



**Montefiore**  
THE UNIVERSITY HOSPITAL

 **EINSTEIN**  
Albert Einstein College of Medicine  
OF YESHIVA UNIVERSITY

# ACCOUNTABLE CARE ORGANIZATIONS AND THE LABORATORY

**The Montefiore Experience**

# Montefiore

- **In the Bronx**
- **1491 Beds**
- **4 hospitals on Three Campuses**
  - **Henry and Lucy Moses Division**
  - **Children’s Hospital at Montefiore (CHAM)**
  - **Jack D Weiler Division**
  - **North Division**
- **University Hospital for Einstein**

# Montefiore

- **An Integrated Regional Care Delivery System**
- **Large Home Health Agency**
- **The Largest School Health Program in the US**
- **22-Site Medical Group Practice Integrated throughout the Bronx and Lower Westchester**
  - **Population Greater Than 2.5 Million**
  - **Staffed by Hospital Based Physicians**

# Monterfiore IPA

- **Founded in 1995**
- **MD/Hospital partnership**
- **Contracts with Managed Care Organizations to Accept and Manage Risk**
- **2,000 Physician Members**
  - **500 Primary Care**
  - **1,500 Specialists**
- **140,000 Full Risk Patients**

# Montefiore CMO

- **Care Management Company**
- **Established in 1996**
- **Wholly-Owned Subsidiary of Montefiore**
- **Performs:**
  - **Care Management Delegated by Health Plans**
  - **Claims Adjustment**
  - **Credentialing**

# Pathology – A Service Line

- **In 1997, Pathology Became a Service Line**
- **Department of Pathology became Responsible for Providing all Pathology Services**
- **Goal was to Align Incentives Between the Department and Montefiore Administration**
- **Established a Net Revenue Sharing Plan**
  - **Incentivized support for medical center programs and for efficient operations**
  - **Also provided incentives for reducing unnecessary testing**

# Service Line Model

- **Managed by the Professionals in Pathology and One Senior Hospital Vice President**
- **Reports to the Executive Vice President for Operations**
- **Responsible for All Laboratory Personnel**
  - **Professionals**
  - **Technical Staff**
  - **Administrators**

# Service Line Financing

- **Receives All Outpatient Laboratory Revenue**
- **Receives Revenue for All Inpatient Testing Based on a Negotiated Fee Schedule**
- **Uses Revenue to Support all Staff and Operations Including Equipment Purchases**
- **The Department Shares any Net Service Line Revenue**
- **Shared Revenue can Fund the Academic Mission**



# Pathology's Value to the ACO

- **Administering Efficient Cost Effective Laboratories**
- **Helping Clinicians Choose the Correct Test**
- **Reducing Unnecessary Testing in Both Clinical and Anatomic Pathology**
- **Guiding Treatment by Helping to Personalize Therapy**
- **Designing Laboratory Information Technology Solutions That Promote Accurate and Complete Data Mining**
  - **Pay for performance**

# **Pathology service line: a model for accountable care organizations at an academic medical center**

**Ira Sussman MD, Michael Prystowsky MD, PhD**

**Human Pathology (2012)**