to be placed within the body to remove the colon. Traditionally, the procedure required four or five larger incisions. “This is a technological advancement that allows patients to have a smaller incision, less pain and a faster recovery,” said Theodoros Voloyiannis, M.D., F.A.C.S, Colon and Rectal Clinic of Houston and Memorial Hermann Southeast, who performed the procedure. For more information, call 281.484.9221.



Theodoros Voloyiannis, M.D.

help them succeed – because it is only through their success that the hospital can succeed.”

Southeast Expands Cath Lab Capabilities

Memorial Hermann Southeast Hospital has expanded its cardiac care capabilities through the addition of a state-of-the-art peripheral vascular diagnostics and electrophysiology (EP) technology in its cath lab, as well as a fully equipped outpatient rehabilitation room. “This expansion allows us to venture into a high-growth area within cardiovascular services, improve our patients’ experience and better meet the needs of the Bay Area community and physicians,” says Southeast CEO Erin Asprek.

The cath lab’s new Philips FD20 coronary/vascular imaging systems, St. Jude EP Med and Ensite Cardiac Mapping System technologies enable a spectrum of coronary and vascular diagnostics and treatment therapies for arrhythmia disorders – including cardioversion, ICD insertion, pacemaker insertion, implantation of cardiac resynchronization devices for heart failure, electrophysiology studies, and 3-D mapping and radiofrequency ablation. The cath lab clinical team includes on-staff cardiologists, electrophysiologists, radiology technicians, cardiovascular technicians and nurses available 24/7.

The new expansion unifies Southeast’s diagnostic and rehabilitation services into

a single comprehensive Heart & Vascular unit. “We’re pleased to be able to serve our community through expanded, state-of-the-art Heart & Vascular services, closer to home,” says Todd Ginapp, Southeast cardiology manager. “We now offer greater scheduling flexibility for physicians and patients, which can improve patient outcomes.”

Northwest Now a Breast Imaging Center of Excellence

Memorial Hermann Northwest Hospital gained its designation as a Breast Imaging Center of Excellence by the American College of Radiology (ACR). It is one of only six designated facilities in Houston. Northwest is fully accredited in mammography, stereotactic breast biopsy, breast ultrasound and ultrasound-guided breast biopsy. The ACR peer-review evaluations determined that Northwest has achieved high practice standards in image quality, personnel qualifications, facility equipment, quality control procedures and quality assurance programs. “This latest



certification identifies us as a premier provider of comprehensive breast imaging services of the highest quality in the industry,” says Northwest CEO Gary Kerr.

The Woodlands Joins the State’s Primary Stroke Center Network

Memorial Hermann is working with the Department of State Health Services (DSHS) in establishing a voluntary, statewide emergency treatment system made up of a network of Primary Care Stroke Centers across Texas to



deliver rapid care for stroke victims. In January, Memorial Hermann The Woodlands Hospital was certified as a Primary Care Stroke Center, joining ranks with other Memorial Hermann hospitals, including TMC, Memorial City, Katy and Southwest. The Woodlands is the first hospital in Montgomery County to receive this designation.

Memorial City Medical Center and Katy Hospital Named Among Nation’s 100 Top Hospitals by Thomson Reuters

Memorial Hermann Memorial City and Katy hospitals were named among the nation’s 100 Top Hospitals® by Thomson Reuters, a leading provider of information and solutions to improve the cost and quality of healthcare. The award recognizes hospitals that have achieved excellence and overall organizational performance in clinical outcomes, patient safety, patient satisfaction, financial performance and operational efficiency. The two facilities are the only Houston hospitals to receive this honor.

Thomson Reuters evaluated 2,926 short-term, acute care, non-federal hospitals in 10 areas: mortality, medical complications, patient safety, average length of stay, expenses,

profitability, patient satisfaction, adherence to clinical standards of care, and post-discharge mortality and readmission rates for acute myocardial infarction, heart failure, and pneumonia. “We are proud to be recognized as one of the country’s leading hospitals in a comparison that is based on stringent criteria and quantifiable results,” said Rod Brace, Memorial Hermann West and Southwest Market CEO. “This award highlights the world-class care that our physicians and staff bring to Houston.”

Katy Goes Paperless

Nearly four years ago, the physicians at Memorial Hermann Katy Hospital approached the administration to establish electronic order entry and the digital medical record across all departments. Over the following three years, physicians, clinicians and administrators developed 160 fully customizable, evidence-based Medical Power Plans and tools that make the Care⁴ e-ordering process more transparent.

