

Year In Review





Letter from the Director

Katie Schlacter

**VICE PRESIDENT AND DIRECTOR, FELLOWS
NASHVILLE HEALTH CARE COUNCIL**

In my time with the Council, I've had the privilege of watching the Fellows program evolve and grow during the past seven years. Each cohort brings a fresh perspective, but the same commitment to innovate and shape the future of health care. Each year, our team creates a unique curriculum, designed to push the class to think differently and take bold action to improve health care.

The energy and inspiration that attracts smart leaders to health care has been put to the test in recent years by seemingly unending waves of change and struggle. The need for strong, collaborative leadership is greater than ever, as this industry continues to see dramatic shifts. The Fellows are poised to meet these challenges head-on.

From the time we first met in January through our closing retreat in May, it was clear that all of the executives in the 2019 class have a distinct combination of sharp minds, creative spirits and kind hearts. They came from various health care sectors and brought diverse viewpoints, leading to rich conversations that have already birthed new professional partnerships and profound friendships.

This year's discussions, led by some of the world's most influential health care leaders, focused on policy, data and analytics, innovation in tech and delivery and the future of hospitals and doctors. The Fellows were exposed to different points of view through clinical immersion experiences. And they were given the opportunity to develop deep relationships through teamwork.

Each week brought a new level of enthusiasm, and I'm proud to know that the Fellows' work is not over, but just beginning. It is my hope that this five-month experience refueled these leaders with the passion and inspiration that first attracted them to health care. I am confident that their work together will continue long after graduation, and the future of the nation's health care system will be better because of it.

Katie Schlacter

Katie Schlacter



“Getting to develop relationships over over a period of time around intellectual inquisitiveness and debate and curiosity is fun because you get to see what excites people, what people are worried about, where they're looking to grow and the things they don't quite understand. And for me, personally, I would say that had been really valuable.”

Marcus Whitney
CEO, Health:Further



Fellows Co-Chair
Professor Larry Van Horn

SESSION ONE

Confronting Health Care’s Harsh Truth – and Finding Bright Spots

The health care business faces a simple but daunting problem – the math doesn’t work.

As Fellows Co-Chair Professor Larry Van Horn explained to the class, the incentive structure in the American health care system has “structurally ensured that the next generation will have a lower standard of living than we enjoy,” he said. “We are not on a good path. And health care is a central part of this math problem.”

But the math problem is exciting, Van Horn argued. The fact that more people are paying out of pocket for care means that businesses will have to finally focus on the consumer. Now, he says, there’s real market tension, which he believes is a good thing. In fact, despite a crumbling system, “I am more excited about the future of health care in the U.S. today than I’ve been for the last 15 years,” he said.

Other speakers echoed his sentiment of hope among the chaos. Former TennCare Director Darin Gordon said that despite political turmoil, Medicaid operators in Tennessee, Arizona, Massachusetts and North Carolina are finding creative ways to address social determinants of health among their populations. Even the political turmoil isn’t as bad as it first appears, Sen. Lamar Alexander, chair of the Senate’s Health, Education, Labor and Pensions Committee, told the Fellows. While the country was glued to the mud fight surrounding the Kavanaugh hearing, the Senate simultaneously passed sweeping legislation to fight the opioid crisis.

As with bipartisanship in Washington, there are plenty of bright spots in health care, if you only know where to look.



Carilion Clinic President and CEO Nancy Agee

SESSION TWO

Getting Out of the Bed Business

American hospitals have a bed problem.

Namely, their business models largely depend on beds being full, even when that isn't in the best interest of providers or patients.

But smart leaders are finding ways to solve the problem. Carilion Clinic President and CEO Nancy Agee is moving care out to ambulatory service centers, even though it means a hit to the bottom line in the short term. She said the hospital also plans to open an urgent care provider at a well-trafficked truck stop on the East Coast to meet consumers with health needs where they are — even if that's the highway.

Even academic medical centers, traditionally sheltered from the cost of care problem, will have to bring the price point down. Despite Vanderbilt Health Systems' beds being 100-percent full all of the time, the provider will have to think carefully about who it serves, said CEO Wright Pinson, M.D.

