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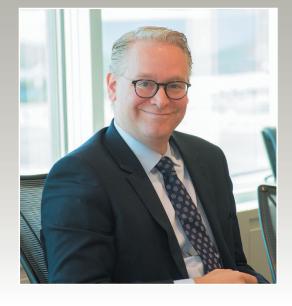
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# HEALTHCARE: **THE NEXT FRONTIER**



Experts look at the best way to deliver care as the industry evolves











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### **COVERSTORY**



(From left, front row) Dr. Zeyad Baker, Jeffrey Kraut, Dr. Simon Prince; (back row) Benjamin Malerba, Robert Iseman

Photo by Judy Walker

## Experts look at the best way to deliver care as the industry evolves

### By ADINA GENN

he medical landscape on Long Island is changing. Just in the last several years, hospitals affiliated with larger partners. Small medical practices are now part of bigger entities.

And urgent care centers are ubiquitous. That frontier continues to develop as the dynamics

of healthcare evolves: There are escalating costs, complex insurance coverages, government regulations and rapidly developing technology.

What has not changed are the needs of patients at the center of healthcare. They want access to quality health-care and a decent chance at wellness. It's in this climate that healthcare experts are pondering the future of the \$3.12 trillion industry.

These dilemmas were posed to industry leaders at a recent participant-sponsored roundtable held at Rivkin Radler, a law firm headquartered in Uniondale. The panel included Robert Iseman and Benjamin Malerba, both of whom are partners in the firm's health services practice group; Dr. Zeyad Baker, ProHEALTH Care Associates president and CEO; Jeffrey Kraut, the executive vice president of strategy and analytics at Northwell Health; and Dr. Simon Prince, president and CEO of PRINE Health, a new startup medical group, physician network and management company.

The discussion, moderated by LIBN Editor Joe Dowd, addressed how the financial realities facing the medical community are impacting patient care.

"Providing good health insurance benefits had always historically been important in recruiting talent and keeping it – but now it's insufficient," warned Kraut. As the industry grapples with ever-changing challenges, "employers now have to rethink their benefit structures."

### **Insurance matters**

"My understanding is there are approximately a little under 5 percent **of the** people who remain uninsured in New York," Iseman said.

"From a public societal perspective, nobody should go without – we're the richest country in the world," Prince said.

And the industry is riddled with a myriad of hurdles, among them navigating through the coverage provided through the Affordable Care Act. In 2017, Northwell began the 18-month process of shutting down its health plan, CareConnect, because of regulatory issues stemming from the Affordable Care Act and loss of federal funding that made the insurance company financially unsustainable.

Now, experts say a "hybrid approach" could provide solutions.

"I really like the public private partnership hybrid in Medicare Advantage," Prince said.

"We should be able to provide [for those in need] and nobody should go bankrupt paying for their medical bills," he added. "We should be able to figure out a way to do that."

But whether it's the government doing it alone as a single payer, or another model "the devil is always in the details," he said.

Still, the industry would do well to focus on a basic premise.

"Patients want essentially two things," Baker said. "They want outcomes, and they want to be satisfied with



You need a team of individuals to manage people's health, says Jeffrey Kraut (right).

their access to care."

Baker pointed out that "it's the patient who should drive the bus."

And when that happens, "every other problem in healthcare downstream is solved," he said. "What's best is going to make the patient healthy. If they're healthy, they're not sick. If they're not sick, they're not hospitalized for 10 days, they're not in the ICU and they're not getting transplants."

But with new pressures, "burnout is up to 50 percent after five years," Baker said, speaking about physicians. "Forty percent of doctors after a decade wish they never went into medicine – that's never happened before. But if we solve the economics, you bring back some autonomy and we're only concerned with doing what's right for the patient."

### The economics

In terms of healthcare dollars, in the United States, 80 percent is spent on 20 percent of the population, Kraut said. In general, those dollars are spent on those at the last year or two of life, the chronically ill, the disabled, those institutionalized in long term care, and others.

"There's a growing cohort of people who are living longer," Kraut said. "To care for these individuals, it's not just a doctor, it's not a hospital – you need a team of individuals to manage people's health."-

Increasingly, he added, "we're understanding that some of the healthcare behaviors that are manifested that lead to obesity and smoking are also a function of poverty, it's a function of education, and food insecurity and housing."

These challenges are "somewhat inter-re-

lated and that's why the newer models of care that are evolving, and what we've really made an enormous investment in is to create, it's beyond delivering care," he said.

