



59th Medical Wing



59 MDW Operations

Bart O. IDDINS
Maj Gen, USAF, MC, CFS
Commander, 59th Medical Wing

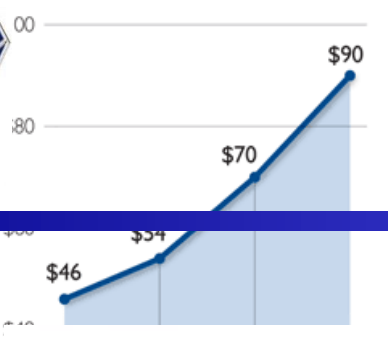




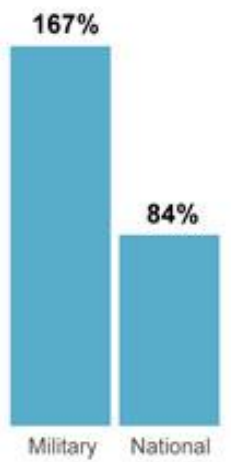
Pr
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In Billions of 2010 Dollars, Adjusted for Inflation

Source: Congressional Budget Office, "Long-Term Implications of the Fiscal Year 2010 Defense Budget," January 2010, at <http://www.cbo.gov/ftpdocs/108xx/doc10852/01-25-FYDP.pdf> (March 17, 2010).



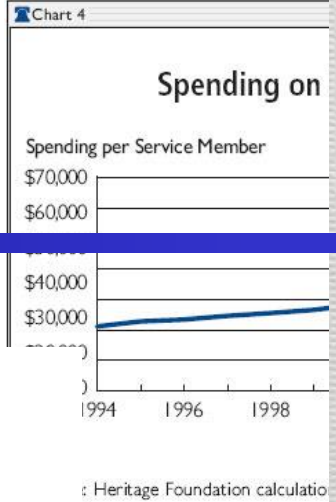
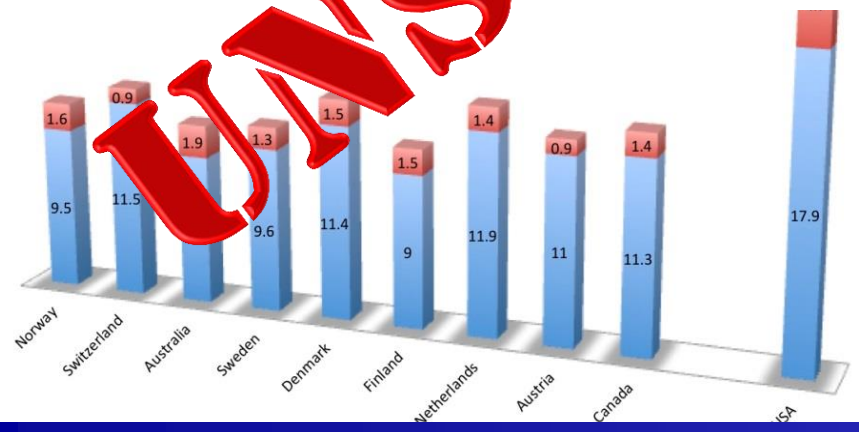
Military medical costs are rising twice as fast as those nationally. Increase from 2001 to 2011:



1 - estimates
Sources: Defense Department, Health and Human Services Department
By Julie Snider, USA TODAY

Military and Health Care Spending as a % of GDP

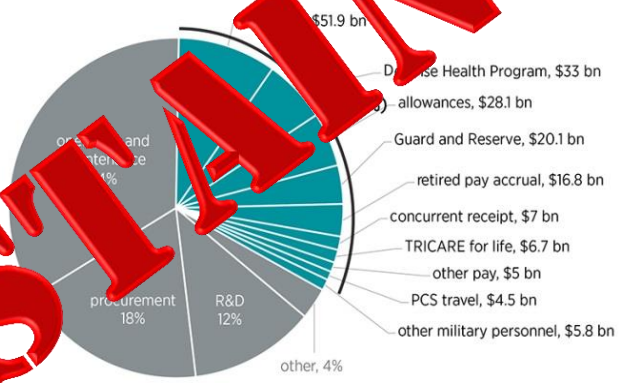
Health Care % GDP (blue square) Military % GDP (red square)



DoD Health Cost Growth
(Average Annual Growth)



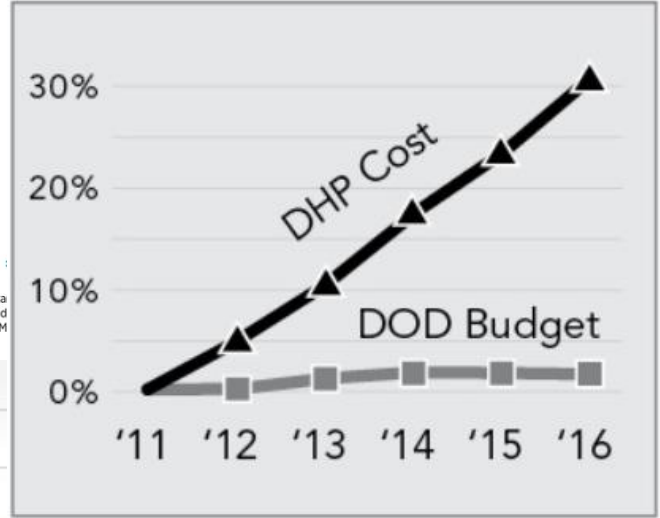
Share of FY 2014 DoD Budget - Military Personnel Costs
(benefits, healthcare, retirement)



total FY 2014 DoD budget = \$546 bn military personnel costs (32% of budget)

Sources: DoD FY 2014 Financial Summary Tables; Todd Harrison, Center for Strategic and Budgetary "Chaos and Uncertainty: The FY 2014 Defense Budget and Beyond" Produced by Veronique de Rugy and Rizqi Rachmat, Mercatus Center at George M

DOD Health Care Cost vs. Overall DOD Budget - Rate of Growth (2011 Baseline)¹³



* REQUEST. SOURCE: DEPARTMENT OF DEFENSE



Risks of Failure to Change



Warrior Medics – Mission Ready – Patient Focused

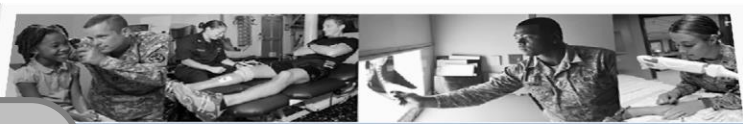
Headlines on Military Hospitals from New York Times, CBS, USA Today, and the Washington Post showed conditions that require improvements.



MHS Review



Warrior Medics – Mission Ready – Patient Focused



August 2014
Final Report to the Secretary of Defense
Military Health System Review



Military Health System Review – Final Report August 29, 2014

EXECUTIVE SUMMARY

On May 28, 2014, the Secretary of Defense ordered a comprehensive review of the Military Health System (MHS). The review was directed to assess whether: 1) access to medical care in the MHS meets defined access standards; 2) the quality of health care in the MHS meets or exceeds defined benchmarks; and 3) the MHS has created a culture of safety with effective processes for ensuring safe and reliable care of beneficiaries. This is the first time the MHS has taken an enterprise view of such scope in these areas.

Based on information analyzed during the review, the MHS provides good quality care that is safe and timely, and is comparable to that found in the civilian sector. However, the MHS demonstrates wide performance variability with some areas better than civilian counterparts and other areas below national benchmarks.

Together, the review’s results and the professional inputs from six external experts indicate clear opportunities to improve health care delivery. By implementing effective strategies used by other high-performing organizations, the MHS can create an optimal health care environment that focuses on continuous quality improvement where every patient receives safe, high-quality care at all times.

The major recommendations in this report are directed at system enhancements to address areas of concern and to drive change that will foster creation of a high reliability health system. High reliability organizations, in general, are those where harm prevention and quality improvement are second nature to all in the organization. Such organizations recognize the risk of over simplification in complex systems: thus, implementation of the proposed recommendations should not be expected to result in immediate change. MHS governance can support performance improvement with better analytics, greater clarity in policy, and aligned training and education programs. However, improving outcomes about decreasing performance variance at the individual facility level, which requires consistent leadership vigilance, with the goal of making the MHS a top-tier health care system.

The Military Health System

The MHS is a global, comprehensive, integrated system that includes combat medical services, health readiness futures, a health care delivery system, public health activities, medical education and training, and medical research and development. The fundamental mission of the MHS, providing medical support to military operations, is different from that of any other health system in the United States. The operational aspects of the MHS are divided among the three

“One important finding was the notable difference between data that reflect compliance with access standards and the reported satisfaction of patients with their ability to receive timely care...”

“Surgical morbidity was statistically higher than expected...”

“There is also no comprehensive plan to standardize requirements for monitoring device-related infections...”

“...the ability to analyze those data and use the results to guide decision making in quality and patient safety is nascent.”

“The report provided no evidence of substantive deficiencies in the safety, quality, and access to care at MHS that would warrant broad and urgent changes.”
Peter Pronovost, M.D., Ph.D., FCCM
Johns Hopkins Medicine Senior Vice President for Patient Safety and Quality
Director of the Armstrong Institute for Patient Safety and Quality

...the issues identified were corrected.”

was not poor performance in Fs.”

...in a follow up CA to ...nic

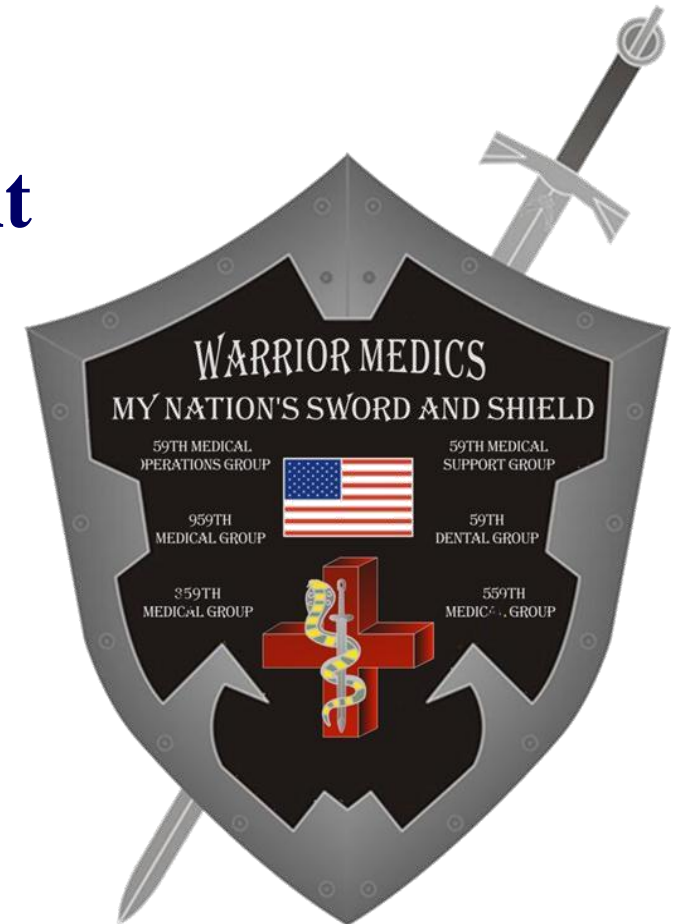


“What”



Warrior Medics – Mission Ready – Patient Focused

- 1. Patient Safety**
- 2. High Reliability Organization**
- 3. Continuous Process Improvement**
- 4. Quality Improvement**
- 5. Patient-Centered Care**
- 6. Access To Care**
- 7. Education & Training**
- 8. Combat Readiness**
- 9. Innovation**
- 10. Enhanced Effectiveness & Efficiency**





“What”



Warrior Medics – Mission Ready – Patient Focused

Mission:

Developing Warrior Medics Through Patient-Centered Care

Vision:

Exemplary Care, Global Response

“WARRIOR MEDICS – MISSION READY – PATIENT FOCUSED”





High Reliability Organization



Warrior Medics – Mission Ready – Patient Focused

5 TENETS OF A **HIGH RELIABILITY ORGANIZATION**



1. Preoccupation With Failure
2. Reluctance To Simplify Interpretations
3. Sensitivity To Operations
4. Commitment To Resilience
5. Deference To Expertise