"We can't put up enough bricks and mortar to serve demand," he told Fellows. "When I think about what we have to do, I'm not worried about generating revenue. I'm worried about managing cost."

He argues that Vanderbilt is excellent at providing high-end, complicated procedures but may not differentiate itself in a market saturated with places that can provide routine care. Going forward, that's got to be part of the business model.

These changes can be tough, and Agee says system leaders should give themselves a break while leading major transformation.

"This is not a system we designed and it's not a system we can defend, but it is the one we live in, and we've got a lot of responsibility to patients and staff to make it work."



SESSION THREE

Watching Artists at Work

For the third session, the 2019 Fellows class completed an exercise that was completely new for the program.

They spent half the day shadowing a nurse at Vanderbilt University Medical Center and half watching procedures in the operating room.

“These guys are artists,” one Fellow said, reflecting on the surgeries. “It’s just amazing to watch. People who work on the corporate side and never witness this are missing out.”

Every Fellow had a different experience. Some saw anesthesiologists prepare for surgery. Others heard parents’ first words to their newborn babies. Still others saw doctors treat inoperable conditions. At the end of the day, everyone had a newfound respect for the difficulty of providing care, the prevalence of teaching at an academic medical center and

the weight of the multiple choices caregivers make, constantly, throughout the day.

“You must understand that the majority of the caregivers you encountered today have no interest in business operations, efficiencies, tradeoffs or the like,” Fellows Co-Chair Larry Van Horn pointed out.

“They have chosen what they do because of their interest and commitment to the care of patients,” he said. “Our job on the business side is to empower them and make it easy for them to do what they are passionate about – not to try to change them to care about the focus of our business, policy or economic conversations.”

Marty Makary, M.D.
Johns Hopkins Medicine



SESSION FOUR

Finding the Right Way to Measure Quality

Quality metrics in health care are all over the place, said Fellows Co-Chair Larry Van Horn.

"We are spending a ton of time and effort trying to measure quality, process of care – all this stuff – and every measure is wrong," he said.

Other less jaded experts are working towards finding the right metrics, starting with asking the doctors. Practicing Wisely is a project led by Johns Hopkins Medicine's Marty Makary, M.D. The premise is this: physicians know appropriate care. So why not ask experts about how to appropriately treat specific conditions, then check in with physicians who appear to practice outside the standard?

Take a heart valve replacement. Makary and his team interviewed cardiac surgeons, who agreed that the best practice is for doctors to try to repair a faulty heart valve, when technically possible.

"Some doctors go in there and replace 100 percent of them," Makary said, "which is not good for the patient."

Makary's group found that top cardiac surgeons would be concerned if a doctor were repairing, on average, fewer than 20 percent of the candidate faulty valves in their patient population. They then used this guideline to reach out to physicians who appeared to default to repairing almost all valves.

The beauty of the method is that no physicians are penalized, Makary said. "It's just civil, collegial, peer-to-peer conversation about a physician-endorsed metric." And physicians appreciate that. "They want to be able to practice medicine like an art and tailor to individual patients' needs, but still have some boundaries," he said.

"That's the kind of good spirit we see in health care. People want to aspire to excellence."

Iora Health Co-Founder and CEO
Rushika Fernandopulle, M.D.



SESSION FIVE

Celebrating Physician Creativity

To change for the better, the health care industry must unlock creativity among its physicians.

That’s difficult, given the current model, said former Cleveland Clinic CEO Toby Cosgrove, M.D.

“If you look at how doctors are selected, they’re the ones who got through organic chemistry, which is rote memorization,” he said. “There’s no incentive to do anything creative, and that’s a lot of the problem we deal with in health care.”

But some physician-led businesses are trying to build a care model on a different foundation and free up physicians to think outside the box about clinical care.

Iora Health, for example, requires its clinicians to think not just about the patients who enter its clinics, but to spend time every day focusing on people in the community who they might not see.