Kraut said, "sometimes we have an issue where an individual has an asthmatic condition and instead of prescribing medication to someone, we buy them an air conditioner because they're living next to the highway." In another initiative, Northwell opened a "food farmacy" at Long Island Jewish Valley Stream with the assistance of Island Harvest and other partners. To ensure that patients struggling with medical conditions stemming from a poor diet get access to nutritious food, the hospital writes prescriptions for fruits and vegetables and other healthy food.

"It transcends the doctor," he said "For people who are chronically ill who generate most of our costs – that's who we're hoping will get the biggest savings."

Aiming to mitigate challenges, Northwell is considering how to best deliver healthcare.

"We're an essential part of this community's healthcare structure," Kraut said.

The healthcare system is developing "Northwell at Work," a program that provides employers with preventative health and wellness services for their workers such as biometric screening, stress management, flu shots and primary care, as well as occupational health services such as injury prevention.

"We're putting these services together now to design a benefit plan and works with employers to essentially make health insurance more valuable and usable, while providing access," he said. "Our objective is to remove the hassle and the risk of receiving care for their employees."



Staying 'completely independent is becoming incrasingly difficult,' says Dr. Simon Prince (right) says



Dr. Zeyad Baker (right) says 'it's the patient who should drive the bus.'

### 'NOW THE TREND IS YOU'RE GOING TO BE PAID FOR THE OUT-COMES YOU ACHIEVE AND THE EFFICIENCY, VALUE AND QUALITY THAT YOU BRING.'

### **Driving the bus**

Evaluating healthcare delivery opportunities ahead, Iseman wonders "who's going to drive the bus in the next five years on Long Island?"

These possibilities include the hospital-based systems and large multi-specialty physician groups.

Potential opportunities are piquing the interest of investors, Malerba said, but in New York, there are legal restrictions.

But, Malerba said, he's seeing "those boundaries come down" and "more money coming into New York, financing operations."

Legal experts, he said, are working towards "appropriately structuring vehicles" in a way that "they can invest their capital in healthcare but leave the clinical decision-making patient care firmly in the hands of physicians and providers so that there's no interference whatsoever with the delivery of healthcare to the patient."

And the industry may take what seems like surprising turns.

"What if someone on Wall Street came in and financed a group of physicians, formed an IPA [independent physician association] or large specialty group, and that group could show through empirical data that they had the best results, they were the most efficient, they could deliver the greatest value for the healthcare dollar," Iseman said.

This IPA would find new power in the market.

"They say 'We have a large outpatient facility and we can do all the things the technology allows us to do and we're going to bring our patients to that outpatient facility as part of our private practice of medicine," Iseman said.

The model would likely get the attention of the region's hospitals.

"They have their patients go through the ambulatory center for their colonoscopies and their joint replacements, and then they say we need to have a place to go to take our patients for open-heart surgery and neurosurgery," Iseman said. So they decide to issue "an RFP to hospitals and say, 'We'll go wherever we get the best deal. Because now we have the patients."

And in this market, timing may be everything.

"There's this dynamic going on here where the health systems are hiring up all the doctors, and the question is can they continue to afford to do that?" Iseman said. "And at the same time we have large groups of independent physicians who, if they had the right leadership and they had the right capital, might be able to drive the bus.... The physician network says, we're going to bear the risk – we have sufficient reserves to do it because we're capitalized through Wall Street."

And while fee-for-service medicine has been the foundation for medicine – that's changing, Iseman said.

"We can create a model with the right infrastructure with the right leadership and right resources that can champion physicians' leadership in a way that allows physicians to really play a meaningful role in who actually drives the bus," Prince said.

"Now the trend is you're going to be paid for the outcomes you achieve and the efficiency, value and quality that you bring," Iseman said.

That will happen through what Iseman called "the new value-based payment method-

ologies." Through these methodologies, "the health system or physician system – or whoever's driving the bus – will be given a certain amount of money per patient, or certain amount of money per group of patients, and told, 'here's the amount you have.' It'll be a negotiated amount. There are actuarial and demographic calculations that go into how much that amount is, still achieving certain value and efficiency metrics. If you succeed in managing the care of those patients, and there's an excess, you get to keep it. If you overrun the budget and you spend more than we have budgeted for you, you bear the risk."

And healthcare experts can partner together, Prince said, noting that "to remain completely independent is becoming increasingly difficult. So how can we figure out a way to aggregate physicians? Give them a real meaningful seat at the table and a voice in something and create our own position in the changing marketplace, which is increasingly challenging to navigate."



