

Case study St. Vincent's HealthCare

Bundled Payments for Care Improvement

Background

St. Vincent's HealthCare is a faith-based, not-for-profit health system that has served the people of Jacksonville, Florida and the surrounding area since 1916. In 2012, St. Vincent's HealthCare partnered with Stryker's Performance Solutions to prepare for the CMS Bundled Payments for Care Improvement (BPCI) initiative. St. Vincent's HealthCare chose this partnership due to previous success partnering with Stryker on physician alignment via orthopedic co-management structures and population health initiatives through Accountable Care Organization formation and development. They felt Stryker's team of experts, including actuaries, clinical advisors, lawyers and operations executives, would be the perfect bundled payment partner. Stryker immediately assessed the business opportunity, successfully applied for BPCI, identified areas for clinical care redesign and supported gainsharing and alignment initiatives. Throughout BPCI, Stryker has provided ongoing data analytics as well as reconciliation audit and support.



Results

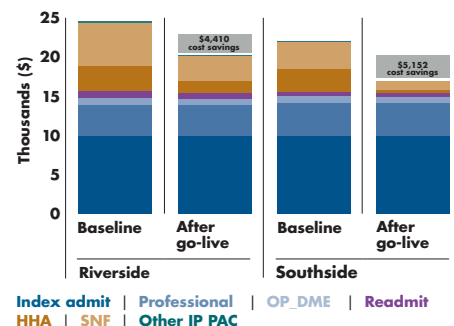
After extensive data analytics and collaboration on clinical care redesign, gainsharing structure and determination of post-acute provider alignment strategies, the lower extremity joint replacement bundle went live at Riverside and Southside Medical Centers on January 1, 2014.

- Since going live, St. Vincent's HealthCare has achieved a total of \$6.9 million in cost savings.
- The average episode cost has decreased by over 18% (\$4,410) at Riverside and by over 23% (\$5,152) at Southside.
- Physicians have reached their gain-sharing caps repeatedly and overall readmission rates have decreased.

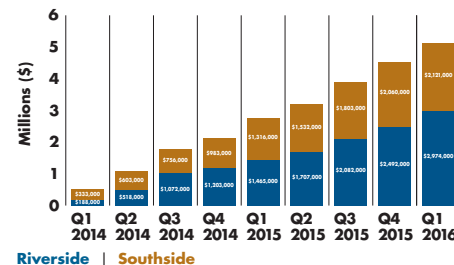
Together Stryker and St. Vincent's HealthCare continue to monitor internal hospital data to identify emerging results. Stryker provides ongoing data analysis of the CMS claims, reconciliation and gainsharing support on a quarterly basis to ensure long term, sustainable success.

Program earnings
\$6.9
million

DRG 470 average episode cost by category since BPCI go-live



Major joint cumulative NPRA over time



"St. Vincent's went forward in the CMS BPCI demonstration project because we recognized the value of early experience in value based payment models. We partnered with Stryker because they brought the perfect blend of bundled payment expertise, care redesign and data analytics to make us successful. Because of Stryker, St. Vincent's has achieved results both financially and from a patient outcomes perspective that is well beyond what was imagined at the onset of the program."

- Kyle Sanders, FACHE, President
Population Health & Care Continuum



St. Vincent's HealthCare
Jacksonville, FL
Region: South Atlantic
Health System: Ascension Health
Hospitals: St. Vincent's Medical Center Riverside, St. Vincent's Medical Center Southside and St. Vincent's Medical Center Clay County

Methods

St. Vincent's HealthCare leaders partnered with Stryker's clinical team to build and implement a customized approach to BPCI that focused on unique strengths and opportunities by utilizing Stryker's proprietary 4 As Methodology.

