Premier Inc. Launches Physician Enterprise Collaborative

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Initial areas of focus include aligning physicians, optimizing finances and collaborating with affiliated medical groups

CHARLOTTE, N.C.--(BUSINESS WIRE)-- Premier Inc. (NASDAQ: PINC), a leading healthcare improvement company, is launching a new performance improvement collaborative to help health systems navigate the integration and alignment of employed and affiliated medical groups while optimizing overall practice performance.

Leveraging Premier’s® proven collaborative methodology, supported through advisory expertise and unparalleled business intelligence, the Physician Enterprise Collaborative seeks to help medical groups identify margin improvements equivalent to 5 to 7 percent of professional net patient revenue (cash collections of billing activity).

As they manage cost and quality imperatives, health systems are employing or becoming affiliated with greater numbers of physicians. However, health systems often find the transition difficult, as integration with physicians requires training, cultural adoption of new management structures and pacing to ensure clinicians do not feel burned out by the transition. All of these investments add up and can often result in losses for the health system. Recent figures from the American Medical Group Association suggest integrated health systems saw their median loss per physician increase from $211,000 in 2016 to $243,000 in 2017 and studies have shown that more than 54 percent of physicians experience at least one sign of burnout.

“With the transition to value-based care, physician organizations are focusing more on network strategy, and therefore, the size of the medical group is increasing as we see more practice and system acquisitions occurring,” said Chris Smedley, vice president of physician enterprise solutions at Premier. “The current challenges are being
compounded by this growth as medical group leaders must address new market competitors, evolving organizational and governance models, quality and pay-for-performance measures, compensation plan redesign, increasing complexities in the regulatory environment, declining reimbursement, limited resources and new operational challenges as we begin to change the way that we deliver care in a value-based payment environment.”

Designed by more than 20 health systems, Premier’s Physician Enterprise Collaborative will bring health system and clinical leaders together to challenge perceptions and practices related to medical group performance. Leveraging the power of peer-to-peer learning, data-enabled decision making and innovation, participants will develop, pilot and evaluate new cost, quality and service-related improvement solutions. Cohorts within the Collaborative will address the unique needs of academic, community and large national systems. Premier collaboratives have consistently performed substantially better than matched cohorts of other organizations.

“Our differentiation is not just our proven collaborative methodology, it is also our business intelligence platform that will enable data-driven decision making. Since most clinical and administrative leaders utilize our software to manage their day-to-day operations, it is far more accurate than surveyed data when conducting benchmarking and comparative analyses,” said Smedley. “Our physician practice performance management solution is built on timely scheduling, billing, payroll and general ledger data, making it one of the industry’s most reliable data sets for practice management.”

Officially beginning in June 2018, Premier’s Physician Enterprise Collaborative builds on the legacy of its proven methodology for performance improvement, enabling providers to learn from top performers, share data and outcomes, and accelerate and sustain quality, efficiency, cost and safety innovations across their organizations. Premier operates more than 10 performance improvement collaboratives, ranging from bundled payments to quality improvement.

About Premier Inc.

Premier Inc. (NASDAQ: PINC) is a leading healthcare improvement company, uniting an alliance of approximately 3,900 U.S. hospitals and health systems and approximately 150,000 other providers and organizations to transform healthcare. With integrated data and analytics, collaboratives, supply chain solutions, and consulting and other services, Premier enables better care and outcomes at a lower cost. Premier, a Malcolm Baldrige National Quality Award recipient, plays a critical role in the rapidly evolving healthcare industry, collaborating with members to co-develop long-term innovations that reinvent and improve the way care is delivered to patients nationwide. Headquartered in Charlotte, N.C., Premier is passionate about transforming American healthcare. Please visit Premier’s news and investor sites on www.premierinc.com.

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Premier Inc.

Kate Enos, 202-879-4105

Kate_Enos@PremierInc.com