

# The Vision *for* DUKE MEDICINE



## Duke University Health System

### Strategic Plan Summary

**The Duke University Health System (DUHS) was created by action of the Duke University Board of Trustees as a controlled affiliate corporation in 1998. Its purpose is to enable and enhance the mission of Duke University by securing and strengthening the clinical service capabilities of Duke University Medical Center (that is, the biomedical research, education, and clinical care entities based on the Duke University campus). Importantly, DUHS serves the medical center by providing training sites for students and health professionals, by providing opportunities for clinical research, and by enabling the development of better models of health care.**

Duke University Hospital (DUH) is the core component of DUHS. Durham Regional Hospital (DRH) and Duke Health Raleigh Hospital (DHRH) were strategic additions to DUHS at its inception intended to strengthen its service role in the greater Triangle area and to create a highly desirable and accessible network of medical service delivery for the general population and employer-based health insurance plans.

As the health care delivery arm of Duke Medicine, DUHS is dedicated to advancing the health and well-being of the people we serve through integrated, innovative, and compassionate care. The DUHS team utilizes Duke's strengths in education and biomedical research to deliver outstanding care to our local and global communities.

### Strategic Goals

Over the next five years, DUHS will further its mission by working toward seven major goals:

- **Optimize services in Durham County.**

As it includes both Duke University Hospital and Durham Regional Hospital, DUHS controls nearly all of the licensed beds and inpatient case volume in Durham County. We have both a mission obligation and an opportunity to provide high-quality, efficient, and accessible care in this market. On a national level, DUHS is in a unique position to truly build an integrated delivery system to meet the needs of the local community while at the same time successfully serving as a regional/national referral center for tertiary services. Integration of our inpatient facilities is one way to accomplish this, but there is a second and perhaps more critical collaboration that must be fostered among Duke faculty physicians, community physicians, and our community partners.

As we think about future growth and plan for new program development, we must do so from the position that we have a single delivery system in Durham County with two inpatient locations and an aligned network of

providers. We will seek to improve care for our home community by providing our services more efficiently across all locations, helping residents access needed services, and preparing our facilities for the future.

Optimizing system capacity and growing volume at DRH is a high priority. We are accomplishing this in two ways—by relocating some existing services from DUH to DRH (such as low-risk deliveries from resident clinics) to create needed space at DUH and by growing selected sub-specialty programs at DRH (such as orthopaedics and bariatrics).

We will also become more efficient by integrating services, streamlining access processes across the system, and investing in needed facility improvements at both DUH and DRH.

Embedded in this strategy of clinical integration is a focus on finding effective ways to meet the unmet health care needs of underserved populations and creating a network that ensures that patients have access to the right level of care in the right location within an integrated system of care. Lack of access to primary care and preventive services will lead to greater utilization of emergency departments and inappropriate admissions, thus exacerbating our system's inpatient capacity constraints. We are currently working to strengthen mental health and substance abuse services in Durham County by investing in facilities at both our DRH and DUH campuses and creating better systems to access services.

We have also engaged a master facilities planning firm to help us develop a 15-year vision for our Durham-based clinical campuses. Soliciting the insights of a well-respected health care futurist and applying our collective imagination, we will build facilities that meet the needs of the community, patients, providers, and students well into the future.

- **Strengthen our presence in greater Wake County.**

The quality of our academic and clinical programs depends heavily on the revenue generated by patient care. Since patient volumes in our historical service areas are flat or declining, DUHS will work to increase our market share by successfully competing for patients in the fast-growing Wake County market. The population of the greater Wake region is expected to grow 28 percent over the next 10 years—almost three times faster than the nation as a whole. However, despite the county's size, attractive payor profile, and growth rate, DUHS drew only 13 percent of its inpatient volume from Wake County in 2004. The system needs to redirect its geographic focus to become a more successful competitor in Wake County and the surrounding area.

We will do this by investing in technology and facilities at DHRH, developing additional outpatient clinics in communities throughout greater Wake County, expanding our network of Duke and community physicians, and working to provide the excellent service patients and referring clinicians expect.