“The ones coming in the door are not the problem,” said Iora Health Co-Founder and CEO Rushika Fernandopulle, M.D. So every morning, staff starts the day with a 45-minute huddle for brainstorming ideas about how to reach more Medicare Advantage patients in the high-needs communities that Iora serves.

Others are taking cost containment into their own hands. Founder and CEO of Atlas MD Josh Umbehr, M.D., discovered he and his team could offer concierge care to patients, regardless of their income, by figuring out how to purchase off-peak imaging services and distributing generic prescription drugs.

The take home: not only is it important to foster physician creativity to prevent burnout, it’s just good business.



Imagen Technologies Co-Founder and CEO Alex Dresner

SESSION SIX

Predicting the Impact of Big Tech and AI

In health care, it's easy to get caught up in the chaos of change and disruption.

That's why it's critical to take a measured look at concepts that are new to the industry and make an educated guess about how they will impact it.

For example, big tech companies are predicted to storm the castle with unknown consequences to the industry. But leaders can look at empirical evidence about how these tech titans operate to shed some light on how this could go.

There's a strong economic argument for big tech to get into health care, said geneticist and professor Carlos Bustamante, Ph.D.. Simply put, there's just too much money on the table. "It is their fiduciary duties to their shareholders to go into health care and disrupt," he said.

He then explained how that could happen:

Amazon, he said, will improve the purchasing experience of just about everything in health care — even organs — but he's unclear whether the major retailer will be able to

transform care delivery. Apple could build fancy clinics, a la the Apple store, doing what it does best and focusing on the consumer experience. Google could offer certain tech-enabled services, leveraging its freemium model in which consumers allow their data to be mined in exchange for ease of access.

Like Big Tech, AI will shake up the industry, but it's still a long way away from dismantling it. As of now, AI technology is dumber than a rat, said Imagen Technologies Co-Founder and CEO Alex Dresner. Health AI now is great at recognizing patterns but pretty bad at putting those patterns into context.

"The role of the human is not just to pick up the fractures. It's to say, 'Okay — what's the clinical significance?'" he said.

In other words, Big Tech and AI are already here — leaders stand to benefit from taking a realistic look, without fear, at how they're already shaping the industry.

CareJourney President and former U.S. Chief Technology Officer Aneesh Chopra



SESSION SEVEN

Envisioning the Future State

Picture this: every American has a unique, lifetime digital health identity that allows him or her to share medical records easily and securely.

The obstacle to that reality isn't technology, said CareJourney President and former U.S. Chief Technology Officer Aneesh Chopra, but culture.

The cultural paradigm is surmountable, he said. "I'm betting, professionally and philosophically, that there is going to be a new actor in the health system." Take, for example, what Fidelity and Vanguard did for government-run 401(k)s, he said.

"They said, 'Tell me your problems and goals, and I'll execute that plan.' The muscle does not exist for that today in health care. But my opinion is that soon, there will be a human you trust, married to an infrastructure that supports, at scale, the aggregation and use of health care data."

Someone in the private sector will need to take the first step into this brave new world, and the rest will follow. On the government side, the Centers for Medicare & Medicaid Services is already pushing providers to open their minds about sharing data.

"(CMS Administrator) Seema Verma dropped the hammer," Chopra said. "She's not playing. And I'm loving it."

Even companies whose core businesses are far from health care will begin to share data to impact health. Take Facebook, which will never provide care, according to its health care head, Freddy Abnoui, M.D., but in the near future, it will be a known stakeholder in population health outcomes.

"You were asking what the hell we're doing in health care," Abnoui told the class. "Unfortunately, I can't divulge those things. But I can tell you what I care about. I can tell you, generally speaking, there is immense public health potential in understanding the social information behind health outcomes. Because how are you expected to understand value-based care when the primary driver of outcomes isn't part of our analysis?"

To be effective, any public health analysis must include data about the way that people connect socially — a known driver of outcomes. And, he said, nobody understands social connections better than Facebook.

FINAL THOUGHTS

For leaders to succeed, they must separate themselves from their jobs.