“Within just one year, the percentage of orders entered electronically tripled,” says Kim Saccone, lead physician CSA, information systems, Katy. “With Care⁴’s medicine reconciliation feature recently launched, we expect to reach 90 percent usage soon, which will place Katy in the top 5 percent of hospitals nationwide. In addition, the vast majority of physician notes (history, physical and operative) are dictated with rapid turnaround times.”

Care⁴’s reminders and alerts guard against human error, catch drug interactions and flag counter-indications. Physicians enjoy fewer callbacks from pharmacies and nurses, easier access to charts, reporting tools and data, immediate activation of orders, plus the ability to perform ordering duties 24/7, from any location.

Electronic ordering requires training, provided through classes, individual training and online courses via the CME section of PhysicianLINK.org.

The Woodlands Designated a Magnet for Excellence in Nursing

Memorial Hermann The Woodlands Hospital has achieved one of the highest levels of recognition a hospital can receive – Magnet® recognition for excellence in nursing services by the American Nurses Credentialing Center’s (ANCC) Magnet Recognition Program®,



becoming the first hospital in Montgomery County and north Houston to earn this prestigious recognition. Only 6.2 percent of all healthcare organizations in the United States have achieved Magnet status.

“The Magnet designation recognizes the excellent work our nurses do each day and rewards the commitment of our entire staff to serve as a team, providing the highest quality care possible for our patients and our community,” says Victoria King, R.N., chief nursing officer at The Woodlands. “Magnet recognition is to nursing what the Lombardi trophy is to football or the gold medal is to the Olympics.”

Research has shown that Magnet facilities consistently outperform other facilities in recruiting and retaining nurses. Magnet recognition is valid for four years. Memorial City was the first System hospital to receive Magnet designation.

ARRA HITECH Act Adds Teeth to Federal HIPAA Regulations

What if a physician left his unencrypted laptop containing 46,000 patient records in his car? If the laptop had been stolen, the physician would be required to “notify each individual whose unsecured protected health information (PHI) has been, or is reasonably believed to have been breached.” A “breach” is defined as the acquisition, access, use or disclosure of PHI in a manner that violates the Privacy Rule or Security Rule and which compromises the security or privacy of the PHI.

Additionally, the physician would be required to notify the Secretary of Health and Human Services with a description of what occurred, type of PHI disclosed, description of the steps the affected individuals should take in order to protect themselves, such as offer credit protection to the individual(s) free for a period of one year, a description of what the physician is doing to investigate and mitigate the breach and instructions for the individual to contact the physician. At \$200 per record, an inappropriate disclosure of 46,000 patient records would cost approximately \$9 million. This would not include fees, penalties and fines.

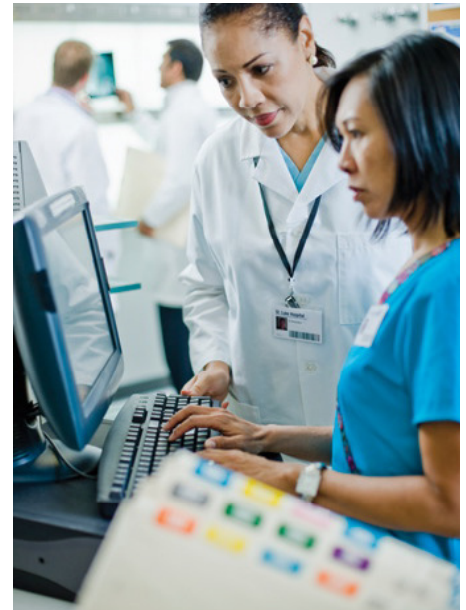
In February 2010 these new rules went into effect and impact Memorial Hermann and its affiliated physicians by increasing the severity of consequences of HIPAA violations through Title XIII Health Information Technology for Economic and Clinical Health (HITECH).

The new rules include:

- **Greater enforcement penalties** – provides a tiered system for assessing violations and penalties, now up to \$1.5 million, with civil, criminal and federal charges imposed.
- **Expanded definition and liability of “business associates”** – to include individuals and entities who are not members of the covered entity’s workforce, e.g., attorneys, claims processors, consultants, medical transcriptionists, etc.
- **New rules for breach violations** – requires providers to notify individuals, and in

some cases the Secretary of Health and Human Services, of any unauthorized access, acquisition, use or disclosure of PHI that poses a significant risk of financial, reputational, or other harm.

