

Issues & Initiatives

Issues & Initiatives is a series of activities providing employees information about current health care issues and Lehigh Valley Hospital / Lehigh Valley Health Network initiatives.

JUNE 1995

Issue: Aligning Partnerships

We work in an industry that is littered with letters — PPO, HMO, JCAHO, AHA, HC4, DRG — and the list goes on. But unless we deal with them every day, we probably don't have a clear understanding of what all these acronyms mean.

Here's an easy one we can all relate to and easily remember. Call it the four Ps of health care: providers, payers and patients as partners. And the key word here is partners, because that defines the successful health care organization of the future.

If we didn't think so before, we surely know it now. The health care provider partnerships that have formed over the last few weeks have dominated the news and our attention. Physicians, hospitals and health systems are joining together in all kinds of combinations — mergers, buyouts, networks — but whatever name you use, it means working together more closely than ever before to provide care to the community.

Payers — and they're usually insurers or businesses — become partners through a contract with these health care providers. If the payer is an insurance company, it becomes the middleman and contracts in turn with a business to manage its employees' health plan. If the payer is a business, it contracts directly with the health care provider, usually through a health plan the provider offers. In either case, as partners, all these groups have a mutual interest in keeping costs down and quality high.

So should the patient. In the new era of health care, patients must be active participants in their care — making healthy lifestyle choices, learning to use health care services appropriately, making educated decisions about plans and providers.

Where does that leave you and me, the work force of 4,000 individuals who are employed by Lehigh Valley Hospital and Health Network? Each one of us is a provider in this partnership, whether you give hands-on patient care or work behind the scenes, as I do. We each have a stake, and therefore a say, in the future of this partnership. A partnership is no place for "we-they" or

"good guys-bad guys" or "labor-management" or "black-white." Partners pitch in, make it work, lend a hand, share the burden. We must align ourselves with other strong partners so we can provide our communities with easy access to high-quality, competitively priced health care services.

That's a tall order and a big responsibility. But LVH/LVHN has wide shoulders and together we can carry the load.



Lou Liebhaber

Current Health Care Partnerships

■ PennCARE

1. **Lehigh Valley Hospital**, Allentown, Salisbury Township
2. **St. Joseph Medical Center**, Hazleton
3. **Hazleton General Hospital**
4. **Gnaden Huetten Hospital**, Lehighton
5. **Muhlenberg Medical Center**, Bethlehem
6. **Grand View Hospital**, West Rockhill Township
7. **Doylestown Hospital**

■ St. Luke's Health Network

8. **St. Luke's Hospital**, Bethlehem
9. **Quakertown Community Hospital** and affiliates
10. **Sacred Heart Hospital**, Allentown
11. **Palmerton Hospital**

■ Penn-N.J. Healthcare Alliance

10. **Sacred Heart Hospital**, Allentown
12. **Easton Hospital**
13. **Warren Hospital**
14. **Lifequest**, Quakertown

■ Still Unaffiliated

15. **Pocono Medical Center**, East Stroudsburg
16. **Allentown Osteopathic Medical Center**
17. **North Penn Hospital**, Lansdale

LEHIGH VALLEY
HOSPITAL

Initiative: *Integrated Delivery System*

The road to PennCARE, our recently announced integrated delivery system, has been a long and winding one, with all sorts of twists and turns, stops and starts. The planning began more than a year ago, the players changed several times, and the process was often complex and confusing.

But so it goes when you must get consensus from very different organizations and individuals on very complicated financing and organizational decisions that affect very critical issues of personal and community health. That statement should give you a sense of the magnitude of this development as well as its scope and complexity.

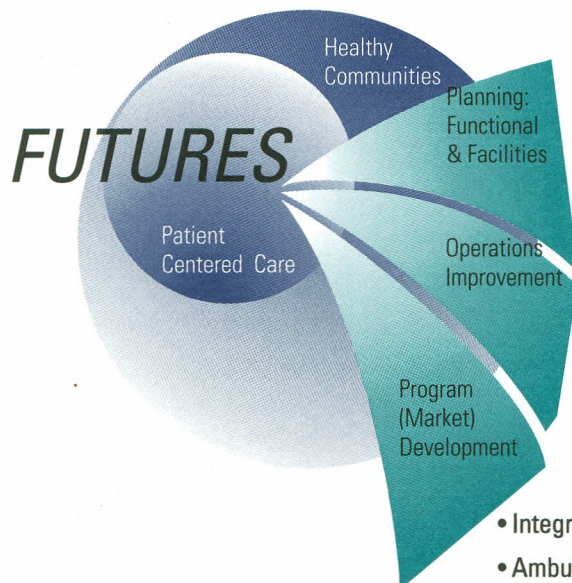
In the end, though, it's simpler, better and cheaper for those PennCare is designed to serve: *simpler* because a purchaser or employer gets all their health plan needs met by one source; *better* because shared clinical pathways, patient information and continuity of care throughout the network help to improve quality; and *cheaper* because shared resources, experience, knowledge and commitment help to reduce costs.

And why is it better for us? For LVH and LVHN, our medical staff and all the other provider partners in PennCare, it is a way for us to access patients through contracts with their

employers. The flip side is true also; networks of care that span a broad geographic region (PennCARE covers 3,800 square miles from Hazleton to Doylestown) allow people to access health care services wherever they live or work.

No one knows for certain, but in the future, it may be the only way, or at a minimum, the preferred way for patients and providers to connect for care. Managed care organizations, as PennCARE is destined to become, are the way of the future. We need only look to other parts of the country to observe that where managed care has gained a foothold, it has quickly become a hammerlock.

Businesses in those areas quickly determined that it's the best way to control their health care costs thanks to the monitoring of both providers' and plan members' use of health care services before, during and after the actual delivery of benefits. And if business sees the benefits of managed care, so must we. That's how we'll secure the contracts, and that's how we'll get new business, and that's how we'll ensure our job security for the future. ■



- Integrated Delivery System (IDS): **PennCARE**
- Ambulatory Networks
- Physician Hospital Organization (PHO)/
Independent Practice Association (IPA)
- Business Plans
- Community Partnerships
- Education & Research