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**SOUTHERN ILLINOIS
HEALTHCARE**

**Southern Illinois Healthcare
Carbondale, Illinois**

Prepared by Dalton Boggs & Associates

OVERVIEW OF THE ORGANIZATION

Southern Illinois Healthcare (SIH), a not-for-profit health care system based in Carbondale, Illinois and is dedicated to promoting the health and well being of all of the people of the Carbondale, Herrin, and Murphysboro communities and surrounding areas/counties. Their mission is guided by their values: respect, integrity, compassion, collaboration, stewardship, accountability, and quality. There are over 2,800 employees, along with physicians and volunteers that are working together to achieve this mission and ensure that the health care needs of those they serve are met by treating patients in SIH facilities. This is met by offering services in rural clinics, by collaborating with some of America's best hospitals and by improving the quality of life in their communities with their charitable community benefits programs.

SIH enjoys a reputation in the market as patient centered, high quality health provider and is the market leader with over 50 percent of the market share. The service area for Southern Illinois Healthcare includes seven counties with over 250,000 people. There are three hospitals (described in more detail below), an ambulatory care facility, several rehabilitation centers (affiliated with the Rehabilitation Institute of Chicago), regional cancer center, outpatient breast center, and several primary care and specialty physician offices (through the system's physician practice division).

Memorial Hospital of Carbondale opened in 1959 and, with 132 beds, and is the largest SIH facility and serves southern Illinois as a regional medical center.

It is home to Illinois' largest and most spacious birthing center south of Springfield and more women choose to have their babies at Memorial than any other hospital in the region.



It is also home to the leading open heart surgery and cardiac care program in southern Illinois, with outcomes that exceed national standards. The high quality cardiac services are possible through an affiliation with the Prairie Heart Institute at St. John's Hospital in Springfield, Illinois, a nationally recognized cardiac care provider.

The hospital is also home to a regional cancer treatment center, the only Level II-plus neonatal intensive care unit south of Springfield, and the only pediatric unit in southern Illinois. The hospital also features the area's most advanced imaging center with a new, filmless, digital picture archiving network that makes all images made at the hospital instantly available on secure computers throughout the SIH system. The hospital is affiliated with Southern Illinois University's Medical School through its Family Practice Residency Program.



Herrin Hospital is a 104-bed acute care facility serving Herrin and its surrounding communities since 1913.

The hospital recently expanded with a \$19 million addition that increased space and moved all outpatient services to the main floor, making them more accessible. Outpatient services found on the main floor now include outpatient therapy, imaging and wound care. The second floor of the addition

will be used for new inpatient beds and acute rehabilitation.

The hospital is home to over 135 doctors in 39 areas of specialization. It has a modern intensive care unit and surgical suites. The hospital is known for its emergency medicine services, orthopedic surgery and high quality cardiology services made possible by our work with Prairie Heart Institute, one of the premier heart centers in Illinois. It is also home to the acclaimed Acute Rehabilitation Center, part of a strategic alliance with the Rehabilitation Institute of Chicago, recognized since 1991 as the best rehabilitation hospital in America. Through this strategic alliance patients recovering from neurological, orthopedic or other physically debilitating injuries receive high quality rehabilitation care close to home.

Herrin Hospital staff and administration are constantly adding services and making facility improvements. Radiology has improved imaging services with the introduction of a film-less, digital picture archiving system (PACS) that instantly makes any x-rays or other images taken of patients immediately available on secure computers throughout the SIH system. The hospital also features PET (Positron Emission Tomography) for cancer diagnosis, high speed 3-D CT scanning and MRI scanning for high-resolution pictures of bones and organs.

St. Joseph Memorial Hospital was purchased by Southern Illinois Healthcare in 1995 from the ASC Health System. Located in Murphysboro, Illinois, St. Joseph has retained its Catholic identity and reputation as a “high touch” hospital. It is home to the successful Sleep Disorders Center, the only accredited sleep study center in deep southern Illinois, a high quality cardio-pulmonary rehabilitation center, and emergency medicine services. Physical and occupational therapy at Rehab Unlimited is offered through an alliance with the Rehabilitation Institute of Chicago, recognized as the “Best Rehabilitation Hospital in America” by *U.S. News & World Report*. St. Joseph Memorial Hospital recently expanded, adding new rooms for outpatient procedures such as lithotripsy and endoscopy.