HRO Domains of Change



Warrior Medics – Mission Ready – Patient Focused

SGN

**Patient
Centeredness**

SGH

**Culture
of Safety**



**Leadership
Engagement**

**Continuous
Process
Improvement**

SGA

CMO



Readiness



Warrior Medics – Mission Ready – Patient Focused

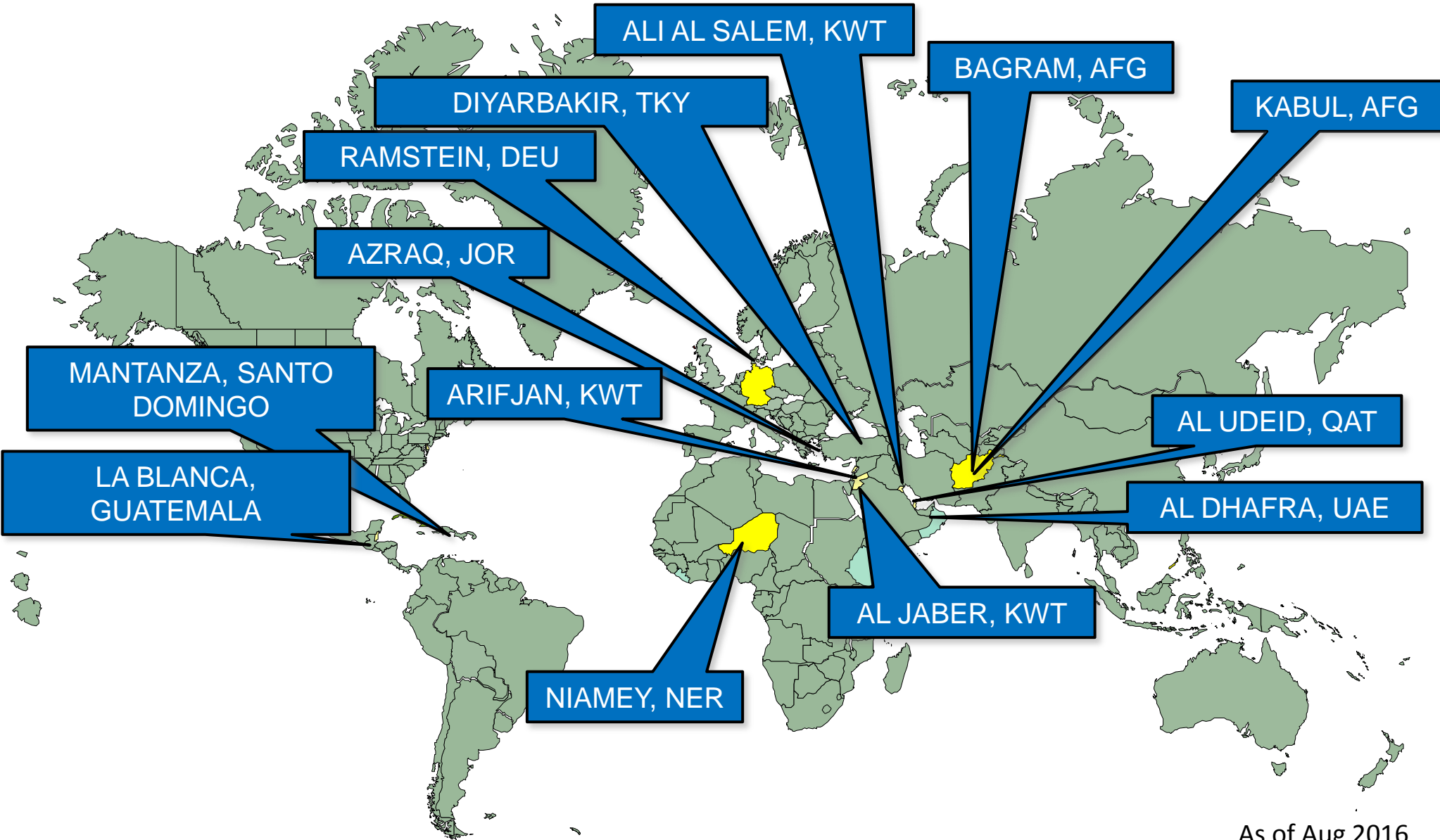




59 MDW Contingency Ops



Warrior Medics – Mission Ready – Patient Focused



As of Aug 2016

Largest Medical Mobility Commitment in the USAF!



Primary Deployment Location



Warrior Medics – Mission Ready – Patient Focused





Other Taskings



Warrior Medics – Mission Ready – Patient Focused

- **Multiple Worldwide Locations**
- **Medical Readiness Training Exercises**
 - Honduras - Aug 16
 - Panama - Sep 16
 - Dominican Republic - Apr - Jun 17
- **DSCA/Hurricane Response Preparedness**
- **Defense CBRNE Response Force**
 - 113 Medics, EMEDS 25+





Critical Care Transport



Warrior Medics – Mission Ready – Patient Focused

- Global En Route Critical Care Transport
- 59 MDW: 14 CCATTs; 4 On Call 24/7
- Pilot Unit for USAF CCATTs (120 Teams) & TCCETs (16 Teams)
- Evolving Mission Requirements: Acute Lung Rescue Team, Patient Isolation Units & Transportation Isolation Systems

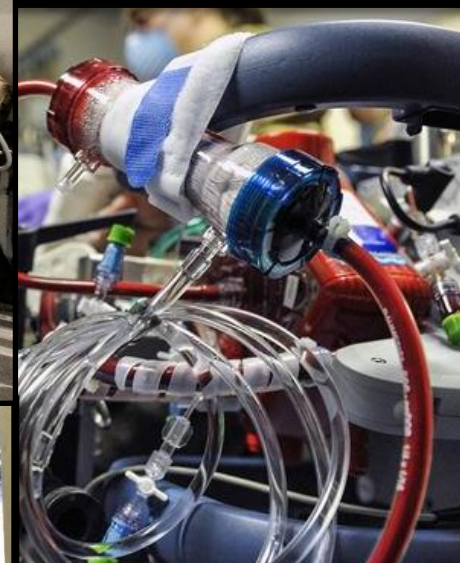




Special Mission Capabilities



Warrior Medics – Mission Ready – Patient Focused





En Route Patient Staging



Warrior Medics – Mission Ready – Patient Focused

- 7th Floor Wilford Hall
- Interface Between MTF & En Route Care System
- 50 Patient Beds
- 7,000+ Casualties/Patients To Date





Brussels Family Support



Warrior Medics – Mission Ready – Patient Focused





Airman Medical Transition Unit



Warrior Medics – Mission Ready – Patient Focused

- 5th Floor Wilford Hall
- USAF AD/ARC Members in Treatment & Recovering From Injury/Illness
- Largest Patient Squadron in USAF
 - 42-70 Patients
- Adaptive Sports Events
 - Annual Wounded Warrior Games



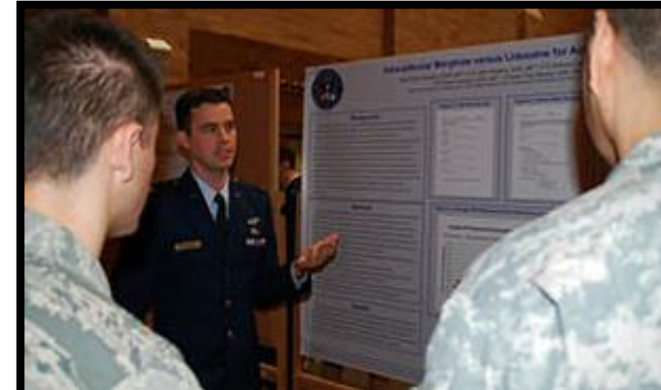


Education & Training



Warrior Medics – Mission Ready – Patient Focused

- **59 SAUSHEC Graduate Programs**
 - **37 Graduate Medical Education Programs**
 - 592 Trainees: 58% AF, 42% Army, 1 Public Health Service
 - **22 Graduate Allied Health Programs**
 - 78 Trainees: 45% AF, 44% Army, 11% Civilian & 1 PHS
- **Largest Psychology Internship in DoD**
- **Largest DoD Dental Education Program**
 - 30 Dental Residencies & Post-Doctoral Technician training
- **5 Specialty Nursing Courses**
- **Air Force Technical Training for 16 of 19 Enlisted Medical AFSCs (12,669 trainees per year)**
- **9 Enlisted Phase II Training Courses**
- **Aerospace Physiology Training**



Over 600 Graduates Per Year!



Research



Warrior Medics – Mission Ready – Patient Focused

- **652 Active Research Protocols**
- **Research Areas: Brain Injury, En Route Care & Adult ECLS, Vascular Injury, Genomics/Proteomics**
- **Current Research Projects**
 - Identification of Brain Injuries w/ DCS in U2 Pilots & TBI Patients
 - Model Development to Exhibit White Matter Injury w/ Hypobaric Exposure
 - Combat-Relevant Injuries Amenable to ECLS During Transport
 - Commercialization of Temporary Vascular Shunts for Combat Injuries





59th Medical Wing



Warrior Medics – Mission Ready – Patient Focused

- **DoD's Largest Outpatient Facility**
- **DoD's Largest Blood Donor Center**
- **DoD's Refractive Eye Surgery Center, Hearing & Diabetes Centers of Excellence**
- **DoD's Only Extra Corporeal Membrane Oxygenation Transport Capability**
- **DoD's Lead Agent for Clinical Hyperbaric Medicine**





WILFORD HALL AMBULATORY SURGICAL CENTER

RANDOLPH CLINIC

NORTH CENTRAL FEDERAL CLINIC

REID CLINIC

MILITARY EDUCATION & TRAINING CAMPUS

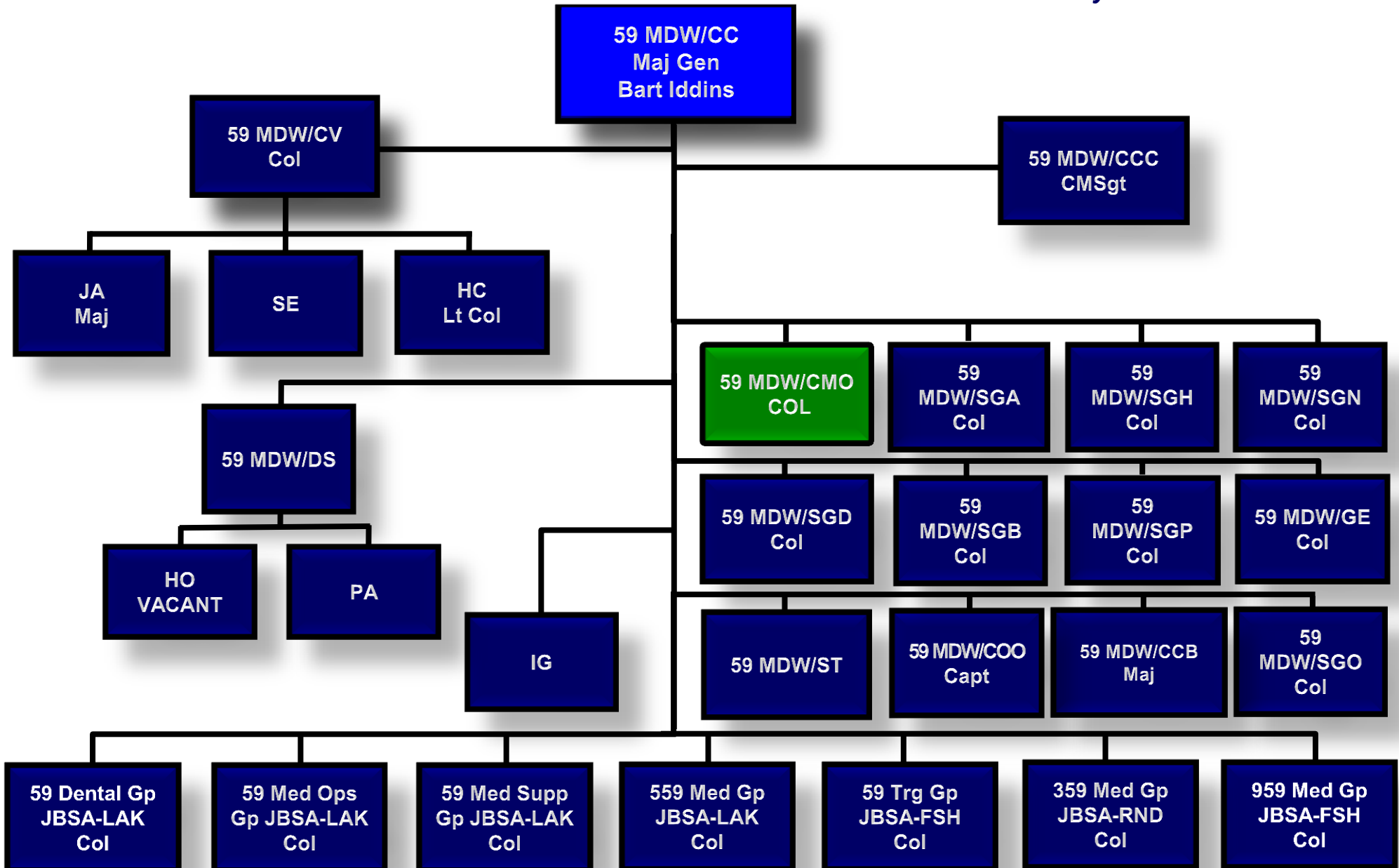
SAN ANTONIO MILITARY MEDICAL CENTER



59 MDW C2



Warrior Medics – Mission Ready – Patient Focused





SAMHS Enterprise



Warrior Medics – Mission Ready – Patient Focused

SAN ANTONIO
7th largest US city
(1.3M population)

