

# FRESH-Thinking Capstone Conference

Physicians and Healthcare  
Reform:

The delegated IPA model works

# Basic Principles

- One might start with incentives to motivate physicians, but eventually the physicians (starting with leaders) must be inspired to create a business that serves their direct customers and the community broadly
- Farsighted and operationally capable professional management is mandatory

# What makes Hill tick?

- Excellent management
- Shared vision
- Separate management company (Primed) whose services are exclusive to Hill
  - Result is one regional IPA, not a set of silos

# Regionalization

- Efficiency: technology and people
- Leverage: with payers and facilities
- Beyond leverage: new relationships
- System-wide electronic health record
- Regionalization of specialty care
- Depth of management
- Quality standards: best of breed, not local community

# What makes Hill tick?

- Management receives performance bonuses
- Stock in the management company is held by the managers, the IPA, and other stakeholders
- Physician compensation is designed to align incentives to the extent possible
  - PCP: fee for service & population management fee
  - Specialist capitation or case rates where able
- Emphasis on group benefit

# What makes Hill tick?

- Careful provider selection, the antithesis of any willing provider
  - Follow up with support for capable groups

**IPA's *CAN* harness  
existing resources in  
the service of health  
care reform**