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For Brianna, a new arm meant a whole new life.

# ZEYAD BAKER, MD

### **President and Chief Executive Officer ProHEALTH Care**

Group, where from 2010 until 2018, he built the practice to almost 300 providers with 100 locations. Under Dr. Baker's leadership, Riverside Medical Group was recognized as the best deliverer of value-best care in the state of New Jersey, winning extensive awards and commendations for quality of care, patient access and measurable improvements in the health of the patient population. Riverside Medical Group became an Optum Partner in 2016.

Prior to joining the Riverside Medical Group, Dr. Baker was an attending physician in Pediatrics at Hackensack University Medical Center. Coupled with his responsibilities as a physician, Dr. Baker was the Clinical Assistant Professor of

Pediatrics at the University of Medicine and Dentistry of New Jersey (UMDNJ), teaching medical students and pediatric residents. In addition to his teaching role at Hackensack University Medical Center, he has also held teaching positions as the Associate Professor of Pediatrics at Rutgers Medical School and Columbia University. Dr. Baker has taught over 1,000 medical students and residents in primary care.

After graduating from Georgetown University, Dr. Baker attended medical school at Ross University, and then completed his residency in pediatrics at UMDNJ, receiving the highest honors and recognition given to pediatricians in residency training through the Arnold P.

Gold Foundation Award for Humanism and Excellence in Teaching, and twice receiving the prestigious Golden Apple Award, an honor bestowed by a medical school's student body upon the doctors most recognized for their excellence in teaching.

Since taking the helm of ProHEALTH Care in July, 2018, as the new President and CEO, Dr. Baker has launched a bold agenda of patient-centered reforms destined to transform the healthcare system. In his first year, he has brought forward plans which include a forward-thinking schedule of key initiatives designed to dramatically improve patient care, create an entirely new paradigm for the healthcare and patient experience, and make healthcare significantly more accessible than ever before.

In the next year, Dr. Baker plans to continue these dramatic advancements throughout the tri-state region, ensuring that all patients have access to these innovations.



Zeyad Baker, MD is President and

Chief Executive Officer of ProHEALTH

Care. Dr. Baker previously served as

Co-President of Riverside Medical

Robert H. Iseman has represented both institutional and individual healthcare providers and health insurers for more than 40 years.

# **ROBERT H. ISEMAN**

### Partner, Health Services Practice Group **Rivkin Radler**

As a partner in the Health Services Practice Group, Bob provides a full range of legal services for multi-provider healthcare systems, accountable care organizations (ACOs), hospitals, physician practice groups, health maintenance organizations and other health care providers and third-party payors. Areas of representation include corporate governance and compliance issues, internal compliance investigations, fraud and abuse, integrated healthcare delivery systems and related antitrust issues, medical staff relationships, peer review, risk management and related litigation.

Bob also provides legal services to several multi-hospital healthcare systems with religious affiliations. His experience in representing these healthcare systems has

involved the interrelationship between the civil law of New York and other states and the Canon Law of the Roman Catholic Church.

Bob has led and managed many internal compliance investigations for a broad array of healthcare providers. These engagements have included frequent interaction and negotiation with various state and federal prosecutorial and enforcement agencies, as well as the preparation and submission of self-disclosures under both state and federal law.

Bob has conducted special seminars and presentations for various clients and professional associations, such as the New York State Bar Association, Albany County Bar Association, Hospital Education and Research Fund of the Healthcare Association of New York State

and the Healthcare Trustees of the State of New York. Topics addressed include corporate governance and compliance issues, civil litigation tactics and techniques, patient confidentiality, incident and misconduct reporting, the legal implications of medical staff peer review and the fiduciary duty of board members.

Bob has served as counsel to a special New York State Bar Association Action Unit studying reform of the state's court system and the judicial selection process. He was elected as a fellow of the New York Bar Foundation. He is also a former chair of the New York State Bar Committee on Constitution and Bylaws and the Legislative Policy Committee.

Bob has been named to Best Lawyers in America for Commercial Litigation, Healthcare, Antitrust Litigation and Regulatory Enforcement Litigation by U.S. News & World Report for the past 26 years. Additionally, Bob was named to the 2018 edition of Upstate New York Super Lawyers.