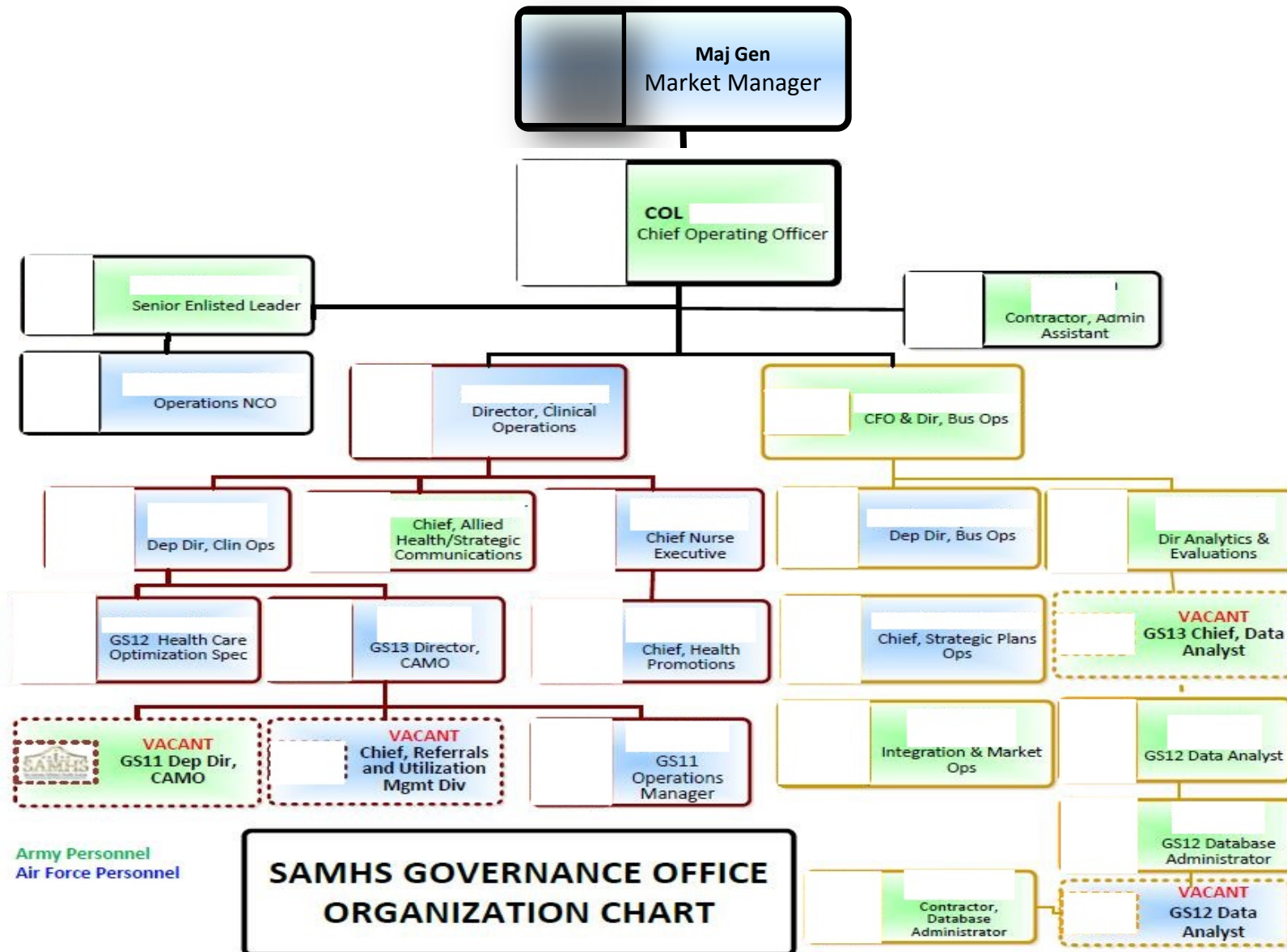




SAMHS C2



Warrior Medics – Mission Ready – Patient Focused



Army Personnel
Air Force Personnel

SAMHS GOVERNANCE OFFICE ORGANIZATION CHART

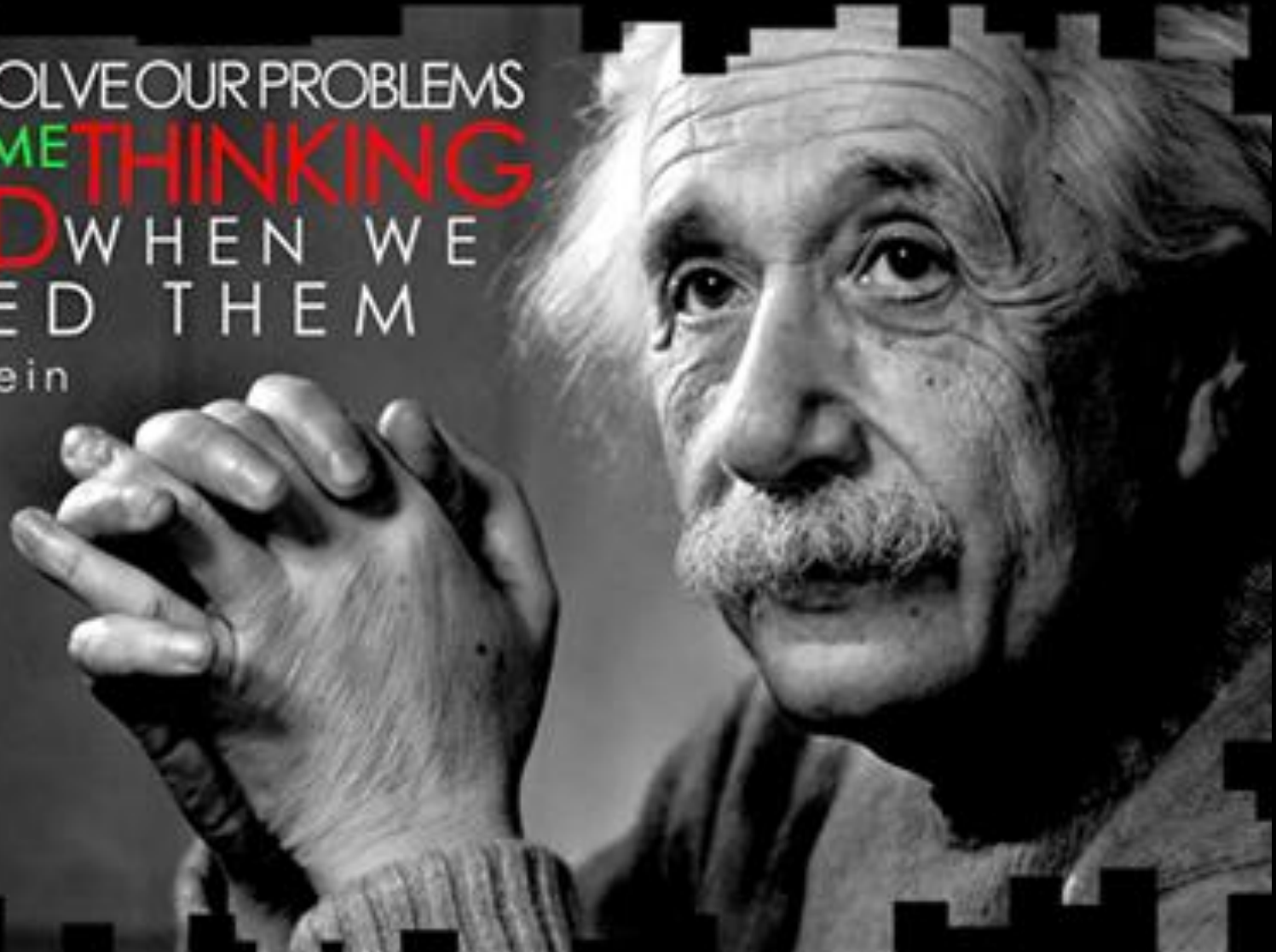


“How”



Warrior Medics – Mission Ready – Patient Focused

WE CANNOT SOLVE OUR PROBLEMS
WITH THE SAME THINKING
WE USED WHEN WE
CREATED THEM
-Albert Einstein



S TRENGTHS



- Key Personnel
- Gateway Innovation Center
- Empowered Medics/Staff
- Centralized Quality, CPI, Patient Safety & HRO
- Specialized Mission Capabilities
- Centralized Control/Decentralized Execution

W EAKNESSES



- Staffing Levels/Mix
- Staff Continuity
- Sustainment
- Internal Buy-In
- External Buy-In
- Resistance to Change
- Data Integrity
- Information Technology
- Work-Life Balance
- Infrastructure

O PPORTUNITIES



- Bolster Readiness
- Achieve High Reliability
- Improve Patient Safety
- Higher Quality
- Enhance Training/Research
- Expand Partnerships
- Clinical Currency
- Foster Morale
- DoD Model
- Integrated Health System
- Communication

T HREATS



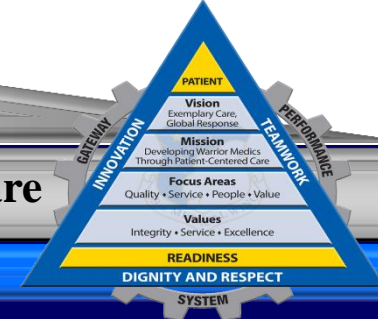
- Status Quo Mindset
- NDAA Uncertainty
- High Personnel Turnover
- Unrealized Expectations
- Funding Shortfalls
- Time
- Conflicting Policies
- High Ops Tempo
- GS & CTR Fill Delays



Strategy Map (V 5.8, 8 Jun 16)

Vision: Exemplary Care, Global Response

Mission: Developing Warrior Medics Through Patient-Centered Care



Enterprise Focus Areas

FA 1. QUALITY
59MDW/SGH

FA 2. SERVICE
59 MDOG/CC

FA 3. PEOPLE
59 MDW/SGN

FA 4. VALUE
59 MDW/SGA

Operational Objectives

1.1. Optimize Patient and Occupational Safety
OCR: 59 MDW/SE
A9

2.1. Improve Access to Care
A6

3.1. Empower Staff Operating in a Healthy Work and Living Environment
P1, P2

4.1. Improve Data Quality and Analysis
E1, E5

1.2. Improve Clinical Outcomes and Reliability
A3, A8

2.2. Enhance Effective Communication between Care Team and Patients
A7, E1

3.2. Enhance Staff Development
E1, P2

4.2. Increase Appropriate Recapture and Foster Partnerships
A4, E1, R1

1.3. Optimize Health and Performance of the Population
A8

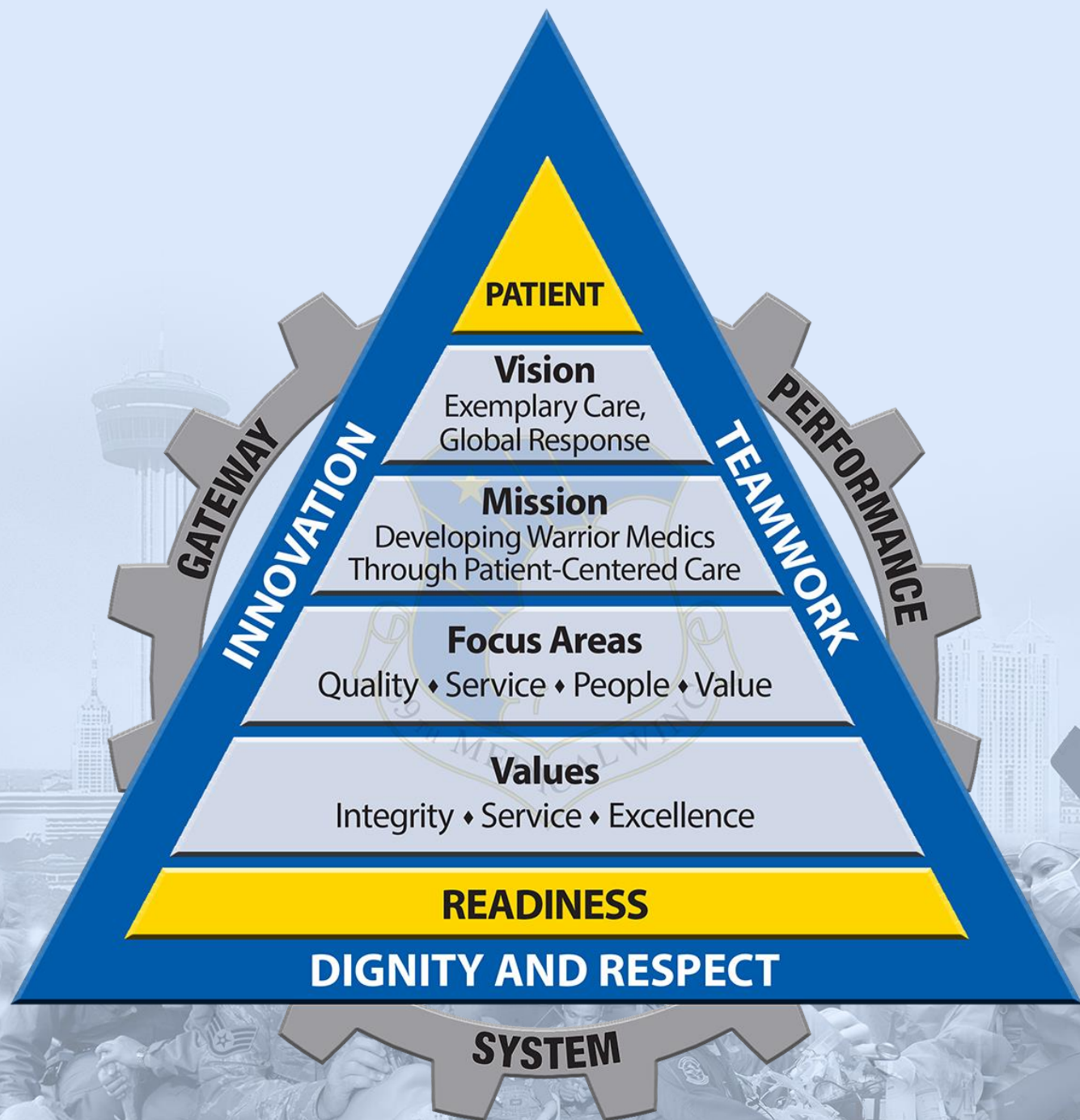
2.3. Improve the Patient Experience of Care
A7

