Innovation and Digital Transformation in Healthcare:
The Steward Health Care Experience

UNWTO for the Middle East, 46th Meeting
Dr. Ralph de la Torre
Executive Chairman and CEO
Steward Health Care

July, 2020
INTERNATIONAL LEADER IN HEALTHCARE
U.S. HEALTH CARE NETWORK EXPANDING TO THE INTERNATIONAL MARKET

<table>
<thead>
<tr>
<th>2013 LAUNCH</th>
<th>2017 (CHS ACQUISITION)</th>
<th>2017 (IASIS ACQUISITION)</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>EMPLOYEES</td>
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<tr>
<td>12,000</td>
<td>23,000</td>
<td>37,000</td>
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<td>PHYSICIANS</td>
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<td>1,500</td>
<td>3,600</td>
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<td>BEDS</td>
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<tr>
<td>2,300</td>
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<td>6,000</td>
<td>7,400</td>
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<td>HOSPITALS</td>
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<td>8</td>
<td>29</td>
<td>35</td>
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2.2 MILLION PATIENTS CARED FOR ANNUALLY

18 MILLION PATIENT ENCOUNTERS EACH YEAR
OUR MODEL
DATA GUIDING ALL ASPECTS OF THE SYSTEM OF CARE

- Patient centric and data driven.
- Part of every community we serve, we aim to provide the right care, in the right setting, at the right time.
- An integrated health care provider that looks to provide continuity of care at every level.
Steward’s integrated model has been purposely constructed through acquisitions, partnerships, and affiliations to create a seamless experience for patients and providers and to optimize the use of resources.

### Operational Benefits

- **Vertical integration** reduces duplication and waste.
- **Horizontal integration** provides multiple entry points across a broader geography, increasing efficiency through scale and improved procurement.

### Clinical Benefits

- **Vertical integration** improves coordination of care delivery between settings, resulting in better patient experiences and outcomes, higher quality of care, and local care delivery.
- **Horizontal integration** expands access points across a broader geography, resulting in improved convenience and affordability for patients and businesses in local communities, increased scale for development of clinical best practices, and regionalized tertiary and quaternary services to improve in-network access to highly coordinated specialty care.
MANAGING THE CARE OF POPULATIONS

**DATA ANALYTICS & REPORTING**
- Standard dashboards targeting strategic initiatives and key business operations
- Analytics support to manage at-risk population and risk contracts
- Advanced datadriven analytics solutions

**CLINICAL OPERATIONS**
- Comprehensive clinically integrated programs designed to support providers and practices in delivering highest quality, costeffective care
- Spans ambulatory and post acute care continuum

**PERFORMANCE OPERATIONS**
- Comprehensive performance package that includes: Annual Quality Plan, performance Operations, and Patient Experience targeted programs
- Maximize value in risk contracts by laying the right foundation to drive performance

**CARE COORDINATION**
- Strategy development and execution
- Referral Management support that is designed to support PCPs and Specialists
- Member and Patient Services operations dedicated to superior customer service assisting member and patient populations

**NETWORK MANAGEMENT & OPERATIONS**
- Provider Engagement Strategy to support continuous engagement and improvement
- EHR Funding support to reduce financial barriers toward EHR adoption

**NETWORK DEVELOPMENT**
- Support in managing all aspects of developing and standing-up valuebased networks including payer & provider contracting strategy, physician recruitment, and governance design

**CORE CENTRALIZED SUPPORT FUNCTIONS**

- Data Warehousing
- Quality Reporting
- Human Resources
- Account Management
- Provider Enrollment
- Employee Health Plan Administration
- Finance
- Implementation Management
INNOVATION

PROPRIETARY PRODUCTS DRIVING RESULTS

Steward has invested in the development of tools, that are easily scalable, to improve efficiency focusing on quality of care:

- **Co-Morbidity Assessment Rules Engine (CARE)** – Codes and cross functional set of rules that suggests to physician in real time potential diagnoses related to diagnostic results
  - Improving the timeliness, safety and quality of care
  - Assists other physicians throughout the continuum of care for the patient – transitions of CARE
  - Ensures that the Diagnostic Related Group (DRG) is appropriate, driving more accurate and efficient billing with a direct impact on revenue

- **Length of Stay (LOS)** – Provides a comprehensive hospital operating tool to predict and then proactively manage in real-time patient length of stay from the moment the patient is admitted through to their discharge

- **Predictive Labor Management (PLM)** – Provides a comprehensive hospital operating tool to predict and then proactively manage in real-time workforce labor
- 50% of all hospital deaths are related to patients treated in the ICU and 20% of all hospital days and 33% of all hospitals costs are accounted for in the ICU.

- Since the implementation of eICU, we have experienced a 17% reduction in mortality and 14% reduction in LOS.
RESULTS
SUCCESS AS AN ACCOUNTABLE CARE ORGANIZATION

Total Savings by Pioneer ACO
Year 2 – $105 million

Steward Generated ~24% of Nationwide Savings Under Medicare’s Pioneer ACO

($ in millions)

($33)M
RESULTS
IMPROVED QUALITY

QUALITY – LOWER METRIC IS BETTER

Mortality Index: Observed vs. Expected

2012 2013 2014 2015

0.8 0.85 0.9 0.95 1 1.01

2012 2013 2014 2015

A (8/8) Carney Hospital*
A (8/8) Good Samaritan Medical Center*
A (8/8) Holy Family Hospital
A (7/8) Morton Hospital*
A (6/7) Nashoba Valley Hospital*
A (6/8) Norwood*
A (8/8) Saint Anne’s Hospital*
A (8/8) St. Elizabeth’s Medical Center*

A = top 31% nationally

* = received Annual Leapfrog Top Hospital (top 6% nationally) within last 6 years

QUALITY – HIGHER METRIC IS BETTER

Preventative Care: DVT/VTE Prophylaxis

2012 2013 2014 2015

100% 80% 60% 40% 20% 0%

78% 85% 91% 95%

Overall Stroke Care

2012 2013 2014 2015

100% 80% 60% 40% 20% 0%

69% 94% 97% 98%

Quality Measure Score

Harm Free Care 99.0%
Overall Stroke Care 98.0%
Behavioral Health Care 90.0%
Alcohol Screening (BH Pts) 98.0%
Tobacco Screening 99.6%
VTE Prophylaxis 95.4%
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<th>OUR VISION</th>
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<td><strong>RIGHT CARE, RIGHT PLACE, RIGHT TIME</strong></td>
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| - Focus on value generation to decrease demographic challenges  
- Consumer-centric healthcare including telehealth  
- Migration of care from hospitals to the community                                                                                                                                             |
| **SUSTAINABLE PARTNERSHIPS**                                                                                                                                                                          |
| - PPP model leveraging expertise of both partners  
- Culturally appropriate solutions  
- Develop PPP solutions suited to local needs  
- Fully understand the populations’ health needs and design a tailor-made plan to deliver care.                                                                                     |
| **DATA DRIVEN**                                                                                                                                                                                           |
| - Leverage proprietary IT tools  
- Adapt innovation for local needs in a nimble fashion  
- Bring best-in-class technical, personnel and operational solutions                                                                                                                                  |
THANK YOU

for your time.

For Information on Steward:
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