Opened in 1897 as St. Andrew's Hospital, the Franciscan Sisters operated the facility for 58 years. In 1956, the Adorers of the Blood of Christ, Ruma Province, assumed operation of the hospital and, with the support of the community, built the present 49-bed facility in 1960. Since its inclusion in the SIH system, the spiritual focus on the patient that characterizes St. Joseph has positively influenced patient care in the entire SIH system.

Southern Illinois Healthcare is as committed to quality health services today as it was when its first hospital opened in 1897. The system is guided by its mission which reflects the purpose of the organization as envisioned by its founders: *They are dedicated to improving the health and well-being of all of the people in the communities they serve.*

The values of SIH reflect the philosophy of its founders and guide the work of all who serve within the organization:

- **Respect** - *Recognizing and valuing the dignity and uniqueness of each person*
- **Integrity** - *Adhering to strong moral and ethical principles in all they do*
- **Compassion** - *Responding to the feelings and needs of each person with kindness, concern and empathy*
- **Collaboration** - *Communicating and working with others for the benefit of all*
- **Stewardship** - *Responsibly using, preserving and enhancing their human and material resources as a not-for-profit community controlled organization*
- **Accountability** - *Holding ourselves and those around us responsible for living the Values and achieving the Vision of Southern Illinois Healthcare*
- **Quality** - *Striving for excellence in all they do*

Below are some key facts and notable information about SIH

- Memorial Hospital's Prairie Heart Institute is among the Thomson Reuters 100 Top Hospitals®: Cardiovascular Benchmark Award winners for cardiovascular care. This is the second straight year Memorial Hospital has made the list.
- Memorial Hospital of Carbondale's near-perfect score has resulted in a prestigious three-year accreditation from the American College of Radiology. Sonographers and radiologists at MHC scored 1,058 out of a possible 1,059 points for a final score of 99.91% with no recommended changes to the program.
- SIH Among Top 51 Best Performing Health Systems in U.S. Thomson Reuters ranking featured in Modern Healthcare magazine
- Memorial Hospital of Carbondale has the only Level II Plus NICU in deep southern Illinois.

- They system has a history of strong financial performance with net patient revenue in excess of \$380 million, a very healthy margin, and significant financial reserves for future growth.

In January 2006, Southern Illinois Healthcare was named *Employer of Choice* by a nationally recognized workforce consulting group, Employer of Choice Inc. SIH is the first Illinois company, health care related or otherwise, and one of 21 companies nationwide to have earned this distinction. To be an Employer of Choice, SIH had to demonstrate dedication to a high level of employee relations, complete a rigorous evaluation process that included on-site inspections, and prove great leadership, culture and best practices that attract, optimize and hold top talent.

Southern Illinois Healthcare is dedicated to making the work environment one that will encourage employees to recommend SIH as an employer to their friends and family. The culture, being created and sustained, will assure success through teamwork and individual accountability. Peak-performing organizations have demonstrated the importance of seeing that the right people, exhibiting the right attitude and behaviors, are in the right roles. This is not only a goal, but is a priority of Southern Illinois Healthcare.

Below are some Web sites that can be accessed for additional information:

Southern Illinois Healthcare

<http://www.sih.net>

OVERVIEW OF THE POSITION

The Corporate Director of Managed Care is responsible for the analysis, negotiation, management, implementation, and monitoring/maintenance/integrity analysis of all insurance/managed care contracts and other contracts relating to services provided by Southern Illinois Healthcare and all of their entities. This includes all three hospitals, the physician division (Southern Illinois Medical Service), occupational health, laboratory, and other components. The Corporate Director will keep aware of the regional managed care market conditions and ensure that SIH is best positioned given the environment. This key leader will see that all constituents throughout the system (hospitals, physician practice division, laboratory, occupational health, etc.) are aware of contracts and educated on the contract criteria that are relevant to them.