- **New restrictions of PHI disclosures** – if patients who pay cash in full with out-of-pocket funds request the covered entity not to disclose PHI to their health plan, the covered entity must comply.
- **Accounting of disclosures from the EMR** – under HITECH, a patient may now request an accounting of disclosure for treatment, payment and healthcare operations. The covered entity is required to maintain this information for a period of three years and must honor the patient’s request.



What is Memorial Hermann doing to prevent HIPAA violations?

Memorial Hermann has a comprehensive program in place to reduce exposure, protect patient rights and comply with the federal HIPAA and HITECH Rules.

- **Data Security** – the use of firewalls, strong passwords, role-based access and data encryption. Memorial Hermann’s security policy requires that all laptop hard drives be encrypted.
- **Daily Data Audits** – Memorial Hermann’s electronic medical records (EMR) system has an auditing feature which allows

monitoring each time patient records are accessed. It records when access occurs, who accessed the record, what was viewed in the record and how long the records were “open.”

- **Mandated HIPAA Education for All Employees** – Completion of Memorial Hermann’s Partners in Learning HIPAA Privacy and Security course is required once per year in order to maintain computer login rights. If the online course is not completed, workforce members will be locked out of the EMR and denied access until the course is completed.

MONETARY CONSEQUENCES FOR HIPAA VIOLATIONS

TIER	LEVEL OF VIOLATION	FINE PER VIOLATION	MAX FINE PER CALENDAR YEAR FOR IDENTICAL VIOLATIONS
A	Unintentional	\$100	\$25,000
B	Reasonable cause, but not willful neglect	\$1,000	\$100,000
C	Willful neglect that the organization ultimately corrected	\$10,000	\$250,000
D	Willful neglect that the organization did not correct	\$50,000	\$1.5 million

As part of the increased alignment between Memorial Hermann and MHMD, this new column will be dedicated to highlighting new technologies and tools available for keeping physicians better connected to their patients and the System's latest updates and advances.



Medical Informatics News

Memorial Hermann has launched two complementary efforts to ensure immediate access to patient information for all physicians and clinical staff 24/7, involving improving Care⁴ availability as well as preparing and managing downtimes as an internal disaster.

The first effort involves improving application availability by moving to a highly available hardware configuration that went online back in March. “New hardware makes the application nodes highly available and improves restart time,” says Robert Murphy, M.D., System chief medical informatics officer. “We’ve also added redundancy to prevent customer interruptions and improve functionality.”

The second effort involved chartering a Downtime Task Force under the direction of Memorial Hermann Director of Emergency Preparedness Vickie Maywald. The task force developed procedures and tools to be used in the event of an internal disaster or incident that causes alterations in the normal way Memorial Hermann provides care for its patients. A new Downtime Chapter was drafted for inclusion in Memorial Hermann’s Emergency Preparedness Manual.

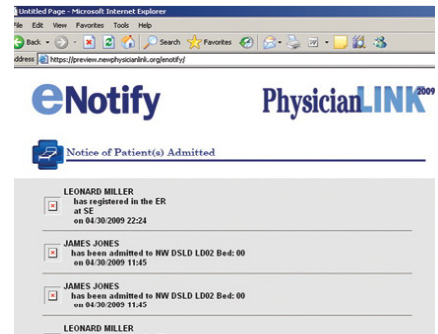
“The ultimate goal of the task force is to keep people better informed of the tools and procedures that exist and make sure they are well trained and prepared to use them if the need arises,” says Maywald. “We are especially excited about a new communication system called MHAlert being piloted at Northwest this summer that will greatly improve efficiency in keeping our affiliated physicians and employees better informed of regular and irregular hospital activities, and will expedite staffing procedures in the event of severe weather or other disasters.”

“THE ULTIMATE GOAL OF THE TASK FORCE IS TO KEEP PEOPLE BETTER INFORMED OF THE TOOLS AND PROCEDURES THAT EXIST AND MAKE SURE THEY ARE WELL TRAINED AND PREPARED TO USE THEM IF THE NEED ARISES.”

Keeping Physicians Informed of Patient Hospitalizations

More than 199 physicians have enrolled in Memorial Hermann’s eNotify program that notifies physicians when one of their patients is admitted to a Memorial Hermann facility and identifies them as the Primary Care Physician.