Jeffrey Kraut serves as the executive vice president for strategy and analytics at Northwell Health and as associate dean for strategy for the Donald and Barbara Zucker School of Medicine

## **JEFFREY A. KRAUT**

### **Executive Vice President, Strategy and Analytics** Northwell Health

### Associate Dean, Strategy Donald and Barbara Zucker School of Medicine

### at Hofstra/Northwell

at Hofstra/Northwell, one of the nation's newest public health, health planning, regulatory and medical schools. In addition to coordinating the strategic planning and health policy activities of Northwell, as well as the development of its network of providers through merger, acquisition or affiliated relationships, he is also responsible for organizing the next generation of business and clinical analytics throughout the Health System.

Often recognized for his skills in health planning, policy and analytics, Mr. Kraut serves as Chair of the Public Health and Health Planning Council (PHHPC) which oversees

Certificate of Need activities in New York State. He has focused on regional planning and policy development, promoting the interoperability and sharing of health data and incubating innovation opportunities through strategic partnerships.

Mr. Kraut is a board member of the New York eHealth Collaborative, the entity responsible to coordinate the development of the NYS Health Information Network, and served on the American Hospital Association's Society for Healthcare Strategy and Market Development

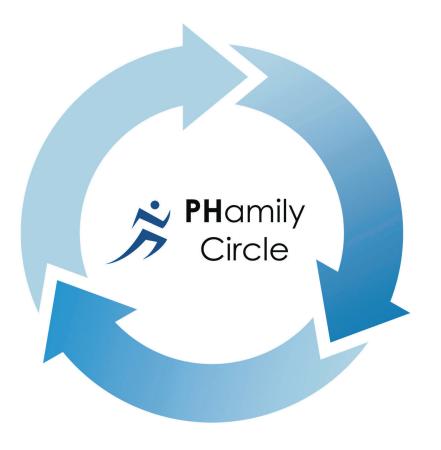
where he is the 2017 recipient of its Leadership Excellence Award. He is a Fellow of the New York Academy of Medicine, serves on the Standards Council of the Commission on Accreditation on Healthcare Management Education and is a board member of the Nassau-Suffolk Hospital Council.

Mr. Kraut is also involved in regional economic development and community building activities as a board member of the Long Island Regional Planning Council and The Brookville Center for Children Services where he serves as its President. Mr. Kraut also serves as a health policy advisor to the Long Island Index and ERASE Racism and is a member of the Energeia Partnership which is dedicated to achieving social equity through regional private/public partnerships.

Prior to joining Northwell, Mr. Kraut served as the Vice President for Policy and Planning at the SUNY Downstate Medical Center, where he was recruited from the health care consulting group of KPMG Peat Marwick. Mr. Kraut received an MBA in Healthcare Management from Baruch College/Mt. Sinai School of Medicine and is a graduate of Stony Brook University.

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Benjamin P. Malerba is a partner in the Health Services and Privacy, Data & Cyber Law Practice Groups. Malerba counsels a cross-section of healthcare providers and facilities, including IPAs,

# **BENJAMIN P. MALERBA**

### **Partner, Health Services and Privacy, Data & Cyber Law Practice Groups** Rivkin Radler LLP

ACOs, provider networks, ambulatory surgery centers, diagnostic and treatment centers, dialysis facilities, and hospitals and federally qualified health centers, on general healthcare business transactions, state licensing issues, corporate practice of medicine and fee-splitting prohibitions, regulatory compliance, disputes with managed care companies, federal and state anti-kickback statutes, self-referral statutes, and federal and state privacy laws. His practice also covers data breach and response, cybersecurity and data security, with a particular focus on security breaches related to the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

Malerba has particular experience

representing ambulatory surgery centers (ASCs) and ambulatory surgery management companies, counseling them on a wide variety of corporate and commercial transactions, including mergers and acquisitions of existing ASCs, the establishment of de novo centers, and syndications. He regularly represents ASCs and other facilities before the New York State Department of Health and the New York State Public Health and Health Planning Council. He also has represented clients before federal and state government agencies, including the Department of Health and Human Services' Office for Civil Rights in its investigations into HI-PAA-related security breaches. Malerba also counsels clients on the development

and implementation of compliance programs for healthcare providers and business associates under HIPAA and on preparing for and responding to HIPAA breaches and investigations.

A frequent lecturer, Malerba delivers presentations on healthcare issues before provider networks, hospitals, ASCs, medical groups, and state professional associations. He has also written articles and delivered presentations on the topic of medical marijuana. Malerba has participated in the Volunteer Lawyers' Project, representing tenants in landlord/tenant proceedings. He also served on the board of directors of The Early Years Institute, a not-for-profit organization that promotes the impact of the early years of life on later success.