The Corporate Director of Managed Care will serve as an internal consultant, and advisor to the CFO, colleagues and the leadership team, collaborating on organizational planning, innovation, and ongoing evaluation as it related to insurance and managed care issues. He/she partners with Executive Team Members in strategy development and execution, provides oversight of day-to-day operations and standards of care, and actively contributes to the attainment of goals of the organization. His/her functions include providing operational direction and guidance to those who work in the department, working closely to ensure efficiency and expense reduction, while continually improving quality of service and building a team to support the

organization's objectives. He/she is responsible for monitoring all aspects of the managed care department and services delivered. The position reports to the Chief Financial Officer and the department has two FTE's in addition to the Corporate Director.

At this time there are three main insurance companies in the market that make up 90 percent of the insurance/managed care business. These are Healthlink, Wellpoint Health Alliance, and Blue Cross/Blue Shield of Illinois. The contracts are currently traditional fee-for-service arrangements; however the organization is moving towards risk and/or pay for performance arrangements. There are governmental contracts with the Veteran's Administration and Tri-Care that the managed care office oversees contract negotiations as well as the local health department. Additionally, there are some local employers with self funded health plans who have direct contracts that this department oversees. Other key initiatives that this office works with are revenue cycle initiatives, contractual calculations at the time of billing, and contract modeling for planning purposes.

Payor	Prct
Medicare	49%
Medicaid	16%
Managed Care	28%
Workers Comp	3%
Self Pay	2%
Veterans	2%

Southern Illinois Healthcare has determined that in order to further integrate with independent, private, and employed physicians they will be developing a clinically integrated Physician Hospital Organization (PHO). This vehicle will allow SIH and its physician partners to prepare for evolving healthcare reimbursement mechanisms and to improve the overall health of patients through more efficient management of their care. SIH is moving forward with this project and it will be a separate corporation that is jointly owned and governed by both SIH and physicians. The Corporate Director of Managed Care will be highly involved in the development and future success of this project. It is the hope that this individual will serve as the Executive Director of the new PHO once developed and operational. There is a business plan that has been approved that details the timeline and operational infrastructure (including staff) that will be put in place.

Below are the key duties and responsibilities for the Corporate Director of Managed Care:

- Manage and lead contractual negotiations and relationships for all SIH entities.
- Oversee all SIH entities contract implementation, management and insurance company relationships.
- Develop and support Managed Care initiatives, including but not limited to: clinical program integration program development and implementation; Managed Care joint venture development and implementation; and assume other managed care leadership roles as necessary/required.
- Support SIMS strategic initiatives and operations by facilitating credentialing activities, fee schedule reporting, physician charge development

- Monitor and report on revenue generated by SIH contracts and provide statistical data which includes profit/loss, collection performance, utilization trends, and payer mix.
- Evaluate and monitor financial performance of SIMS contracts through review of professional billing company reports.
- Oversee maintenance and integrity of reimbursement databases by ensuring prompt and correct input of new rates/contracts, conducting regular data “audits” to verify that reimbursement terms are calculating according to contract terms, and ensuring adequate training is provided and access to resources is available.
- Assess and communicate managed care market conditions by maintaining current knowledge of significant payors in organization’s primary market and legislative, financial and utilization trends.
- Provide support to community physicians by facilitating resolution of individual issues; developing strategies that address common concerns and providing educational and market information on managed care topics.
- Develop and maintain Managed Care department budget and maintain variances by taking corrective action and communicating as necessary.
- Collaborate with Patient Financial Services to effectively resolve systemic problems involving claims payment, contract non-compliance or any other payor problem, which inhibits the organization’s ability to collect payment or administer the contract.
- Participate in and provide support for revenue cycle management and financial operations as necessary and requested, including but not limited to:
 - Participate on New Service/Provider Committee, research managed care coverage policies, facilitate timely financial evaluation of new services.
 - Participating in and developing responses to new revenue cycle challenges such as pricing transparency, pay-for-performance, and POS collections.
- Ensure excellence in clinical outcomes and customer satisfaction by supporting the continuous improvement of quality and service.