“I have found the eNotify tool incredibly useful in helping me take care of my patients. The traditional ways in which I received notification that a patient of mine had presented to the ER were slow and unreliable. Now I am notified in real time,” says Dr. David W. Bauer of Memorial Family Medicine Residency. “More than once I have spoken with patients via cell phone while they were in the ER. In a number of cases, that conversation made a difference in patient care. In addition to improving quality of care, patients are reassured when they know that their doctor is aware of what is going on with them.”

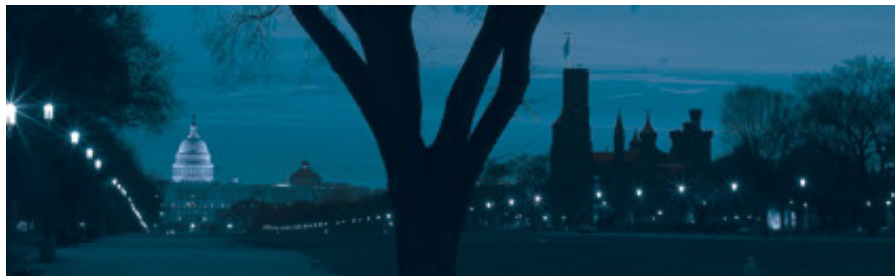


To enroll in eNotify, log in to PhysicianLINK.

- Select Preferences at the top of the Home Page.
- Scroll down to the eNotify section.
- Enter your phone numbers and time preferences for text messages.
- Or enter an e-mail address in the appropriate field.
- Save your preferences settings.

To learn more, contact the Physician Support Center: 713.704.DOCS (3627).

PRACTICE MANAGEMENT COURSES



Federal Health System Reform Legislation

There is good news for physicians who see Medicare patients, with the passage of Federal Health System Reform Legislation. Beginning this year, national rules will be developed and implemented between 2013 and 2016 to standardize and streamline health insurance claims processing requirements. Physicians should benefit from the changes because it will be easier to track claims and, in many cases, should improve physician revenue cycles and lower overhead costs. Also this year, health plans will be required to provide a minimum level of coverage without cost-sharing for preventive services such as immunizations, preventive care for infants, children and adolescents, and additional preventive care and screenings for women. **For additional tips, resources and information, visit www.pmiMD.com.**

UPCOMING LOCAL CLASSES PRESENTED BY PRACTICE MANAGEMENT INSTITUTE (PMI):

- Collecting in a New Economy** – September 16
- Principles of Medical Office Management** – September 16
- ICD-9-CM Coding Workshop** – September 15 or 17
- ICD10 Implementation** – July 13, 15, 16 or 22
- HIPAA Compliance** – July 13, 15, 16 or 22
- Correct Coding for Physician Services** – August 17
- How to be the Best Receptionist** – August 18
- OSHA Compliance** – August 18
- Avoiding Fraud and Abuse** – August 19 or 20
- Successful Insurance Claims Processing** – August 19 or 20

UPCOMING CERTIFICATION CLASSES:

- Certified Medical Coder (CMC)®**
 - Five Fridays starting September 10
 - Five Saturdays starting September 11
- Certified Medical Insurance Specialist (CMIS)®**
 - Four Fridays starting July 23

MHMD members receive a special 20 percent discount for local PMI events. Contact your MHMD provider relations representative for monthly PMI schedules and the special registration form.

For more information, e-mail donna.alwais@memorialhermann.org or call 713.448.6787.

Online CME Courses Available on PhysicianLINK

Go to CME-MHHS

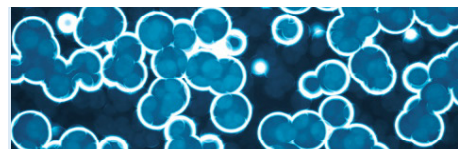
CME courses available for Ethics credit and training on the use of Care⁴, e-Ordering, and PowerPlans.

OUR NEWEST ADDITION: ***Prevention and Management of Healthcare – Associated Infections***, presented by John Butler, System medical director for epidemiology and infectious diseases. This module is designed to educate participants about the serious issue of catheter-related bloodstream infections and surgical site infections. The information provided should assist physicians in identifying specific interventions for the prevention of these infections by utilizing current practice guidelines. Memorial Hermann Hospital System designates this educational activity for a maximum of 0.50 *AMA PRA Category 1 Credit™*.

