

Team-Based Care at Mayo Clinic: A Model for ACOs

Leonard L. Berry, PhD, university distinguished professor of Marketing, Mays Business School, Texas A&M University, College Station, and Dan Beckham, president, The Beckham Company, Bluffton, South Carolina

In 2005, a patient we'll call Don was diagnosed with an advanced oral cancer. He received a grim prognosis citing "immediate surgery" as the best option, even though it would have rendered Don unable to speak. Don sought a second opinion at Mayo Clinic, where a team of three cancer specialists met with him. They recommended radiation and chemotherapy but not surgery. Don and his wife temporarily moved 1,000 miles to Rochester, Minnesota, where he endured three tough months of treatment at Mayo. Today, Don is cancer free; he returns to his original Mayo team for annual checkups.

Don had access to high-quality, efficient care, the main goal envisioned for accountable care organizations (ACOs). Often lost in discussions of healthcare reform and the ACO concept is the most serious disease afflicting American health-care: fragmentation. Many intractable problems related to quality, access, and cost result from the walls—physical and otherwise—separating medical organizations, specialties, departments, buildings, and payment systems. The antidote to fragmentation is integration—not the kind born of mergers and acquisitions but the type that results from teamwork that leverages experience, information, and technology to provide value for the patient.

MAYO'S TEAM-BASED MODEL

Mayo Clinic is a nonprofit, integrated, multispecialty medical practice with more than 60,000 employees. It operates three main campuses in Minnesota, Arizona, and Florida and a community network of clinics and hospitals called the Mayo Clinic Health System.

Mayo performs well on quality measures such as readmissions, complications, infections, resource use, and survival rates (*Consumer Reports*, 2013; Leapfrog Group, 2012) as well as on affordability. According to the *Dartmouth Atlas of Healthcare 2008*, the cost for the last two years of a patient's life at one leading academic medical center was \$93,000; at Mayo it was \$53,000 (Wennberg, Fisher, Goodman, & Skinner, 2008). Patients appreciate their overall experience at Mayo, and more than 90% of them voluntarily share favorable word-of-mouth feedback with others (Berry & Seltman, 2008).

Mayo Clinic's success derives largely from its commitment to two core values: "The needs of the patient come first" (an *aspirational value*) and "team-based

medicine" (an *implementational value*) (Berry & Seltman, 2008). An organization's core values are the ideals and principles that shape the behavior of people in the institution, and Mayo's values lie at the heart of its ability to demonstrate positive results.

More than 100 years ago, the Mayo brothers imagined a healthcare environment that was much different from the provision of care in their day. Rather than individual doctors proudly entrenched in their own practices and beholden to no one, the Mayos envisioned physicians of many specialties working together with only their patients' well-being to consider. Teamwork was demanded, not simply encouraged. Sharing knowledge was a requirement, not a hope. Integration around the patient's best interest was uncompromising. The Mayos insisted on a fixed salary for physicians so they would have no incentive to provide any more or any less care than the patient required (Clapesattle, 1941).

Patients who come to Mayo Clinic with complex medical conditions benefit from the pooling of knowledge within the organization that is relevant to their care—they get the benefit of an integrated team. Despite its many strengths, Mayo isn't perfect. However, a medical organization that has thrived for 150 years and earned worldwide recognition offers valuable lessons—especially on teamwork.

CAN ACOs FOSTER GENUINE TEAMWORK?

Many health policy analysts and the Centers for Medicare & Medicaid Services view ACOs as keystones to delivering U.S. healthcare effectively and efficiently by promoting collaborative, coordinated care across multiple providers and organizations (Berwick, 2011). An ACO is a clinical entity made up of one or more organizations that contracts with public or private payers to deliver and coordinate the overall healthcare of a defined patient population, to measure and report on quality performance, and to link reimbursement to the achievement of quality and cost goals (Nichols, 2012).

We believe that ACOs can be a force for good if they make teamwork their unshakeable cultural priority (Frolkis, 2013) but recognize the challenge embedded in the resistant nature of established patterns of behavior throughout healthcare (Christensen, Flier, & Vijayaraghavan, 2013; Goldsmith, 2009). To fully achieve improved care, improved service, and reduced cost, ACOs need to acknowledge that integrated care requires, above all else, genuine teamwork; labeling care as "integrated" does not mean that it really *is* integrated. ACOs must explicitly promote and implement teamwork that is both cultural and structural. Cultural teamwork emerges from the values of team members: People in high-performing teams want to collaborate to be part of something bigger than themselves. Structural tools, such as payment plans, information technology, and organizational charts, facilitate teamwork but do not alone constitute it.