3.3. Develop Ready Airmen
OCRs: 59 MDW/SGO
59 MDSG/CC
P1, P2

4.3. Improve Operational Efficiencies
E5, R1, P2

4.4. Expand Education, Training and Research Opportunities
OCRs: 59DG/59MDW/GE/59 TRG
E2, E3

Aligned to AFMS BSC V 3.3 Objecti





Leverage GPS



Warrior Medics – Mission Ready – Patient Focused



Mission

- Readiness
- Patient-Centered Care
- Education & Training
- Research

Gateway
Performance
System

Strategy

- HRO
- Quality/Patient Safety
- Continuous Process Improvement
- Value
- Management Control System
- Teamwork
- Innovation
- Partnerships

Structure

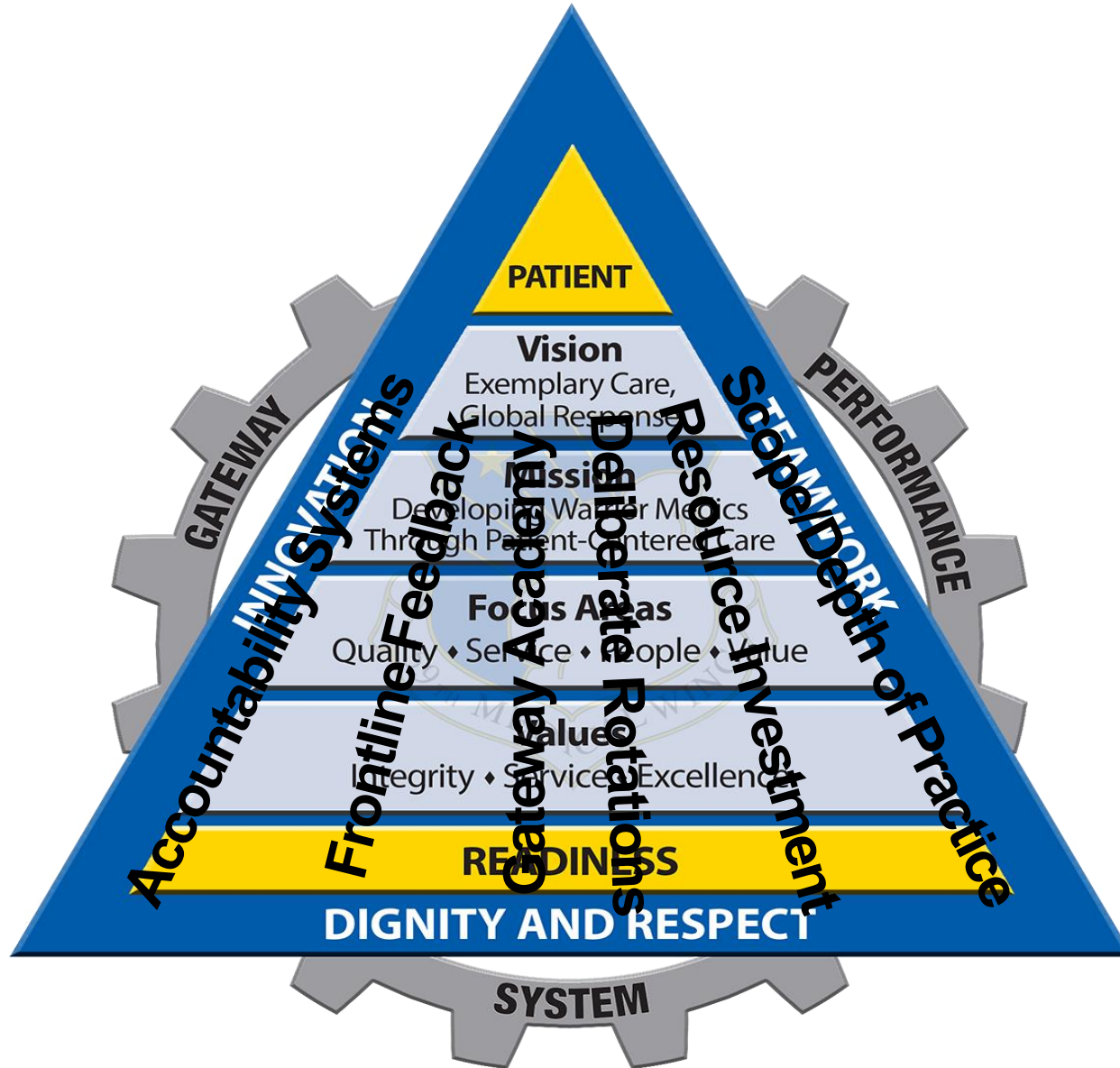
- AF, AETC, Wing, SAMHS
- Gateway Innovation Center
- C2 Network



Gateway Performance System



Warrior Medics – Mission Ready – Patient Focused

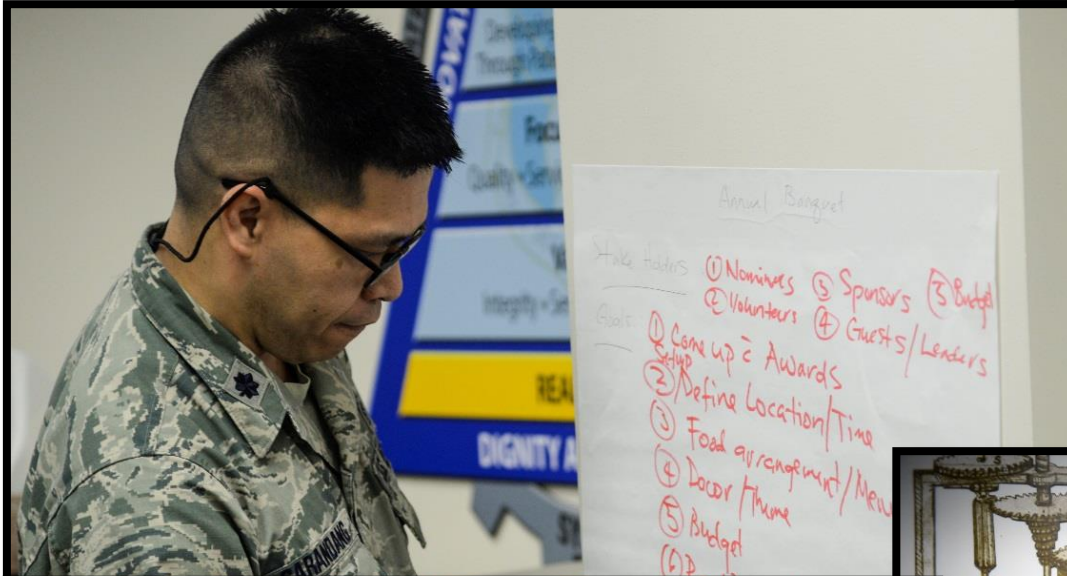




Gateway Academy



Warrior Medics – Mission Ready – Patient Focused





On-Site Referral Booking



Warrior Medics – Mission Ready – Patient Focused

- **59 MDW Patient-Centered Process Improvement**
- **Enhanced Patient Experience & Overall Value**
 - Expedient Access to Specialty Care
 - Patient Departs MTF w/ Appointment In Hand!
 - 20% Increase In Kept Appointments
- **Intent To Disseminate DoD-Wide**





59 MDW Enlisted Rotations

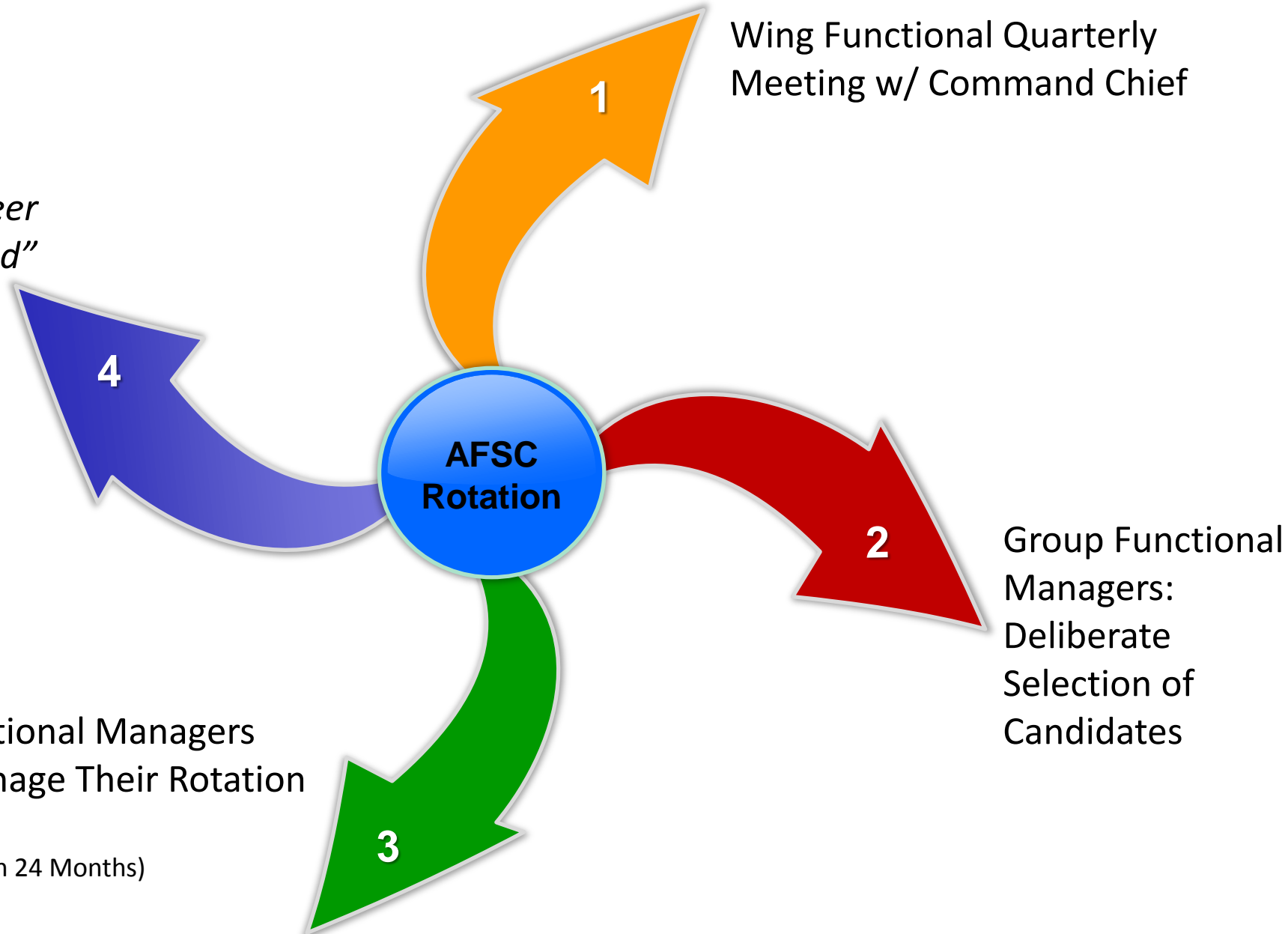


Warrior Medics – Mission Ready – Patient Focused

Airmen
Educated On
Rotation
Process.

*“Airmen’s Career
Path Is Outlined”*

Wing Functional Quarterly
Meeting w/ Command Chief



Group Functional
Managers:
Deliberate
Selection of
Candidates

Group Functional Managers
Track & Manage Their Rotation
Schedules
(Average Rotation 24 Months)



4N0 Rotation Plan



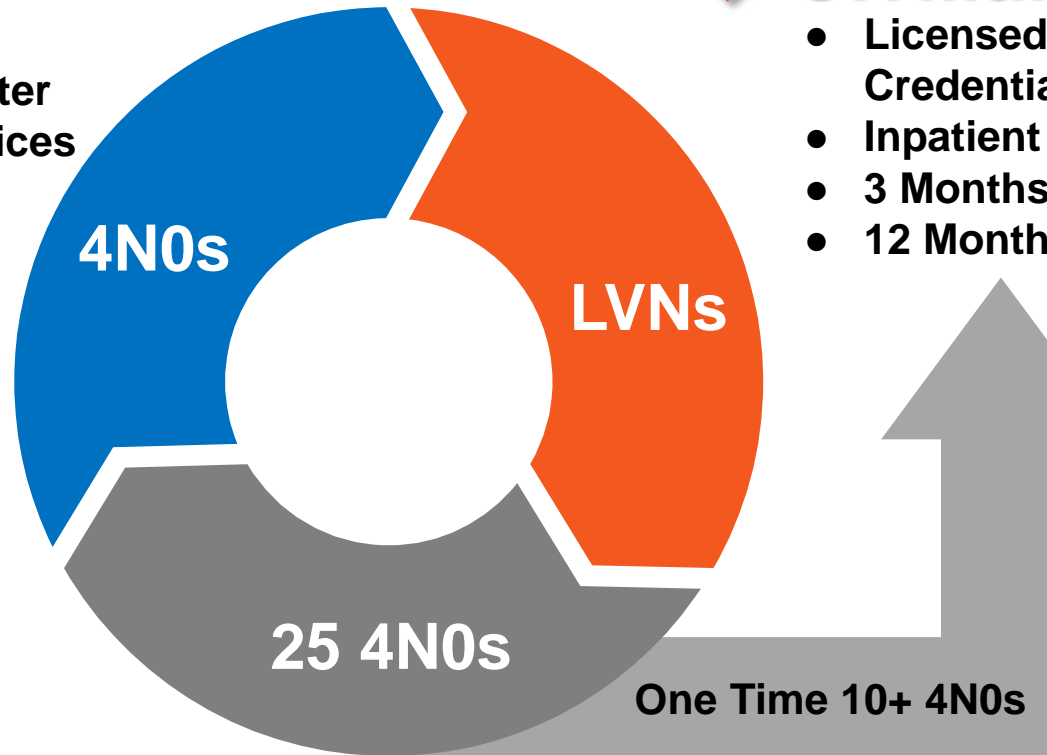
Warrior Medics – Mission Ready – Patient Focused