“If I can tell you one thing about leadership, it’s this: It’s not about you,” said former Cardinal Health CEO George Barrett, speaking to the Fellows at the program’s final retreat.

Over the years, Barrett says he learned the importance of knowing the difference between what he did — which was running a Fortune 500 company — and who he was.

Leaders should seek activities that nourish their whole selves, Barrett said, rather than trying to live a balanced life, which he says isn’t realistic for high achievers. “If you’re going to be at the top of anything, there’s no shortcut,” he said. “But give yourself a little break. Find those things that give you joy and a sense of wholeness.”

Later, as graduates receiving their diplomas reflected on their time with the Fellows, many referenced the ideas Barrett discussed — their

lives are hectic, and it can be difficult to see the big picture beyond their niche within the industry. The program offered perspective, reinforcing that the future of the industry is not about any one faction, but leaders from all sectors working together in new ways. Fellows loved the idea that for one Friday every other week, they had time to pause, power down their screens, think about the greater vision and, most importantly, connect with real people.

Here were some of the thoughts shared by graduates of the 2019 class as they prepared to take what they learned from the program back to the health care organizations they lead every day:

I have an extra bounce in my step on Fridays. It has been personally energizing and invigorating to be here.



Fahad Tahir
President and CEO,
Saint Thomas Midtown and
West Hospitals

I’d just like to say, I really enjoyed the camaraderie and being around health care leaders. I’ve tended to work in isolation, and getting to know everyone has really inspired me about what else I can do in my career.



Richard Clark
Western Group President,
Acadia Healthcare

To me, this makes me very grateful to have moved from Boston to Nashville. The other thing I realized the first day is wow, these are very accomplished intelligent leaders, but the best part is the kindness and the heart in each and every one of you and that’s what I’ve taken away. So thank you.



Monica Rivera M.D.
Vice President, Business Development,
Circulation, Inc.

With this group, I’ve basically got a renewed faith in the future of health care – you’re some of the smartest people in the country and the state.



Marc Barclay
Vice President,
Provider Networks and Contracting,
BlueCross BlueShield of Tennessee

As somebody who comes from a small and emerging company in a small and emerging field, this has not only expanded my perspective, it also expanded my thoughts about where we could go and what we could do.



Gillian Hooker
Vice President of Clinical Development,
Concert Genetics

I’m just so grateful to have been invited into this space. I’m committed 100 percent to health care transformation. That’s my true north and to be surrounded by others who are also trying to do this who are further along gives me hope that I can do this and there’s a path for me.



C.J. Stimson M.D.
Senior Adviser to the Chief Health
System Officer,
Vanderbilt University Medical Center

The content is pretty diverse – an immersion at Vanderbilt, the poverty case study, our classes or team-building exercises. Plus, as a leader, you need stories to tell. And now I have a lot more stories.



Parth Mehrotra
Chief Operating Officer,
Privia Health

As a physician-leader, I was so excited for this because I wanted to be around other thought leaders. I can tell you that each and every one of you has added something to my life, and I’m going to take that and add it to what we do well in emergency medicine.”



Tony Briningstool M.D.
Senior Vice President and Chief
Medical Officer,
American Physician Partners

The experience was incredible. Thank you to everybody here for putting this on. I just can’t say enough about the diversity of what we did and the diversity of the people here. Everybody here has such amazing things to bring to the conversation. It has been completely eye-opening and I’m very honored, very thankful to be here.



Erik Larsen
Vice President – Special Assets Group,
HCA Healthcare



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Vanderbilt University Medical Center*

Marc Barclay
*Vice President, Provider Networks and
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Tony Briningstool, M.D.
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Richard Clark
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Tim Corvino, M.D.
*Chief Operating Officer, Covenant Surgical
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Michael Davidoff
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Marcus Whitney
CEO, Health:Further

Victor Wu, M.D.
Chief Medical Officer, TennCare



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“What I so much appreciate about this is all of you are able to drop these shockwaves into my world view. Those are the things that are pushing me and making me think. All of you are doing amazing things.

Victor Wu M.D.
Chief Medical Officer,
TennCare



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