The current ACO movement has limited its potential by overemphasizing structural elements, such as incentives, without a simultaneous focus on fostering a values-driven culture of teamwork. An ACO cannot rely solely on incentives to convince

clinicians to be teammates if the teamwork is to be authentic and lead to meaningful results (Berry & Seltman, 2008; Pink, 2012).

Mayo Clinic is a unique institution with a culture honed over 15 decades. ACOs cannot be expected to become Mayo Clinic clones. What ACOs can do, however, is focus with steadfast determination on leveraging the benefits of medical teamwork to break down healthcare walls and convert fragmented care to integrated care.

Team of Teams

The relevant lesson for ACOs from Mayo Clinic is not Mayo's closed multispecialty system with its salaried physicians. That structure is not practical for many organizations—or necessary for ACOs to flourish. What matters is fostering an ACO-wide culture that views teamwork as essential to delivering patient-centered care. With a unifying focus on shared values, teams from distinct and otherwise independent organizations can integrate to achieve a high level of collaboration by becoming a “team of teams” (Beckham, 2013). This culture can occur within a variety of structures; entities such as hospital systems, medical group practices, independent practice associations, health insurers, and employers can initiate the formation of ACOs (Kreindler et al., 2012).

ATTENDING TO CULTURAL TEAMWORK

Early reports on ACO demonstration projects reveal the challenges of changing the behavior of clinicians in participating entities (Kreindler et al., 2012; Forster et al., 2012; Singer & Shortell, 2011), but the literature also includes studies of promising ACO teamwork, such as that found at Norton Healthcare (Kreindler et al., 2012), Partners HealthCare (Milford & Ferris, 2012), Atlantic Health System (Shulkin, 2012), and other organizations. Serious attention to the cultural, not just the structural, component of teamwork is evident in these case studies. As Shulkin (2012) writes about the Atlantic Health System ACO:

We can already hear a change in the conversations among our doctors, our hospital leaders, and our patients. Our ACO meetings are filled with discussions about finding better ways to deliver care, using resources more efficiently, tackling tough issues like futile care, and holding each other accountable for performance. With each problem addressed, each solution crafted, we are creating a culture of working together and of problem solving.

In healthcare and the rest of the business world, the success of mergers and acquisitions typically depends as much on cultural as on strategic alignment (Stahl & Voigt, 2008). Parties forming ACOs should take heed: Ensuring cultural alignment means (1) conducting rigorous assessments of cultural compatibility, including readiness for teamwork, *before* assembling partnering entities in an ACO and (2) investing in ongoing team-building activities (e.g., ACO-wide grand rounds) *after* the ACO has been operationalized.

Smart investment in structural tools can strengthen a culture of teamwork. Comprehensive electronic health record systems that connect individual clinicians serving

common patients and provide an empirical basis for quality improvement efforts can serve as a critical facilitator (Silow-Carroll & Edwards, 2013). And offering financial and nonfinancial incentives designed to encourage rather than discourage teamwork can help (Song & Lee, 2013; Biller-Andorno & Lee, 2013).

Experience has shown that individuals who pool their resources as a team in pursuit of a common purpose lift the human spirit and generate energy. Teamwork enhances learning as teammates teach each other, and it inspires confidence through camaraderie and encourages extra effort as teammates rely on one another. Top-tier service organizations in any industry nurture teamwork by recruiting people who are likely to be team players. They also model teamwork in senior management; establish high performance standards attainable only through teamwork; celebrate group effort and achievement; avoid favoritism toward certain individuals; and share information openly and delegate responsibility so that employees feel—and are—included.

LOOKING AHEAD

The next 5 years will reveal whether the ACO movement can fulfill its Triple Aim of improving the care experience of patients, bettering the health of populations, and reducing costs (IHI, 2013). Will patients who receive care at ACOs benefit from the pooling of talent, as did Don, the Mayo patient? It is possible, but only by recognizing that medical teamwork depends on culture as much as—or more than—on structure. A culture of team-based care gave Don better options. Policy makers and ACOs should aspire to nothing less.

ACKNOWLEDGMENT

The authors thank Frank Davidoff, MD, executive editor, Institute for Healthcare Improvement, for his valuable suggestions on earlier versions of this column.

