What is MaternOhio Management Services (MOMS)?

- 150 Member Physician Services Organization
- OB/Gyn Specific
- Multi-Layer Management Solutions:
  - Co-operative Ideology
  - Consulting and Physician Site Management
  - Full-Service Practice Management
- Physicians Insurance Service Agency (PISA)
- Emulate the “IMG Model” for Physicians
History of MOMS

- Formed in 1997
- 40 Employees
- 12 Member Board of Directors
- Embrace the REER Model of Management
  - Revenue
  - Expenses
  - Efficiencies
  - Risk
Revenue Programs

• Messenger Model Contracting
  • Facility Fee Programs
  • Pay-for-Performance Programs (P4P)
• Ancillary Expansion (Lab Programs/DEXA)
• Sub-Specialty Contracting (Breast, Gyn/Oncology, Imaging)
• Front-Office Focus
Risk Programs

- ADR Initiative
- Quality Assessment Committee
- Standardized Consent Forms
- Cash Management Protocols
- Coding Compliance Program
- Medicare Review
- Total Compliance Solutions
- Lab Risk Management Program
Physicians Insurance Service Agency (PISA)

• Licensed Insurance Agency
• Risk Management Services
• Property and Casualty
  • Malpractice
  • Captive Management
• Life and Health
  • Benefits
  • Health Insurance
  • Disability
MaternOhio Malpractice History

- Formed Risk Purchasing Group in 1997
- Tracked Claims and Costs
- Negotiated Annually for Price/Quality
- Created Physician Trust
- Selective with Membership
- Educated Physicians about Retentions
- Created Cohesive Mentality
MaternOhio Liability/Cost Ratio Exposure Trends
Malpractice Solutions

Overview of Oasis Mutual Assurance, SPC

- Dedicated to the Risk of MaternOhio Physicians
- Managed by Physician Partners
- Multi-Purpose Management Team
- Constant Improvement Process
- Shared Administration under PISA
Malpractice Solutions

Advantages of a Captive Solution

• Comparable Rates
• Administrative Support from Oasis/PISA
• Stable Rates over Long Periods
• Retain and Control Money (~75%)
• Retain and Control Risk
• Remove Doctors from Volatile Market
• Venue for Future Insurance Products
Malpractice Solutions

Disadvantages of a Captive Solution

• Complete Risk
• Running the Company takes Work
• Cell Could Fail
• Hospital May Confront Coverage
• You are an Ob/Gyn in Ohio
Sources of Funds for Captive

- Base Premium – individual physician with shared rates for corporate coverage
- MaternOhio Capitalization
- Physician Equity
Supporting Staff

- Willis of Ohio (On-shore Advisor/RE Agent)
- Strategic Risk Solutions (Cayman Manager)
- LC Severson & Associates (Risk & Claims Manager)
- Honigman, Miller Schwartz & Cohn (Legal Advisors)
- Tillinghast Towers Perrin (Actuary)
- KPMG (Cayman Auditor)
- Brown Brothers, Harriman (Investment Manager)
Oasis Mutual Assurance, SPC

Risk Management Initiatives:

Operational (office managers; mediation; audit)
Clinical (incident reporting; care algorithms)
Financial (taking care of patients needs; collective oversight of money)
Executive (good governance; physician leadership)
The Basics: Risk Assessment

• Establish Quality Practice Guidelines
• Risk Committee
• Risk Management Manual
• Implement Risk Management Program
• Create Standardized Consent Forms
• Enhance Physician Education
• Facilitate Paperwork for New Insured’s
• Invoke Practice Audits to Ensure Compliance with Captive Risk Guidelines
The Basics: Mediation Program

- Establish Patient Advocacy Phone Line
- Distribute Mediation Educational Materials
- Surgery/OB Patients Sign Mediation Consent
- All Clinical Issues Initially Handled by Claims Manager
- Mediation Services Performed Through Third Party
- Patient Does Not Lose Right to Attorney or Litigation
The Basics: Claims Management

• Implement and Organize Claims Management Committee
• Review and Facilitate all Claims
• Create Incident Reporting Process, Maintain and Monitor Data
• Implement Alternative Dispute Resolution (ADR)
  • Process- Negotiation, Mediation
• Set up a Patient Grievance Process
• Interact with Risk Assessment Committee
• Coordinate and Conduct on-site Reviews for Compliance
• Interface with Hospital Risk Management
• Coordination and Oversight of Legal Team
• Implement “Attorney on Call”
The Basics: Finance