THE MEMORIAL HERMANN CME WEB SITE ON PHYSICIANLINK.ORG CONNECTS YOU TO:

- Upcoming live CME events
- Online CME courses
- CME summary of credits
- Search for CME events
- Other resources
- Quick reference videos and training guides

Memorial Hermann Hospital System is accredited by the Texas Medical Association to provide continuing medical education for physicians.



Contact Us

E-mail: cmesupport@memorialhermann.org
Phone: 713.448.5101 or 713.448.5914

How to Receive Claim Payments in a Timely Manner – with No Penalties

To avoid delays with claim payments and precertification penalties, providers must precertify off the MHealth Choice Precertification List at right.

PRECERTIFICATION LIST

Based on the benefit plan of the patient, the services listed at right may require precertification. Please call MHealth Medical Management Department prior to initiation of any of the following services. For routine requests, please allow at least seven days prior to initiating services. In case of emergent inpatient admissions, call within two business days after initiating service.

Medical Care Management

Precert Line: 713.448.6588
Toll Free: 888.738.8778
Fax: 713.448.6494

Customer Service

Benefits/Eligibility
888.642.5040 or 713.448.6535
713.448.6550

Mail Claims to:

MHealth – Medical
P.O. Box 742567
Houston, TX 77274-2567

MHEALTH CHOICE PRECERTIFICATION		
<i>All Admissions – Regardless of Inpatient/Outpatient or Location (Hospital, Rehab, SNF, LTACH, Home Health, etc.)</i>		
All Surgeries (regardless of place of service)	Circumcision (if not neonate)	Infertility Testing
All Transplants	Colonoscopy	Mammogram (Diagnostic Only)
All Infusions/Transfusions	Colposcopy	MRI / MRA
All Injections (if cost > \$100)	Cystoscopy	Myelogram
All Nuclear tests/imaging	Diabetic Supplies	Nutritional Counseling
Acupuncture	Dialysis	Obstetric Care & Delivery
Amniocentesis	Durable Medical Equipment (>\$100 and/or not provided by physician's office)	Orthotics
Apnea Monitoring	Endoscopy	Pain Management
Biofeedback	Fetal Monitoring	Physical/Occupational/ Speech Therapy
CT Scans	Fetal Ultrasound (if more than 2 per pregnancy)	Pulmonary Rehabilitative Services
Cardiac Rehabilitative Services	HIDA Scan	Radiation Therapy
Certified Midwife Services	Holter Monitoring	Sleep Studies and/or Treatment
Chemotherapy	Home Health	Therapeutic Termination of Pregnancy
Chiropractic Services*	Hysteroscopy	
Christian Science Services		

* Limited to 10 visits per year.

ALL REQUESTS FOR OUT-OF-NETWORK REFERRALS MUST BE PRECERTIFIED



Memorial Hermann Health Network Providers is now



Our new name symbolizes a new focus and alignment with Memorial Hermann Healthcare System, and demonstrates our evolution to an equal partnership between our physician organization and Memorial Hermann. Together, we can ensure we adhere to higher standards of quality, minimize costs, and freely exchange results in order to determine the best treatments for every patient. Because the best way to prepare for healthcare reform is to stay a step ahead of it.

NEWSFLASH

Memorial Hermann Hospitals Named among “America’s 50 Best” by HealthGrades

Memorial Hermann’s Northwest, Southeast, Southwest and The Woodlands hospitals have been named among “America’s 50 Best” hospitals by HealthGrades®, a leading independent healthcare ratings firm. This latest achievement validates ongoing efforts to make these hospitals the best places to practice medicine in the Houston area and the country. This level of achievement places these facilities among the top 1 percent of hospitals in the United States.

“These hospitals are setting national benchmarks for excellence in clinical quality, and as we continue to debate healthcare reform, they should stand as institutions to be learned from and emulated,” says Rick May, M.D., a HealthGrades vice president and author of the report.

Receipt of the HealthGrades America’s 50 Best Hospitals Award further reinforces Memorial Hermann as a national leader for commitment to quality and patient safety, along with the System’s 2009 win of both the National Quality Healthcare Award, from the National Quality Forum (NQF), and the VHA National Health System Patient Safety Leadership Award. See story on page 8 for more details.