We will also bring our world-class specialty services to Wake County to meet the demands of its growing population, focusing on heart, cancer, musculoskeletal, neurosciences, women's specialties, and children's specialties (see goals below for more details).

- **Reorient our multidisciplinary programs to provide patient-centered care—starting with cancer, vascular, and musculoskeletal services.**

A traditional environment where providers are organized by academic specialties can make it difficult to provide well-coordinated care—particularly in services that cross several specialties. To provide patient-centered care and work together efficiently, we must break down organizational, geographic, and economic boundaries and provide seamless care across the entire health system. We'll begin the transformation in fields where we have unparalleled potential to lead the region: cancer, vascular, and musculoskeletal services.

**Cancer:** The sheer impact of oncology to the community and to the organization mandates a strategic focus on development and growth in this service line. It is expected that one in two men and one in three women will get cancer in their lifetime—and cancer will account for one in four deaths in the U.S. Re-engineering oncology services to meet the needs of patients, to adapt to the changing delivery environment, and to align the providers of care will be the keys to creating a world-class program for the future. DUHS will organize and develop its internal structures and disease-specific programs. In addition, facilities and infrastructure will be developed to meet the growing demand for cancer patient services and facilitate multidisciplinary care delivery. Investment in leading-edge technology will create a strong market position for growth in the future.

**Vascular Disease:** The incidence of vascular disease is rapidly increasing in America—with the majority of the population untreated due to lack of patient and community provider education about screening and the availability of less-invasive treatment options. Historically, the treatment of vascular disease crosses the terrain of multiple specialties—cardiology, interventional radiology, and surgery—where the incentive has been to compete rather than collaborate, which only adds to the complexity of the patient experience and exacerbates the barriers to care. Aligning and leveraging the strengths of these specialties represents the greatest

opportunity for improved care, outcomes, and program performance. To address this critical need, Duke will create an integrated Center for Vascular Disease. The center will be organized as a new economic and organizational model that aligns the activities of physicians from multiple departments, with coordinated patient access and management, adherence to common clinical standards, and investment in leading vascular technologies. An integrated approach to outcomes measurement, research, and teaching will make the center a national academic model, attracting top talent and funding to lead advances in the field of vascular medicine.

**Musculoskeletal:** Competition and a lack of growth capacity have kept our market share position flat in the greater Triangle area. In addition, over the past five to 10 years, orthopaedics care has shifted dramatically from inpatient to outpatient delivery; Duke's infrastructure investment and organizational platform have not kept up with this shift. The goal for musculoskeletal services is to create an integrated, one-stop musculoskeletal service to meet the needs of patients. By offering a seamless, patient-focused continuum across medical and surgical specialties, patients and physicians can choose the options that meet the individual patient's comfort levels and lifestyle needs. The concept being explored is to create an integrated practice which aligns orthopaedic surgery with select elements of rheumatology, psychiatry, neurosurgery, radiology, and other specialties associated with the care of patients with musculoskeletal conditions. This on-campus center will be the hub of a broader network of delivery sites for musculoskeletal care.

- **Enhance our pediatric services.**

Duke has the strongest, broadest, deepest children's service in the region, yet we must overcome capacity issues and broaden our ambulatory services in order to meet the future needs of the area's growing pediatric population. To that end, we are developing a plan to increase Duke Children's Services' capacity for inpatient and ambulatory care, with a special focus on perinatal services and on increasing our outpatient specialty services for children in Wake County.

- **Build a solid infrastructure and strategy for ambulatory care.**

Ambulatory care is the fastest-growing component of health services delivery in terms of both volumes and revenues. An ambulatory encounter is often the first point of contact with patients, giving us the opportunity to meet patients' expectations and make a lasting positive impression. Our outpatient services have historically been managed differently by different Duke entities. For future success, we must eliminate unnecessary duplication of functions, services, and assets, ensure a consistent, high-quality patient experience in the outpatient setting, and invest strategically in ambulatory care to meet the growing trend towards outpatient care.