59 MDW

- Outpatient
- Urgent Care Center
- Emergency Services
- ERPSS

Civilian Hospital

- Licensed Vocational Nurse Credentialing
- Inpatient Training
- 3 Months Invested
- 12 Months OJT Experience



SAMMMC

- Inpatient
- Trauma Exposure
- Emergency Department

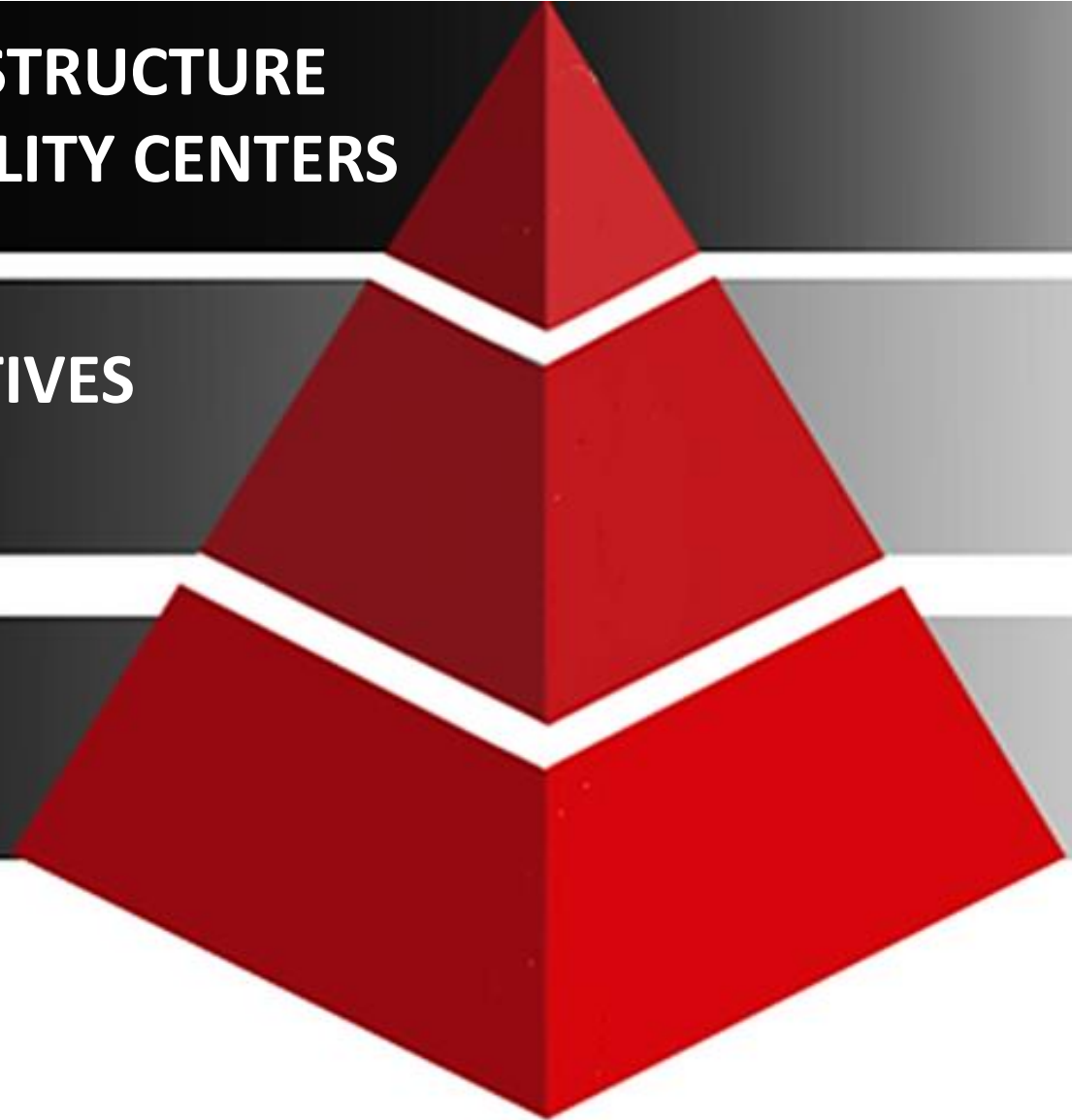


Management Control System



Warrior Medics – Mission Ready – Patient Focused

- **SOUND ORGANIZATIONAL STRUCTURE**
- **WELL-DEFINED RESPONSIBILITY CENTERS**
- **FINANCIAL HEALTH/INCENTIVES**
- **KEY SUCCESS FACTORS**
- **TRANSFER PRICING**
- **GOAL CONGRUENCE**





Performance Management Cycle



Warrior Medics – Mission Ready – Patient Focused





Healthcare Performance Improvement



Warrior Medics – Mission Ready – Patient Focused

“It may seem a strange principle to enunciate as the very first requirement in a hospital that it should do the sick no harm.”

- Florence Nightingale

Don't Harm Me – Heal Me – Be Nice to Me



Statement of Financial Value

59th Medical Wing



Warrior Medics – Mission Ready – Patient Focused

| 59 MDW - Statement of Financial Value | | | | | | | | | Legend: | |
|---------------------------------------|-------------|-------------|--------------|-----------------|------------------|--------------------|-------------------------|---------------------|---------|--|
| Rolling 12-month Period | | | 1-Apr-15 | Through | 1-Mar-16 | > -1% Decrease | Between -1% & 1% Change | > 1% Increase | | |
| Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter | | |
| 13,716 | 25,146 | - | \$ 1,097,781 | \$ 1,842,019 | \$ (744,238) | -40% | \$ 134.30 | \$ 80.04 | | |
| 4,859 | 21,062 | - | \$ 916,593 | \$ 566,506 | \$ 350,087 | 62% | \$ 116.59 | \$ 188.64 | | |
| 7,394 | 21,742 | - | \$ 947,816 | \$ 1,176,918 | \$ (229,102) | -19% | \$ 159.17 | \$ 128.19 | | |
| 25,866 | 50,315 | 932 | \$ 2,277,150 | \$ 3,008,934 | \$ (731,784) | -28% | \$ 116.33 | \$ 88.04 | | |
| 12,497 | 19,803 | - | \$ 861,309 | \$ 569,569 | \$ 291,740 | 34% | \$ 45.58 | \$ 68.92 | | |
| 46,452 | 157,716 | 1,322 | \$ 7,006,853 | \$ 4,558,670 | \$ 2,448,183 | 35% | \$ 98.14 | \$ 150.84 | | |
| 6,580 | 13,648 | - | \$ 596,842 | \$ 744,891 | \$ (148,049) | -20% | \$ 90.71 | \$ 90.71 | | |
| 136,888 | 209,546 | 6 | \$ 9,160,301 | \$ 11,886,679 | \$ (2,726,378) | -30% | \$ 66.92 | \$ 66.92 | | |
| 8,217 | 26,546 | 260 | \$ 1,181,063 | \$ 3,205,916 | \$ (2,024,853) | -17% | \$ 134.30 | \$ 80.04 | | |

| 59 MDW - Statement of Financial Value | | | | | | | | | | | Legend: | | | |
|---------------------------------------|--|--|-------------------|-------------|-------------|---------------|-----------------|------------------|--------------------|--------------------|---------------------|----------------|-------------------------|---------------|
| LACKLAND Clinics | | | Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter | > -1% Decrease | Between -1% & 1% Change | > 1% Increase |
| TOTAL 59th MEDICAL WING | | | 858,863 | 1,922,422 | 103,236 | \$ 93,310,115 | \$ 105,207,371 | \$ (11,897,257) | -11% | \$ 122.50 | \$ 108.64 | | | |

| | | | | | | | | | | |
|---------|---------|--------|--------------|--------------|----------------|------|-----------|-----------|--|--|
| 22,864 | 93,301 | 24,314 | \$ 6,281,475 | \$ 7,999,225 | \$ (1,717,749) | -21% | \$ 249.86 | \$ 274.73 | | |
| 9,334 | 65,949 | - | \$ 2,881,454 | \$ 2,826,031 | \$ 55,422 | 2% | \$ 302.77 | \$ 308.71 | | |
| 24,551 | 58,584 | - | \$ 2,559,170 | \$ 1,221,575 | \$ 1,337,594 | 53% | \$ 49.76 | \$ 104.24 | | |
| 23,431 | 49,488 | 31,754 | \$ 5,063,490 | \$ 6,138,583 | \$ (1,075,093) | -18% | \$ 261.99 | \$ 216.10 | | |
| 7,140 | 24,212 | 10,777 | \$ 2,037,114 | \$ 3,371,933 | \$ (1,334,819) | -38% | \$ 472.26 | \$ 285.31 | | |
| 39,244 | 116,723 | 3 | \$ 5,098,755 | \$ 5,395,878 | \$ (297,123) | -6% | \$ 137.49 | \$ 129.92 | | |
| 29,979 | 75,470 | - | \$ 3,288,271 | \$ 3,288,271 | \$ 0 | 0% | \$ 76.22 | \$ 109.85 | | |
| 67 | 287 | - | \$ 174.33 | \$ 186.87 | \$ 12.54 | 7% | \$ 174.33 | \$ 186.87 | | |
| 1,975 | 5,587 | - | \$ 131.99 | \$ 134.69 | \$ 2.70 | 2% | \$ 131.99 | \$ 134.69 | | |
| 13,203 | 70,350 | - | \$ 305.86 | \$ 239.47 | \$ 66.39 | 21% | \$ 305.86 | \$ 239.47 | | |
| 5,000 | 11,832 | - | \$ 415.67 | \$ 121.18 | \$ 294.49 | 24% | \$ 415.67 | \$ 121.18 | | |
| 8,203 | 58,518 | - | \$ 238.92 | \$ 311.57 | \$ 72.65 | 30% | \$ 238.92 | \$ 311.57 | | |
| 860 | 7,181 | 41 | \$ 317,708 | \$ 311,226 | \$ 6,482 | 2% | \$ 361.89 | \$ 369.43 | | |
| 1,638 | 6,961 | - | \$ 305,480 | \$ 263,582 | \$ 41,898 | 16% | \$ 160.92 | \$ 186.50 | | |
| 2,795 | 4,317 | - | \$ 187,798 | \$ 542,882 | \$ (355,084) | -65% | \$ 194.23 | \$ 67.19 | | |
| 109,839 | 146,765 | 64 | \$ 6,406,053 | \$ 5,137,915 | \$ 1,268,138 | 25% | \$ 46.78 | \$ 58.32 | | |
| 33,529 | 85,481 | 519 | \$ 3,779,146 | \$ 5,099,765 | \$ (1,320,619) | -26% | \$ 152.10 | \$ 112.71 | | |
| 5,549 | 15,493 | - | \$ 676,375 | \$ 1,146,904 | \$ (470,529) | -41% | \$ 206.69 | \$ 121.89 | | |

(\$11,987,257)