Malerba has been named to the 2018 and 2019 Best Lawyers in America in Healthcare by U.S. News & World Report. He was named a Top Healthcare Transaction Lawyer in 2015 and 2017 by the Ambulatory M&A Advisor. In 2011, Long Island Business News named him one of its "40 Rising Stars Under 40."

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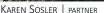


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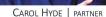


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With one of the largest and most sophisticated healthcare law practices in the region, Rivkin Radler represents a diverse group of healthcare clients, such as multi-provider healthcare delivery systems, including clinically integrated networks, IPAs, specialty provider networks, managed care organizations and ACOs, urgent care centers, hospitals and physician practices.

Our expertise encompasses complex healthcare transactions, regulatory compliance, enforcement actions, managed care contracting, disputes and defense of criminal prosecutions. We frequently advise clients on privacy and security laws including HIPAA and the HITECH Act. The firm also represents clients in fraud and abuse cases, including False Claims Act and qui tam/whistleblower cases.

We're happy to share our knowledge with you. We invite you to subscribe to Rivkin Rounds (<u>www.rivkinradler.com/rivkin-rounds</u>), an electronic news bulletin for businesses, professionals, investors and stakeholders in the healthcare industry.

To learn how we can deliver legal results for your healthcare organization, contact us at (516) 357-3000.



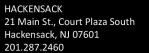
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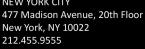


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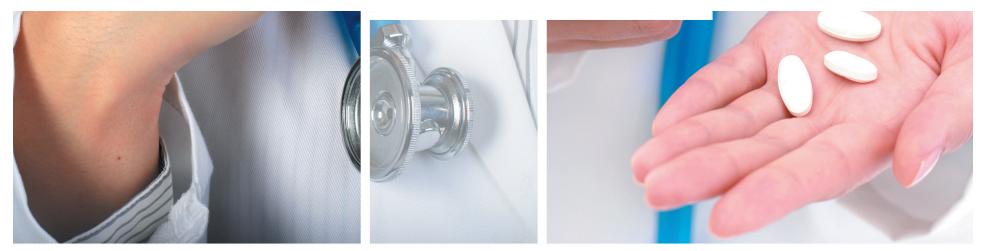
### **SIMON PRINCE,** DO, MBA, FACP, FASN, CHFP, CPE

### Chief Executive Officer PRINE Health

Simon Prince is the President and Chief Executive Officer of PRINE Health, a new startup medical group, physician network and management company focused on value-based kidney care.

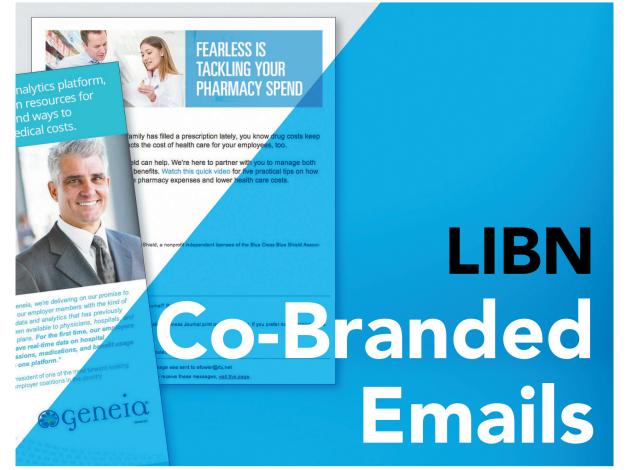
Dr. Prince is a clinical nephrologist and physician executive leader who was founder/CEO of Beacon IPA in 2010 and subsequently, the Accountable Care Organization, Beacon Health Partners which had early success in population health and approximately 700 physicians in the network. The Beacon enterprise was sold to Catholic Health Services of Long Island in 2015. Dr. Prince then founded Square Care in 2016 which began as a health insurance company and turned into a collaboration with a large OB-GYN group to lead a shift towards value-based care with a physician owned management company. Over the summer of 2018, he stepped down to start PRINE Health.

In addition to the clinical and administrative leadership initiatives, Dr. Prince is a life longer learner who has formalized his business education by achieving a Master's in Business Administration with high honors and is currently completing a Master's degree in Health and Hospital Law. Dr. Prince lives on Long Island with his wife and three young children.



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