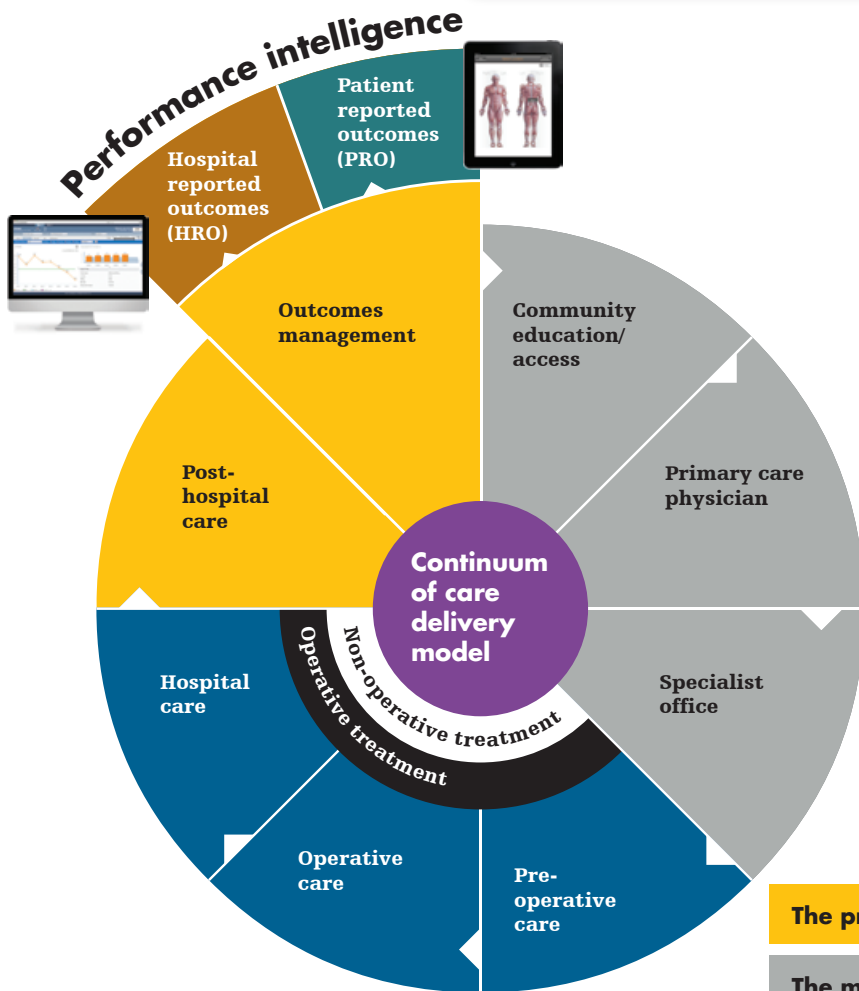


Assess | Together Stryker and St. Vincent's HealthCare assessed the opportunity to improve quality outcomes and reduce costs by participating in the CMS BPCI initiative.

Architect | Based on the assessment findings, Stryker helped St. Vincent's HealthCare architect a project plan to achieve service line goals and objectives.

Assemble | Stryker and St. Vincent's HealthCare assembled a dedicated governance team comprised of key stakeholders to monitor progress and act quickly on additional opportunities to improve both clinical and financial outcomes.

Assure | Together Stryker and St. Vincent's HealthCare monitor internal hospital data for trends not yet available in CMS claims. Stryker provides ongoing data analysis of the CMS claims, reconciliation and gainsharing support on a quarterly basis to ensure long term, sustainable success.



The program drives the metrics

The metrics drive the program

Why Stryker?

Stryker's Performance Solutions partners with hospitals and physician practices to help improve quality outcomes, patient satisfaction and profitability. We work closely with you to strengthen your orthopedic and surgical service lines, turn performance data into effective plans and implement the most suitable alignment and risk strategies. Together, we help identify, measure and optimize your performance objectives. We make recommendations and implement the lasting changes you need. We're with you every step of the way.

**To learn more about Stryker's Performance Solutions, contact us:
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