Statement of Financial Value

59th Medical Operations Group



Warrior Medics – Mission Ready – Patient Focused

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| 25,866 | 50,315 | 932 | \$ 2,277,150 | \$ 3,008,934 | \$ (731,784) | -32% | \$ 116.33 | \$ 88.04 |
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| 6,580 | 13,648 | - | \$ 596,842 | \$ 744,891 | \$ (148,049) | -20% | \$ 113.36 | \$ 90.71 |
| 136,888 | 209,546 | 6 | \$ 9,160,301 | \$ 11,886,679 | \$ (2,726,378) | -30% | \$ 148.85 | \$ 125.77 |
| 8,217 | 26,546 | 260 | \$ 1,181,063 | \$ 3,205,916 | \$ (2,024,853) | -17% | \$ 148.85 | \$ 125.77 |
| 5,224 | 16,324 | 26,647 | \$ 2,566,264 | \$ 2,846,225 | \$ (279,961) | -11% | \$ 148.85 | \$ 125.77 |

| 59 MDW - Statement of Financial Value | | | | | | | | | | | |
|--|--|--|-------------------|-------------|-------------|---------------|-----------------|------------------|--------------------|--------------------|---------------------|
| LACKLAND Clinics | | | Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter |
| TOTAL 59th MEDICAL OPERATIONS GROUP | | | 552,671 | 1,377,336 | 102,814 | \$ 69,507,623 | \$ 82,267,468 | \$ (12,759,845) | -16% | \$ 148.85 | \$ 125.77 |

| | | | | | | | | |
|---------|---------|--------|--------------|--------------|----------------|------|-----------|-----------|
| 22,864 | 93,301 | 24,314 | \$ 6,281,475 | \$ 7,999,225 | \$ (1,717,749) | -21% | \$ 148.85 | \$ 125.77 |
| 9,334 | 65,949 | - | \$ 2,881,454 | \$ 2,826,031 | \$ 55,422 | 2% | \$ 148.85 | \$ 125.77 |
| 24,551 | 58,584 | - | \$ 2,559,170 | \$ 1,221,575 | \$ 1,337,594 | 100% | \$ 148.85 | \$ 125.77 |
| 23,431 | 49,488 | 31,754 | \$ 5,063,490 | \$ 6,138,583 | \$ (1,075,093) | -18% | \$ 148.85 | \$ 125.77 |
| 7,140 | 24,212 | 10,777 | \$ 2,037,114 | \$ 3,371,933 | \$ (1,334,819) | -39% | \$ 148.85 | \$ 125.77 |
| 39,244 | 116,723 | 3 | \$ 5,098,755 | \$ 5,395,578 | \$ (296,823) | -6% | \$ 148.85 | \$ 125.77 |
| 29,979 | 75,470 | - | \$ 4,281,475 | \$ 4,578,298 | \$ (296,823) | -7% | \$ 148.85 | \$ 125.77 |
| 67 | 287 | - | \$ 1,181,063 | \$ 1,477,886 | \$ (296,823) | -20% | \$ 148.85 | \$ 125.77 |
| 1,975 | 5,587 | - | \$ 596,842 | \$ 744,891 | \$ (148,049) | -20% | \$ 148.85 | \$ 125.77 |
| 13,203 | 70,350 | 1,000 | \$ 5,006,853 | \$ 4,558,670 | \$ 448,183 | 10% | \$ 148.85 | \$ 125.77 |
| 5,000 | 11,832 | 1,000 | \$ 4,006,853 | \$ 4,558,670 | \$ (551,817) | -12% | \$ 148.85 | \$ 125.77 |
| 8,203 | 58,518 | - | \$ 2,555,844 | \$ 1,959,902 | \$ 595,942 | 30% | \$ 148.85 | \$ 125.77 |
| 860 | 7,181 | 41 | \$ 317,708 | \$ 311,226 | \$ 6,482 | 2% | \$ 148.85 | \$ 125.77 |
| 1,638 | 6,961 | - | \$ 305,480 | \$ 263,582 | \$ 41,898 | 16% | \$ 148.85 | \$ 125.77 |
| 2,795 | 4,317 | - | \$ 187,798 | \$ 542,882 | \$ (355,084) | -65% | \$ 148.85 | \$ 125.77 |
| 109,839 | 146,765 | 64 | \$ 6,406,053 | \$ 5,137,915 | \$ 1,268,138 | 25% | \$ 148.85 | \$ 125.77 |
| 33,529 | 85,481 | 519 | \$ 3,779,146 | \$ 5,099,765 | \$ (1,320,619) | -26% | \$ 148.85 | \$ 125.77 |
| 5,549 | 15,493 | - | \$ 676,375 | \$ 1,146,904 | \$ (470,529) | -41% | \$ 148.85 | \$ 125.77 |

(\$12,759,845)



Statement of Financial Value Pediatrics Comparison



Warrior Medics – Mission Ready – Patient Focused

| 59 MDW - Statement of Financial Value | | | | | | | Legend: | | |
|---------------------------------------|-------------|-------------|--------------|-----------------|------------------|--------------------|--------------------|---------------------|---------------|
| Rolling 12-month Period | | 1-Apr-15 | | Through | | 1-Mar-16 | | > -1% Decrease | > 1% Increase |
| Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter | |
| 13,716 | 25,146 | - | \$ 1,097,781 | \$ 1,842,019 | \$ (744,238) | -40% | \$ | \$ | |
| 4,859 | 21,062 | - | \$ 916,593 | \$ 566,506 | \$ 349,087 | 62% | \$ | \$ | |
| 7,394 | 21,742 | - | \$ 947,816 | \$ 1,176,918 | \$ (229,102) | -19% | \$ | \$ | |
| 25,866 | 50,315 | 932 | \$ 2,277,150 | \$ 3,008,934 | \$ (731,784) | -23% | \$ | \$ | |
| 12,497 | 19,803 | - | \$ 861,309 | \$ 569,569 | \$ 291,740 | 34% | \$ 45.50 | \$ 92.00 | |
| 46,452 | 157,716 | 1,322 | \$ 7,006,853 | \$ 4,558,678 | \$ 2,448,175 | 35% | \$ 98.00 | \$ 10.84 | |

(\$296,823)

| 59 MDW - Statement of Financial Value | | | | | | | | | | | |
|---------------------------------------|------|------|-------------------|-------------|-------------|--------------|-----------------|------------------|--------------------|--------------------|---------------------|
| LACKLAND Clinics | | | Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter |
| Pediatrics Clinic | MDOG | MDOS | 39,244 | 116,723 | 3 | \$ 5,098,755 | \$ 5,395,578 | \$ (296,823) | -6% | \$ 137.49 | \$ 129.92 |

(\$20,084)

| 59 MDW - Statement of Financial Value | | | | | | | | | | | |
|---------------------------------------|---------|------|-------------------|-------------|-------------|--------------|-----------------|------------------|--------------------|--------------------|---------------------|
| RANDOLPH Clinics | | | Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter |
| Pediatrics Clinic | 359 MDG | MDOS | 21,636 | 40,383 | 22 | \$ 1,759,115 | \$ 1,779,200 | \$ (20,084) | -1% | \$ 82.23 | \$ 81.31 |

| | | | | | | | | | |
|--------|---------|--------|--------------|---------------|----------------|------|-----------|-----------|--|
| 5,213 | 13,221 | - | \$ 575,391 | \$ 442,021 | \$ 133,370 | 30% | \$ 84.79 | \$ 110.38 | |
| 4,659 | 13,214 | 15 | \$ 578,208 | \$ 280,940 | \$ 297,268 | 106% | \$ 60.30 | \$ 124.11 | |
| 32,198 | 159,250 | 24,314 | \$ 9,162,929 | \$ 10,825,256 | \$ (1,662,327) | -15% | \$ 336.24 | \$ 251.55 | |
| 22,864 | 93,301 | 24,314 | \$ 6,281,475 | \$ 7,999,225 | \$ (1,717,750) | -27% | \$ 349.80 | \$ 102.00 | |
| 9,334 | 65,949 | - | \$ 2,881,454 | \$ 2,826,031 | \$ 55,423 | 2% | \$ 302.70 | \$ 102.00 | |
| 24,551 | 58,584 | - | \$ 2,559,170 | \$ 1,221,575 | \$ 1,337,595 | 53% | \$ 49.70 | \$ 102.00 | |

| | | | | | | | | | |
|--------|--------|-----|--------------|--------------|----------------|------|-----------|-----------|--|
| 33,529 | 85,461 | 519 | \$ 3,779,146 | \$ 5,099,765 | \$ (1,320,619) | -26% | \$ 152.10 | \$ 112.71 | |
| 5,549 | 15,493 | - | \$ 676,375 | \$ 1,146,904 | \$ (470,529) | -41% | \$ 206.69 | \$ 121.89 | |



Statement of Financial Value Family Practice Comparison



Warrior Medics – Mission Ready – Patient Focused

59 MDW - Statement of Financial Value

Legend: Value Expense
 > -1% Decrease ↘ ↘
 Between -1% & 1% Change — —
 > 1% Increase ↗ ↗

| Rolling 12-month Period | | 1-Feb-15 | Through | 1-Jan-16 | | | | | Last Quarter Tr | |
|-------------------------|-------------|-------------|--------------|-----------------|------------------|--------------------|--------------------|---------------------|-----------------|---------|
| Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter | Value | Expense |
| 13,539 | 24,848 | - | \$ 1,074,439 | \$ 1,843,756 | \$ (769,317) | -42% | \$ 136.18 | \$ 79.36 | | |
| 4,842 | 21,451 | - | \$ 926,028 | \$ 612,331 | \$ 313,698 | 51% | \$ 126.46 | \$ 191.25 | | |
| 7,503 | 22,138 | - | \$ 956,927 | \$ 1,146,093 | \$ (189,165) | -17% | \$ 152.75 | \$ 127.54 | | |
| 25,806 | 51,738 | 951 | \$ 2,322,047 | \$ 3,078,356 | \$ (756,308) | -33% | \$ 90.98 | \$ 119.80 | | |
| 11,643 | 19,627 | - | \$ 847,559 | \$ 552,305 | \$ 295,254 | 35% | \$ 72.84 | \$ 106.82 | | |
| 45,649 | 154,279 | 1,383 | \$ 6,803,399 | \$ 4,553,187 | \$ 2,250,212 | 33% | \$ 147.03 | \$ 167.80 | | |

(\$2,726,639)

Data Sources:
 Wld: M2, CHCS
 Exp: CRIS, EASIV
 FTEs: DMHRS:

59 MDW - Statement of Financial Value

Rolling 12-month Period 1-Apr-15 Through 1-Mar-16

| LACKLAND Clinics | | | Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter |
|------------------|------|------|-------------------|-------------|-------------|--------------|-----------------|------------------|--------------------|--------------------|---------------------|
| Family Health | MDOG | MDOS | 136,888 | 209,546 | 6 | \$ 9,160,301 | \$ 11,886,679 | \$ (2,726,379) | -23% | \$ 86.84 | \$ 66.92 |
| | | | 14,835 | 36,656 | 2 | \$ 1,584,660 | \$ 3,430,881 | \$ (1,846,221) | -54% | \$ 231.27 | \$ 106.82 |
| | | | 5,054 | 13,413 | - | \$ 578,478 | \$ 363,967 | \$ 214,511 | 59% | \$ 72.02 | \$ 114.46 |
| | | | 4,658 | 12,645 | 16 | \$ 548,633 | \$ 301,630 | \$ 247,003 | 45% | \$ 64.76 | \$ 117.78 |
| | | | 31,714 | 156,037 | 23,791 | \$ 8,901,664 | \$ 10,864,560 | \$ (1,962,897) | -22% | \$ 280.69 | \$ 280.69 |
| | | | 22,763 | 92,284 | 23,791 | \$ 6,140,679 | \$ 8,064,701 | \$ (1,924,021) | -31% | \$ 269.77 | \$ 119.80 |
| | | | 8,951 | 63,753 | - | \$ 2,760,984 | \$ 2,799,860 | \$ (38,876) | -1% | \$ 308.46 | \$ 119.80 |
| | | | 23,614 | 56,356 | - | \$ 2,438,295 | \$ 1,233,685 | \$ 1,204,610 | 50% | \$ 103.16 | \$ 231.27 |

\$744,639

Data Sources:
 Wld: M2, CHCS
 Exp: CRIS, EASIV
 FTEs: DMHRS:

59 MDW - Statement of Financial Value

Rolling 12-month Period 1-Apr-15 Through 1-Mar-16

| RANDOLPH Clinics | | | Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter |
|------------------|---------|------|-------------------|-------------|-------------|--------------|-----------------|------------------|--------------------|--------------------|---------------------|
| Family Health | 359 MDG | MDOS | 84,640 | 134,609 | 51 | \$ 5,865,852 | \$ 5,121,213 | \$ 744,639 | 15% | \$ 60.51 | \$ 69.30 |
| | | | 103,677 | 144,656 | 76 | \$ 6,254,385 | \$ 5,055,989 | \$ 1,198,396 | 24% | \$ 48.77 | \$ 60.33 |