To create the organization orientation to be successful in this critical aspect of our business, DUHS has created a single management team focused and accountable for ambulatory services across the enterprise. This new organizational structure will eliminate unnecessary duplication of functions, services, and assets. It will also allow us to enforce a consistent and high-quality patient experience in the outpatient setting, invest strategically in this expanding component of our care continuum (including implementing an electronic medical record to improve quality and safety of care), improve delivery of wellness and prevention services to help transform the health of the communities we serve, and optimize the financial impact of the continuing shift to outpatient care.

- **Attract, retain, and reward talented faculty and staff.**

The chief “asset” of Duke University Health System that defines our brand and dictates our ability to strategically grow into the future is our workforce: the clinical providers who deliver care across the spectrum of Duke facilities. To achieve our missions, we need to attract, retain, and reward excellent clinicians, educators, and researchers. We will do this by maintaining market-competitive compensation and staffing plans across Duke Medicine, and recognizing faculty and staff for helping DUHS meet its strategic goals.

- **Build upon the strength of the Duke name.**

Duke is among the most powerful names in the country for health care research, teaching, and clinical care. However, the growth of our health system over the past ten years has caused confusion for consumers, patients, staff, physicians, hospital affiliates, and employers regarding what the Duke brand really means. Defining the Duke Medicine brand and managing the Duke brand as an asset will drive our continued growth in local, regional, and national markets as well as our global recognition.

As part of this work, we will raise awareness of the exceptional strengths and services offered by Duke, launch targeted marketing programs to support our growth, and uphold standards of excellence across our organization so that our patients, employees, and community have consistently positive experiences with Duke Medicine.

## Conclusion

Achieving alignment for DUHS is not a project with a beginning and an end. It is a new way of thinking about and managing our organization. Over the last 18 months since the new strategic planning process was launched, dedicated teams of clinicians and administrators have worked together to validate, organize, and prioritize our strategic goals, and measure progress. Team “captains” report in to Dr. Dzau and his leadership team every six weeks to report progress and brainstorm solutions to overcoming barriers.

Already, new organizational models have been put into place to create the alignment we need in order to be successful. The three hospitals in our system have been organized into an acute care division with a single vice president responsible for total performance of our acute care line of service—eliminating the parochial view of the past. A new division of ambulatory services has been established with a dedicated vice president and a leadership team devoted to advancing a coordinated ambulatory strategy and adopting the management styles and customer approaches unique to this segment of our business. Complementing the academic organization of our faculty, a vice president of medical affairs now oversees the critical interface between the health system and providers—facilitating the alignment of incentives, coordinating implementation of our strategy, and ensuring that clinical quality and safety remains at the forefront of all we do.

Administratively, there is unprecedented alignment between strategic planning and finance, operations, and human resources. Capital planning and budget planning is synchronized with execution of our strategic plan. The balanced scorecard for the system—the overarching performance management tool for DUHS operations—includes health system-wide performance metrics on clinical quality, work culture, patient satisfaction, and financial performance. Each executive leader of the health system has specific performance metrics and goals that focus the efforts of the organization on targets that are consistent and dovetail with the targets for our strategic goal areas. In addition to managing the pay and performance system which aligns the efforts of the organization, the human resources department has also taken a lead in establishing patient-centricity as a key driver of our employee pay and performance metrics.

Over the next five years, the Duke University Health System of the past will be transformed into Duke Medicine. The system will become greater than the sum of its parts through critical alignment with the academic enterprise, the provider organizations, and the community. Creation of a new ambulatory division will redefine our system and change what we think of when we think about “Duke Care.” The new volume generated from success in Wake County and improved service and efficiency resulting from integration of Durham County will yield the financial resources we need to invest in the facilities and the clinical delivery system of the future.

Whether we are building new facilities, investing in technology to keep us at the forefront of medicine, or developing new models of multidisciplinary care at the service line level, our health system strategy is ultimately an expression of our commitment to our patients and to our employees now and in the decades to come.