• Establish and Maintain Committee
• Review and Monitor Captive Funding
• Develop Investment Policy
• Establish Rates to Meet Actuary Projections
• Facilitate Broker Selection
• Review Financial and Investment Statements Monthly and Provide Management Reports
• Communicate Activity to Executive Committee
The Basics: Administrative

• Create Executive Committee to facilitate Policies of Governance
• Work with Captive Domicile to coordinate day-to-day issues with Captive Team
• Enforce legal and insurance standards of Domicile
• Facilitate actuarial and legal work
• Manage and coordinate with Captive Team the day-to-day Captive on-shore issues
The Results

Oasis Mutual Assurance, SPC (2007 Policy Year):

- 72 OB/Gyn Insureds
- >20% Combined Ratio
- 2003-04 Claims Year is Closed
- Frequency of Claims has decreased >70%
- Severity of Claims has decreased > 60%
- Reserves Continue to Build Appropriately
The New Stuff

Oasis Risk Management Phase II

- Cord Blood Gas Program
- Pay for Quality (P4Q) Program
- NICU Profiling Program
- Expanded Hospital Collaboration Initiatives
Universal Umbilical Cord Gases

Advantages

• All damaged babies have UC gases on record
• DR staff more consistent in getting UC gases in emergency
• UC Gases may assist with management of newborn with unexplained depression
• Clinicians gain confidence in interpreting EFM tracings
Universal Umbilical Cord Gases
Advantages

- If universal sampling, CP will occur in 2/100,000 newborns with good 5 min Apgar and pH < 7.10
  (2/1000 rate of CP in population x 1% of kids with normal Apgars have low pH)

- If selective sampling, no cord gases available for 146/100,000 who have CP despite normal 5 minute Apgar
  (2/1000 rate of CP in population x 73% of kids with CP had normal Apgars)

*Thorpe AJOG 1996*
Universal Umbilical Cord Gases

Advantages

“Is the benefit of having a cord arterial blood pH on the birth record of 146 children with CP who were vigorous at birth worth the potential risk of having 2 children with CP who were vigorous at birth but who had an abnormal cord arterial blood pH?”

Thorup AJOG 1996
Pay for Quality meets Liability Risk Management

Anthem Pay for Quality (P4Q)

- First Viable Program in Central Ohio from 2000-01
- OB/Gyn Specific
- ENHANCED FEE SCHEDULE
- Quality and Cost Equally Measured:
  - HEDIS
  - ACOG
  - Patient Satisfaction
  - Generic Utilization of Prescriptions
Pay for Quality meets Liability Risk Management

Anthem Pay for Quality (P4Q)

WHAT SCARES US…SCARES THEM
• Bad Outcomes
• NICU Admissions
• LOS and Complications
• And in the end:
  • Frequency
  • Severity
Pay for Quality meets Liability Risk Management

Anthem Pay for Quality (P4Q)

What’s New:
• All Active Members of Oasis Participate
• Transfer of Program from MaternOhio to Oasis
• Management of Risk is Mutually Inherent:
  • Patient Satisfaction
  • HEDIS Scoring
  • NICU Admissions (New)
Pay for Quality meets Liability Risk Management

Conclusion:

• Role of Oasis is Interventional
• P4Q allows for Interventions Well in Front of Incidents
• Incentives are now Two-fold:
  • Keep Liability Cost Low and Retain Dollars
  • Create Improved Fee Schedule and Increase Revenue
• Provide a Mechanism Not to Shop for “cheaper” Coverage
Expanded Hospital Collaboration Initiatives

Hospital Partners:
• What Scares Us, Scares Them
• Collaborating on Data
• Collaborating on Claims (?)
• Labor and Delivery
  • Consensus on Care
  • Training and Consistency of Staff
  • Politics
Conclusion

MaternOhio and Oasis Mutual Assurance
Lessons

• Early Intervention Programs are Working
• Physician Governance and Oversight is Effective
• High Scrutiny of Applicants has been Rewarded with Results
• Captive Needs Corresponding Management Company if Physicians are independent
• New Programs will be Measured for Efficacy and are Expected to Continue Positive Trends