Statement of Financial Value Pediatric Increase in Value



Warrior Medics – Mission Ready – Patient Focused

| 59 MDW - Statement of Financial Value | | | | | | | | | | Legend: | | |
|---------------------------------------|-------------|-------------|--------------|-----------------|------------------|--------------------|--------------------|---------------------|-----------------|---------|---------|------|
| Rolling 12-month Period | | | 1-Feb-15 | Through | 1-Jan-16 | | | Value | Expense | | | |
| Annual Encounters | Annual RVUs | Annual APCs | Annual Value | Annual Expenses | Annual Net Value | Financial Strength | Cost per Encounter | Value per Encounter | Last Quarter Tr | Value | Expense | |
| 13,539 | 24,848 | - | \$ 1,074,439 | \$ 1,843,756 | \$ (769,317) | -42% | \$ 136.18 | \$ 79.36 | ▼ | -7% | ▼ | 2% |
| 4,842 | 21,451 | - | \$ 926,028 | \$ 612,331 | \$ 313,698 | 51% | \$ 126.46 | \$ 191.25 | ▼ | -20% | ▼ | -28% |
| 7,503 | 22,138 | - | \$ 956,927 | \$ 1,146,093 | \$ (189,165) | -17% | \$ 152.75 | \$ 127.54 | ▼ | -7% | ▼ | 7% |
| 25,806 | 51,738 | 951 | \$ 2,322,047 | \$ 3,078,356 | \$ (756,308) | -25% | \$ 119.29 | \$ 89.98 | ▼ | -12% | ▼ | 8% |
| 11,643 | 19,627 | - | \$ 847,559 | \$ 552,305 | \$ 295,254 | 53% | \$ 47.44 | \$ 72.80 | ▼ | -28% | ▼ | 28% |
| 45,649 | 154,279 | 1,383 | \$ 6,803,399 | \$ 4,553,187 | \$ 2,250,212 | 49% | \$ 99.74 | \$ 149.04 | ▼ | 1% | ▼ | -19% |
| 6,365 | 13,108 | - | \$ 567,653 | \$ 743,967 | \$ (176,314) | -24% | \$ 116.88 | \$ 89.18 | ▼ | 3% | ▼ | -2% |
| 133,639 | 203,187 | 6 | \$ 8,804,469 | \$ 11,974,573 | \$ (3,170,105) | -26% | \$ 89.60 | \$ 65.88 | ▼ | 8% | ▼ | 2% |
| 7,895 | 25,818 | 260 | \$ 1,138,958 | \$ 3,131,661 | \$ (1,992,703) | -64% | \$ 396.66 | \$ 144.26 | ▼ | -10% | ▼ | 3% |
| 5,248 | 16,210 | 20,457 | \$ 2,548,426 | \$ 1,965,001 | \$ 583,425 | 30% | \$ 374.43 | \$ 485.60 | ▼ | -14% | ▼ | -28% |
| 3,886 | 9,731 | 10,500 | \$ 1,372,834 | \$ 2,638,448 | \$ (1,265,614) | -48% | \$ 678.96 | \$ 353.28 | ▼ | 9% | ▼ | -14% |
| 2,619 | 8,405 | 2 | \$ 363,114 | \$ 917,142 | \$ (554,027) | -60% | \$ 350.19 | \$ 138.65 | ▼ | -23% | ▼ | -7% |
| 54,636 | 105,748 | 3 | \$ 4,580,007 | \$ 5,802,584 | \$ (1,222,577) | -21% | \$ 106.20 | \$ 83.83 | ▼ | -2% | ▼ | -12% |
| 29,244 | 66,369 | - | \$ 2,868,965 | \$ 4,118,798 | \$ (1,249,833) | -30% | \$ 140.84 | \$ 98.10 | ▼ | | ▼ | |
| 27,587 | 61,067 | - | \$ 2,640,346 | \$ 4,041,688 | \$ (1,401,342) | -35% | \$ 146.51 | \$ 95.71 | ▼ | -5% | ▼ | 23% |
| 1,657 | 5,302 | - | \$ 228,620 | \$ 77,111 | \$ 151,509 | 196% | \$ 46.54 | \$ 137.97 | ▼ | -26% | ▼ | 1% |
| 72 | 281 | - | \$ 12,088 | \$ 112,516 | \$ (100,427) | -89% | \$ 1,562.72 | \$ 167.89 | ▼ | -58% | ▼ | - |
| 10,904 | 11,566 | - | \$ 500,126 | \$ 588,700 | \$ (88,574) | -15% | \$ 53.99 | \$ 45.87 | ▼ | -13% | ▼ | - |
| 14,835 | 36,656 | 2 | \$ 1,584,660 | \$ 3,430,881 | \$ (1,846,221) | -54% | \$ 231.27 | \$ 106.82 | ▼ | -2% | ▼ | - |
| 5,054 | 13,413 | - | \$ 578,478 | \$ 363,967 | \$ 214,511 | 59% | \$ 72.02 | \$ 114.46 | ▼ | -23% | ▼ | - |
| 4,658 | 12,645 | 16 | \$ 548,633 | \$ 301,630 | \$ 247,003 | 82% | \$ 117.78 | \$ 117.78 | ▼ | -4% | ▼ | - |
| 31,714 | 156,037 | 23,791 | \$ 8,901,664 | \$ 10,864,560 | \$ (1,962,897) | -18% | \$ 280.69 | \$ 280.69 | ▼ | | ▼ | |
| 22,763 | 92,284 | 23,791 | \$ 6,140,679 | \$ 8,064,701 | \$ (1,924,021) | -24% | \$ 269.88 | \$ 269.88 | ▼ | -9% | ▼ | -14% |
| 8,951 | 63,753 | - | \$ 2,760,984 | \$ 2,799,860 | \$ (38,876) | -1% | \$ 308.45 | \$ 308.45 | ▼ | -7% | ▼ | - |
| 23,614 | 56,356 | - | \$ 2,438,295 | \$ 1,233,685 | \$ 1,204,610 | 98% | \$ 103.21 | \$ 103.21 | ▼ | 9% | ▼ | - |

\$2,304,492

| WHASC/REID/NCFC - Net Value by Clinic - Rolling 12-Month Period | | | | | |
|---|----------------|--------------|--------------|--------------|--------|
| | Jan-15 | Jan-16 | Feb-16 | Mar-16 | Change |
| Pediatrics Clinic | \$ (2,601,315) | \$ (676,512) | \$ (455,591) | \$ (296,823) | 88.6% |

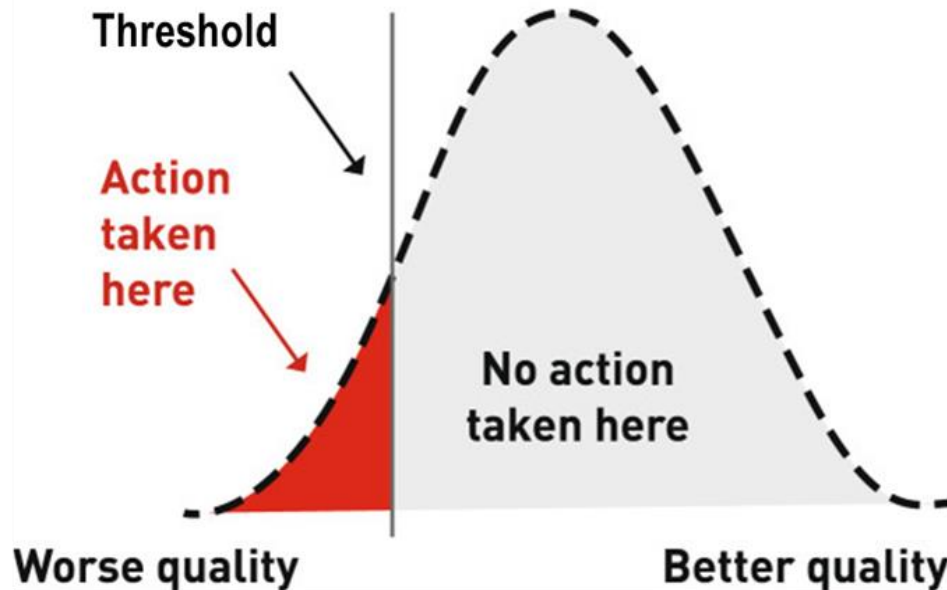
| | | | | | | | | | | | | |
|---------|---------|----|--------------|--------------|--------------|-----|----------|----------|---|------|---|------|
| 103,677 | 144,656 | 76 | \$ 6,254,385 | \$ 5,055,989 | \$ 1,198,396 | 24% | \$ 48.77 | \$ 60.33 | ▼ | -13% | ▼ | -15% |
|---------|---------|----|--------------|--------------|--------------|-----|----------|----------|---|------|---|------|



QA to QM Transformation



Warrior Medics – Mission Ready – Patient Focused



Quality Assurance

- QA + QC + QI = TQM aka QM
- **Statistical Process Control** (Walter Shewhart) = Uses Data to Improve Products & Services—Requires Use of **Control Charts**

Quality Improvement

Healthcare Quality Book/M. Joshi; Institute for Healthcare Improvement/R. Lloyd, Ph.D.



Cost/Benefits



Warrior Medics – Mission Ready – Patient Focused

Cost

- Gateway Academy: \$92K/Class
 - 422 students as of Jul 16
- Lean Greenbelt Training: \$44K/Class
 - 345 personnel trained as of Jul 16
- 84 A3s/Rapid Improvement Events
- 494 Lean Daily Management Goals
- 202 "Just Do It" Projects

Quality

- Reduced unnecessary strep meds by 66%
- Reduced UCC pts exceeding the scope of care from 38% to 3%
- Mammography equipment failures reduced by 80%
- Family Health reduced open profiles by 74%
- Reduced CT radiation dose by 30%

Value

- Network care costs reduced by \$4M/Year
- BMT med hold reduced by \$2.2M/Year
- BMT med in-processing reduced by \$1.9M/Year
- Readiness training changes saved \$963K/Year
- MRI usage increased by \$360K/Year
- Dental records archive process saved \$126K/Year
- NCFC Rx cost deferment reduced by \$335K/Year
- GME coding increased revenue by \$71K/Year

Service

- NCFC med dispensing increased by 225%
- UCC wait time reduced by 93%
- Overdue T-Cons reduced from 71% to 21%
- Mental Health reduced intake forms by 55%
- Orthotics reduced appointment length by 32%

As of 11 Jul 16



Future State



Warrior Medics – Mission Ready – Patient Focused

The Gateway Performance System is Exportable to DoD

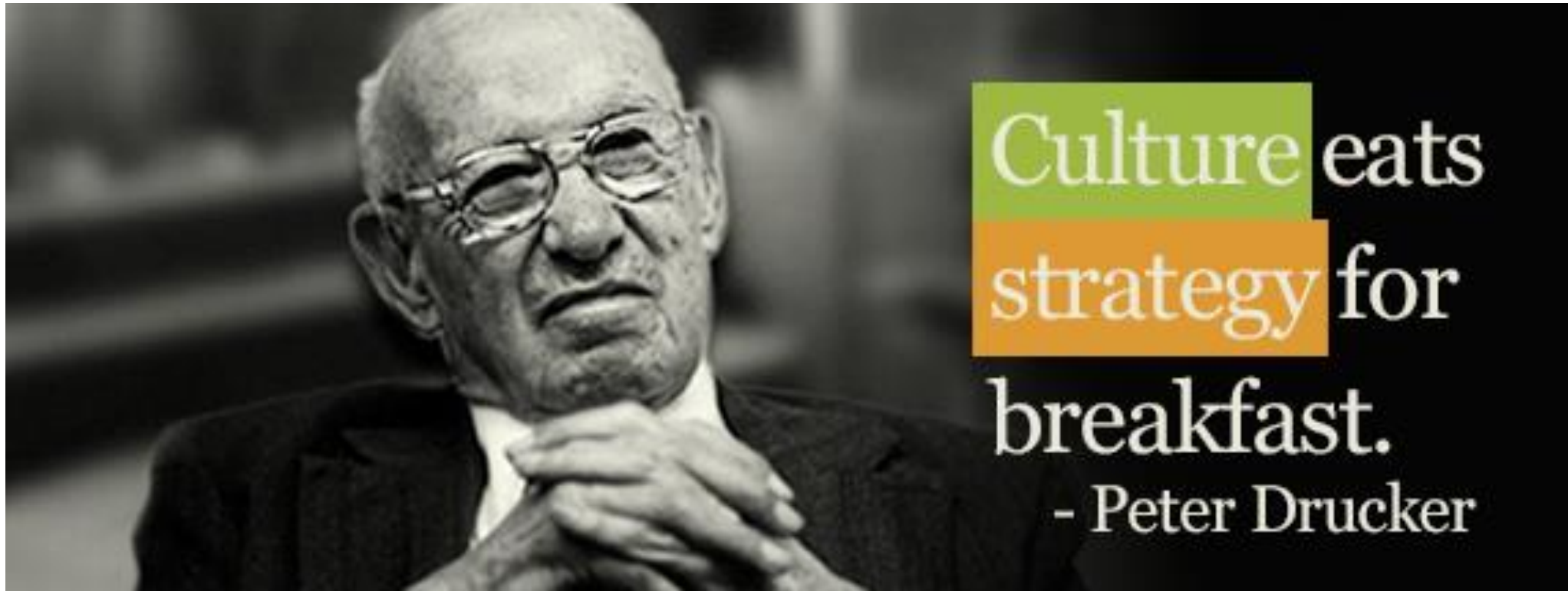




Organizational Culture



Warrior Medics – Mission Ready – Patient Focused



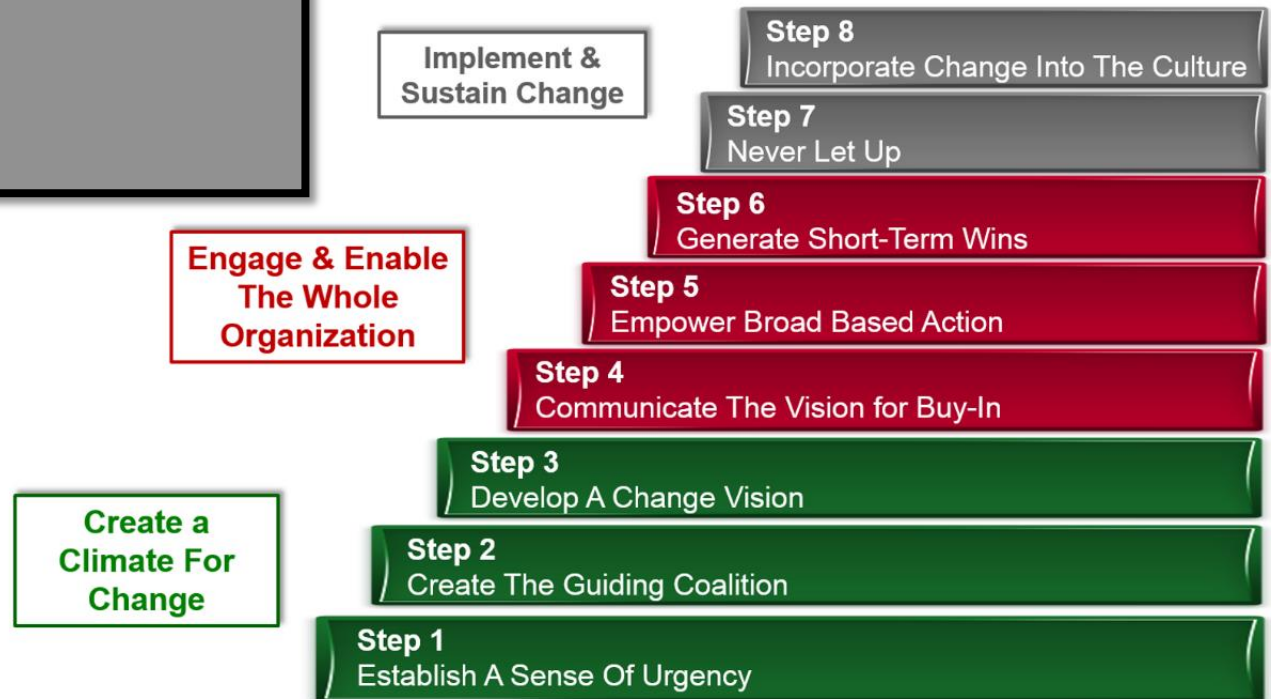
Culture eats
strategy for
breakfast.
- Peter Drucker



