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Trying Out New Ways to Deliver Health Care



Michael Stravato for The Texas Tribune. Dr. Spencer R. Berthelsen, left, chairman of Kelsey-Seybold, a clinic based in Houston that has 373 physicians in 55 specialties.

By EMILY RAMSHAW Published: October 6, 2011

PLANO, Tex. — At Village Health Partners, patients receive a year’s worth of wellness exams in a single visit; get their e-mails answered 24 hours a day, 7 days a week; and have their mammogram and M.R.I. results logged into their electronic medical records by the time they pull out of the parking lot.



Michael Stravato for The Texas Tribune. The Kelsey-Seybold clinic in Sugar Land, one of 20 in Texas.

Kelsey-Seybold in Houston is the Galleria of health clinics: it has storefronts for every imaginable specialty; online, same-day, no-referral-necessary appointment scheduling; an on-site pharmacy; and even free valet parking.

As the United States grapples with rising health care costs and a system that rewards doctors and hospitals for how sick their patients get, not how healthy they become, Texas health care providers are increasingly experimenting with new payment and care delivery models — joining forces to emphasize efficiency and outcomes.

These new models present a culture shift for the state's physicians. But they have provided an intriguing benefit for patients, drawn to the convenience and comfort of a system financially motivated to keep them as well as possible.

“Doctors in Texas traditionally haven't wanted to share resources, to share financial risk, to share clinical information,” said Tom Banning, chief executive of the Texas Academy of Family Physicians. “But there are pioneering groups here that are putting an emphasis on quality and cost efficiency. They're innovative nationally, and they're moving the ball.”

The nation faces an undeniable crisis in health spending. By 2020, the country's health expenditures are expected to reach \$4.6 trillion a year, almost 20 percent of the gross domestic product. Roughly half of this spending comes in government programs, a potentially catastrophic hit to state and federal budgets.

Health care experts say the leading contributor to escalating costs is the dominant fee-for-service payment system, in which doctors and hospitals are paid per treatment or procedure and make more when patients get infections or complications. But they fear returning to the health maintenance organization model that limited patient choice and gave doctors a financial incentive to ration care.

The solution, health care providers including Village Health Partners and Kelsey-Seybold believe, is clinical integration — in which groups of family physicians and specialists share electronic patient information, the costs of case management and care coordination, and the latest research on best practices, all with the symbiotic goal of keeping costs low and patients well.

Texas is not blazing a brand-new trail. Nationally, health systems like the Mayo Clinic in Minnesota, the Geisinger Health System in Pennsylvania and Intermountain Healthcare in Utah have long taken this value-over-volume approach. Scott & White Healthcare, with its 12 system hospitals and more than 60 clinics, has led the integrated-care charge in Central Texas.

But with the rollout of the federal health overhaul, and new Texas legislation tended to pay for performance, not procedures, more Texas providers may join the movement. Last month, the United States Department of Health and Human Services started a pilot program to pay primary care practices a monthly fee if they provide better chronic-care management, give patients 24-hour access to care and health information, and collaborate with specialists to better coordinate care.

The Kelsey-Seybold clinic has been a gold standard for the multispecialty group practice since it opened in 1949. Today it employs 373 physicians across 55 specialties in 20 different facilities — all of them with in-house labs and X-rays, and wired for the same electronic medical record. Its flagship clinic, which opened in 1999, looks like a gleaming shopping mall, with storefronts for a multitude of services, from pediatrics to women's health to day surgery. But its most innovative approach may be KelseyCare, a four-year-old so-called accountable-care plan offered through Cigna in which patients, via their employers, have all their health care for a single year provided at a fixed, customized rate.

“The real focus ought to be on how much it costs to care for a group of patients over a period of time and achieve desirable outcomes,” said Dr. Spencer R. Berthelsen, Kelsey-Seybold's chairman and managing director. “There's way too much attention on unit cost — what is the cost of an office visit or a laboratory test or a day in the hospital.”

To make KelseyCare work outside the fee-for-service model, the clinic relies heavily on electronic medical records to prevent duplication in tests run or treatments provided. It has automated best-practice alerts, to make sure patients get regular immunizations or mammograms that could prevent costly ailments down the line. And it has made it convenient for its patients — including three-quarters of the City of Houston’s employees — to get the preventative care they need to stay well, from offering same-day online appointments to housing specialists mere feet from their primary care partners.

At Village Health Partners, the anchor tenant for the 100,000-square-foot Legacy Medical Village in Plano, the payment model has not shifted from fee-for-service yet. The various physician practices at Legacy remain independent, and their doctors self-employed. But Dr. Christopher Crow, the founder of Village Health, has a similar idea: attract patients by making care accessible, convenient and high quality, and reinvest the profits into measuring what works.

As a family medicine physician fresh out of medical school, Dr. Crow watched, frustrated, as his patients waited days for lab results and weeks to get in to see specialists, while their health suffered. “It was like going to McDonald’s and being told to come back in four days,” Dr. Crow said. “I wanted to build a place where everything was built around access and convenience.”

So he did, opening Legacy Medical Village, a sprawling health complex that four years later is now home to 14 primary care physicians and 30 different services and specialty practices that provide comprehensive treatment, from oncology and bariatric surgery to physical therapy.

Legacy Medical Village has a wide range of tenants: a workers’ compensation program, behavioral and weight loss therapy, a sleep study center and a headache department. It runs research trials and has an in-house dentist.

But care is centered on the family medicine linchpin, Village Health Partners, which coordinates the care of its 45,000 patients with electronic records technology, case managers, around-the-clock e-mail responses and a guarantee that phones will be answered within 60 seconds.

Dr. Crow said the model could be reproduced virtually anywhere, once Texas doctors get past their fierce independent streak.

“Anywhere there’s a population of patients who need health care, these synergies can be stuck together,” he said. “The individual models foster zero coordination of care. The physician-led organization is the solution.”