REFERENCES

- Beckham, D. (2013, February 19). Building a team of teams. *Hospitals & Health Networks Online*. Retrieved from <http://www.hhnmag.com/hhnmag/HHNDaily/HHNDailyDisplay.dhtml?id=4960002469>
- Berry, L. L., & Seltman, K. D. (2008). *Management lessons from Mayo Clinic*. New York, NY: McGraw-Hill.
- Berwick, D. M. (2011, April 21). Launching accountable care organizations—The proposed rule for Medicare shared savings program. *New England Journal of Medicine*. Retrieved from <http://www.nejm.org/doi/full/10.1056/NEJMp1103602>
- Biller-Andorno, N., & Lee, T. H. (2013, March 14). Ethical physician incentives—From carrots and sticks to shared purpose. *New England Journal of Medicine*, 368, 980–982.
- Christensen, C., Flier, J., & Vijayaraghavan, V. (2013, February 18). The coming failure of accountable care. *Wall Street Journal*, p. A15.
- Clapesattle, H. (1941). *The doctors Mayo*. Minneapolis, MN: University of Minnesota Press.
- Consumer Reports. (2013, May). Safety still lags in U.S. hospitals. Retrieved from <http://www.consumerreports.org/cro/magazine/2013/05/safety-still-lags-in-u-s-hospitals/index.htm>
- Forster, A. J., Childs, B. G., Damore, J. F., DeVore, S. D., Kroch, E. A., & Lloyd, D. A. (2012, August 9). Accountable care strategies: Lessons from the Premier health care alliance's accountable care collaborative. The Commonwealth Fund. Retrieved from <http://www.commonwealthfund.org/Publications/Fund-Reports/2012/Aug/Accountable-Care-Strategies.aspx>

- Frolkis, J. P. (2013, June 12). The Columbo phenomenon. *Journal of the American Medical Association*, 309(22), 2333–2334.
- Goldsmith, J. (2009, August 17). The accountable care organization: Not ready for prime time. *Health Affairs*. [Web log post]. Retrieved from <http://healthaffairs.org/blog/2009/08/17/the-accountable-care-organization-not-ready-for-prime-time/>
- Institute for Healthcare Improvement (IHI). (2013). IHI Triple Aim initiative. Retrieved from <http://www.ihio.org/offerings/Initiatives/TripleAim/Pages/default.aspx>
- Kreindler, S. A., Larson, B. K., Wu, F. M., Carluzzo, K. L., Gbemudu, J. N., Struthers, A., . . . Fisher, E. S. (2012). Interpretations of integration in early accountable care organizations. *Milbank Quarterly*, 90(3), 457–483.
- Leapfrog Group. (2012). Leapfrog announces 2012 top hospitals. Retrieved from http://www.leapfroggroup.org/policy_leadership/leapfrog_news/4971411
- Milford, C. E., & Ferris, T. G. (2012). A modified “golden rule” for health care organizations. *Mayo Clinic Proceedings*, 87, 717–720.
- Nichols, L. M. (2012). Accountable care organization pathways: Diverse but ultimately parallel. *Mayo Clinic Proceedings*, 87, 710–713.
- Pink, D. H. (2012). A radical prescription for sales: The reps of the future won’t work on commission. *Harvard Business Review*, 90, 76–77.
- Shulkin, D. J. (2012). Building an accountable care organization for all the wrong reasons. *Mayo Clinic Proceedings*, 87, 721–722.
- Silow-Carroll, S., & Edwards, J. N. (2013, March). Early adopters of the accountable care model: A field report on improvements in health care delivery. The Commonwealth Fund. Retrieved from http://www.commonwealthfund.org/~media/Files/Publications/Fund%20Report/2013/Mar/1673_SilowCarroll_early_adopters_ACO_model.pdf
- Singer, S., & Shortell, S. M. (2011). Implementing accountable care organizations: Ten potential mistakes and how to learn from them. *Journal of the American Medical Association*, 306(7), 758–759.
- Song, Z., & Lee, T. H. (2013). The era of delivery system reform begins. *Journal of the American Medical Association*, 309(1), 35–36.
- Stahl, G. K., & Voigt, A. (2008). Do cultural differences matter in mergers and acquisitions? A tentative model and examination. *Organization Science*, 19, 160–176.
- Wennberg, J., Fisher, E. S., Goodman, D. C., & Skinner, J. S. (2008, April). Executive summary. *Dartmouth Atlas of Health Care 2008*. Retrieved from http://www.dartmouthatlas.org/downloads/atlas/2008_Atlas_Exec_Summ.pdf

For more information about the concepts in this column, contact Dr. Berry at BerryLe@tamu.edu.