Change Models



Warrior Medics – Mission Ready – Patient Focused

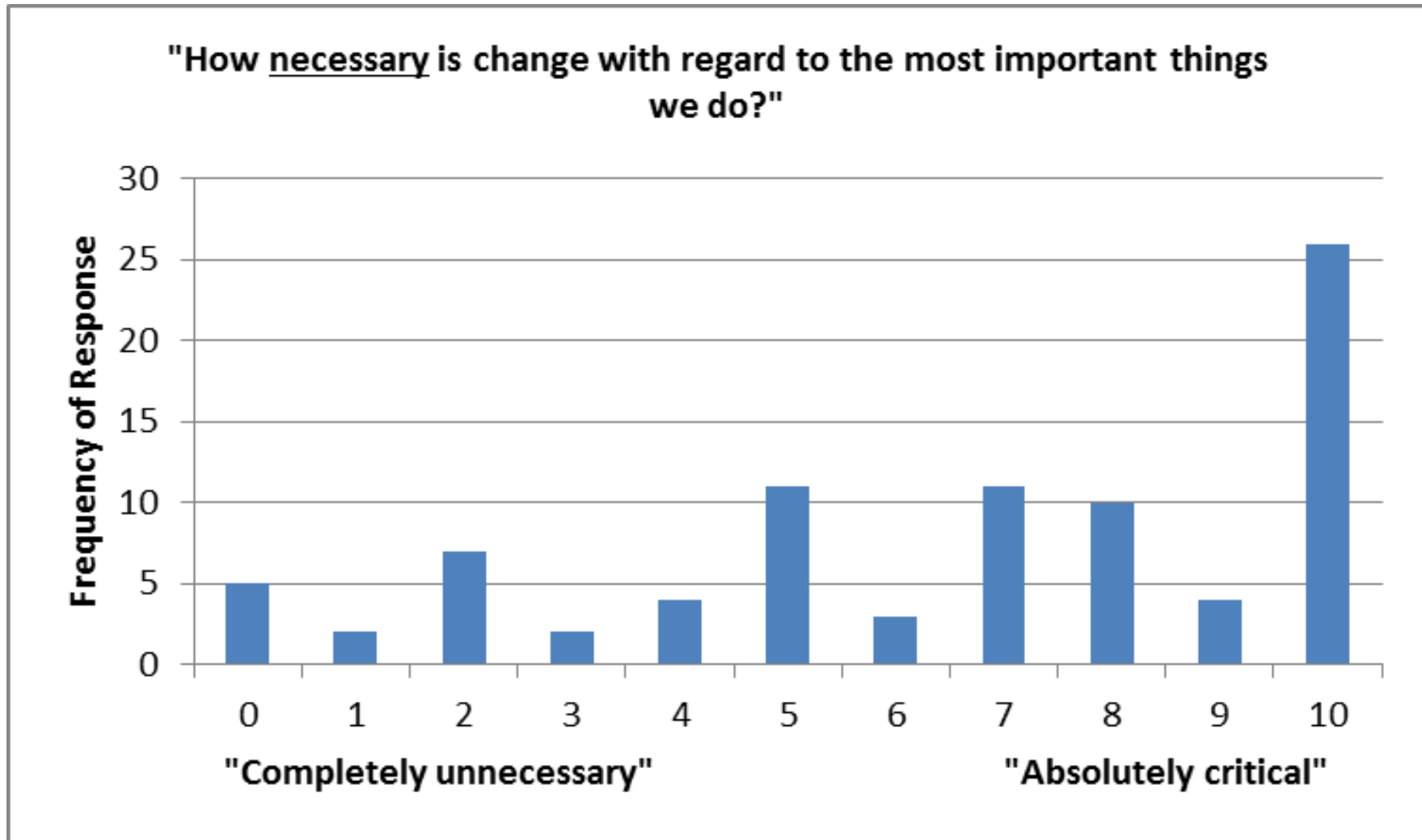




59 MDW Survey Results



Warrior Medics – Mission Ready – Patient Focused



Survey Conducted Jan 2015/n=85



“Contemplate Culture”



Warrior Medics – Mission Ready – Patient Focused

3. Focus on problems

- Culture change requires deep, profound transformation in the way people in organizations think and feel
- Cultural change occurs slowly through cycles of action and interpretation
- Problem-solving gives action focus and motivation, while achieving meaningful results





Coercive vs Enabling



Warrior Medics – Mission Ready – Patient Focused





“Enabling” Culture Emerging



Warrior Medics – Mission Ready – Patient Focused





Top-Down Culture



Warrior Medics – Mission Ready – Patient Focused





Top-Down & Bottom-Up Culture Emerging



Warrior Medics – Mission Ready – Patient Focused

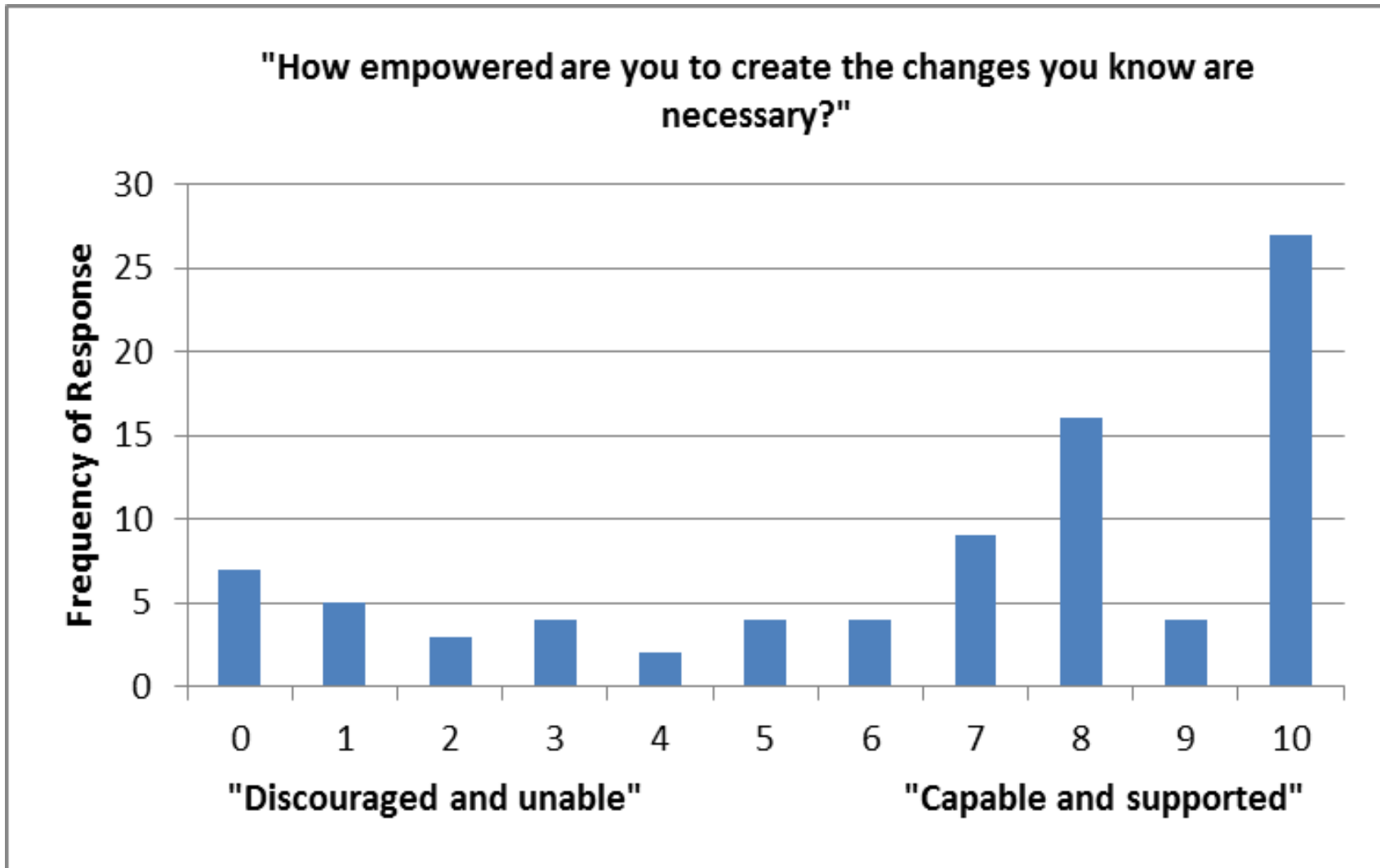




59 MDW Survey Results



Warrior Medics – Mission Ready – Patient Focused



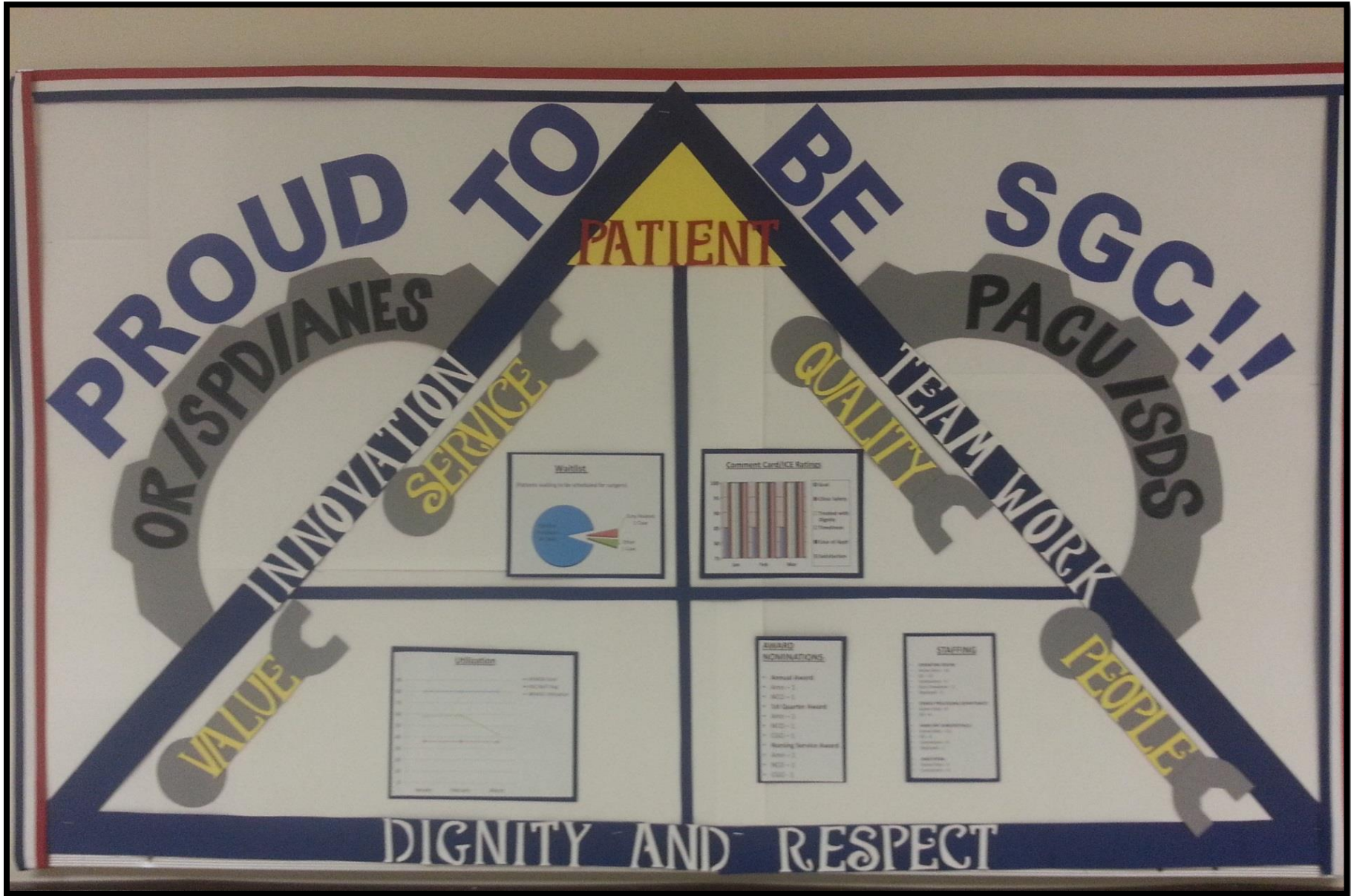
Survey Conducted Jan 2015/n=85



Empowered Airmen



Warrior Medics – Mission Ready – Patient Focused





“You have to treat your employees like your customers. When you treat them right they will treat your outside customers right.”

-Herb Kelleher



Patient-Centered Healthcare



Warrior Medics – Mission Ready – Patient Focused





Questions?



Warrior Medics – Mission Ready – Patient Focused