CANDIDATE QUALIFICATIONS

The section below outlines the qualifications and selection criteria for the ideal candidate for the Corporate Director of Managed Care position.

Education, Licensure, & Certifications

- Bachelor’s Degree in a business, finance, insurance or related field required.

- Master's in Business Administration, Finance, Healthcare Administration, Insurance, or related field preferred.

Experience & Personal Characteristics

- Five to seven years experience in comparable position required.
- A team player who works effectively in a complex health system with multiple entities and constituencies and many times with conflicting goals and desired outcomes.
- Previous experience managing analysts or other professionals.
- Experience working directly with physicians and other healthcare workers required.
- Ability to analyze and quantify complex sets of both hard and soft data.
- In-depth knowledge of healthcare industry, hospital systems and managed care required.
- Experience in the management, leadership, and/or development of a Physician Hospital Organization would be a major plus.
- Strong, well-developed negotiating and problem-solving skills.
- Excellent interpersonal, motivational, organizational and communication skills required.
- Experience on both the provider and payor side a strong plus.
- Demonstrated successful experience in contract negotiations, particularly reflecting creativity in negotiating complex managed care contracts and understanding the nuances of contract language.
- Understanding of how to develop and integrate systems and processes into an organization so the organization's structure can run smoothly and efficiently.
- An innovative style that creates new ways to develop business and enhance revenue.
- Exceptionally strong business skills with the ability to read and understand balance sheets and financial statements.
- Has ability to create and/or maintain positive relationships within other departments in the hospital.
- A solid value system and service orientation and willingness to embrace the mission of Southern Illinois Healthcare.
- He/she will be someone who has a high level of 'personal ownership' in the future success of the department and hospital in which they belong. He/she should be a strong advocate for the area and staff in which they lead.
- Has a high energy level with an assertive, straightforward 'can-do' style and has a good sense of humor.

- This person must be a strong leader and comfortable in setting the tone for a department. He/she must highly value people and ensure that there is a culture of valuing the staff in the department
- Excellent written and verbal communication skills.
- A team player that is insightful and reads interpersonal relationships well.
- The ability to identify issues and problems; can proactively implement strategies and resolutions in a logical and timely manner.
- The successful candidate will be ‘results oriented’ in his/her approach to problem solving.
- He/She should have a passion for customer service and a commitment to service excellence.
- Has the highest level of honesty and integrity.

GOALS & OBJECTIVES

During the first 12 to 18 months of his/her tenure, the Corporate Director of Managed Care will be expected to achieve the following:

- Earn the trust and establish credibility among Administration, Financial Division and other leadership, and medical staff within Southern Illinois Healthcare.
- Gain a solid understanding of the culture and operational strategies of each of the hospitals. Must be able to both appreciate and integrate the differences among the hospitals and their needs with the overall system goals and growth plans.
- Gain an understanding of the vision and goals for the new Physician Hospital Organization. Get to know the key constituents and take a leadership role in the development and operational management of the new PHO over time.
- Provide leadership and direction for organization in efforts to establish a comprehensive, long-term strategy that will position the organization not just for the next contracting cycle, but for many years.
- Direct the development and implementation of strategies and systems to improve contract compliance and ensure that payors are paying according to contract provisions.
- Establish relationships with all internal and external stakeholders, including physicians, payors, employers and government entities.
- Challenge the organization to think “outside the box” regarding the broader issues that relate to overall provider/payor relationships.
- Improve overall levels of communication with the organization regarding issues pertaining to contract negotiations and compliance and issues that effect individual hospitals and/or medical staff members.

- Develop highly effective working relationships with finance, operations and other key internal departments to create a seamless approach to managed care contracting, to ensure the best possible negotiating position for the organization.
- Establish him/herself as the organizational leader for all managed care issues and be recognized as a tough but fair negotiator.
- Be known as an excellent communicator and team player; one that establishes trust and open lines of communication, particularly with physicians.