

INNO- VATING THE INNO- VATORS

How **Rita Khan** and partners are accelerating digital transformation at Mayo Clinic.

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THE
TRANSFORMING
ECOSYSTEMS
ISSUE

UNIQUE PARTNERSHIP
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From

her office at Mayo Clinic's headquarters in Rochester, Minnesota, Rita Khan's seasonal allergies are doing little to stifle the beaming enthusiasm she radiates when discussing the not-for-profit's investment in digital health care.

"When I think about the future, not only am I incredibly optimistic about the opportunity digital health affords a world-class organization like the Mayo Clinic, but also how it stands to influence and impact health care ecosystems worldwide."

As the first chief digital officer in Mayo Clinic's 132-year history, Ms. Khan leads the Center for Digital Health (CDH), which was established in 2020. Her leadership charter is to establish a strategy to guide the \$14B enterprise with 65,000 employees as it prepares for transformative changes in the digital space. Yet when colleagues ask what digital transformation means for Mayo Clinic—already recognized as one of the world's premier health care centers—Ms. Khan is quick to clarify that it's less about transformation and more about "digital acceleration as a conduit to enhancing patient care."

Her perspective hints at something subtle yet palpable, felt by leaders across the health care industry: The field has become a series of systems dominated by cost structures and paradigms that seek to achieve profitability and generate shareholder value. When profit comes first, health care is only a means to an end. For Ms. Khan, this is incompatible with a devotion to patient care where the needs of the patient must always come first.

"Our focus is always centered on improving patient outcomes, especially in complex, difficult situations," she says. "We think about digital health more broadly than virtual care, remote patient monitoring or diagnostics—which are incredibly important. At a macro level, our goal is to harness and unleash the power of data across multiple health ecosystems to support improved patient outcomes—and we have a bold strategy to accomplish this." >>>

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KHAN-DO SPIRIT
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Digital Dynamos

When Ms. Khan joined Mayo Clinic, she brought 20 years of experience in retail and e-commerce at Best Buy, Target and Macy’s. Additionally, she already had an established track record leading successful digital transformation as an executive at United Healthcare. The one thing she didn’t bring—and didn’t need, coincidentally—was a medical degree.

“I understand consumer behaviors, the digital landscape and technology, yet I’m fairly new to health care,” says Ms. Khan, who most recently spent three years designing seamless experiences for United Healthcare’s members, providers, brokers and employer groups as executive vice president of their consumer digital division.

“Part of the challenge transitioning from payer to provider is that the payer side is focused on affordability, commercial relationships and preventative care. On the provider side, it’s all about positive outcomes for patients.” Ms. Khan also notes that provider-side transformations tend to be slightly more complex.

“We’re not just leveraging technology and transforming how we provide care, but internally, how are we enabling clinicians to deliver their highest-value work, which only

a human can do? By reducing administrative burdens and cognitive complexities, we can actually enhance the joy felt by physicians and care teams, who’s primary focus is always on the patient.”

To generate results on the provider side, Ms. Khan recognized that she needed a partner who fully understood the clinic’s integrated model of care. This is an area where the clinic has an inherent competitive advantage woven directly into its DNA: the dyad leadership model.

Dyad leadership, in its purest form, is a partnership between an administrator and a physician that forms a best-of-both-worlds operational structure. Mayo Clinic pioneered this system more than a century ago when Dr. William Worrall Mayo enlisted banker Harry Harwick to help manage his growing practice. Their partnership allowed Mayo Clinic to set the gold standard for physician-led patient care and to grow the infrastructure that supported that care. Since that innovation, 77% of health care leaders reported using some form of physician and administrator team model, according to a 2019 study by the Medical Group Management Association.

Within this framework, physicians assume primary responsibility for the clinical vision while administrators operationalize that vision. And perhaps no one was better suited to realize a shared vision alongside Ms. Khan than Dr. Brad Leibovich, chair of the Department of Urology and medical director for the Center for Digital Health.

“No one expects me to be a data scientist,” Dr. Leibovich says. “Rita is the expert at digital transformation and understands how to elevate an organization through leading-edge tools and technologies. I bring a vision for what I think health care can and should be, as well as a sense of what is wrong with the industry right now. Together, we can solve complex challenges.”

Dr. Leibovich, a 25-year Mayo Clinic veteran and winner of the 2015 Distinguished Mayo Clinician Award, still spends most of his time caring for patients. Not only is he the namesake of The Leibovich Scoring System—an algorithm for predicting a patient’s risk of developing certain cancers following kidney surgery—but he also has insight and perspective on navigating Mayo Clinic’s culture and spurring

success within the dyad partnership model, having been part of several such working groups in the past.

“My initial exposure to working in a dyad model was during my first true leadership position at Mayo Clinic,” says Dr. Leibovich. “I worked with a very seasoned administrator and learned how to take an idea and extend it by working with hyper-specialized, cross-functional teams to make it happen.”

A Different Dyad

To understand Mayo Clinic’s approach to the dyad, we must first understand what makes its business model unique, and how it creates an advantage for patients.

All professional staff members are salaried, and the clinic does not offer incentive pay structures for either physicians or administrators. This ensures alignment between both groups and alleviates concerns about one profiting from the other. This is a direct contrast to the incentive framework in most health care enterprises.

This compensation structure allows for an operating margin to be set aside and reinvested in order to meet long-term financial and strategic needs. This includes reinvestments in Mayo Foundation, as well as research initiatives, which are funded based on merit, not projected revenue.

The Mayo model seems to work. In addition to being considered the world’s No. 1 health care system, its financial performance has remained strong despite pandemic-related disruptions and costs. The clinic’s 2020 financial report indicates total revenue was \$13.9B, 1.5% more than in 2019. Its overall operating margin was 5.2%.

But what differentiates Mayo Clinic’s dyad while also creating an advantage for patients is that the clinic is inherently physician-led. This is not to suggest that physicians manage operations, but rather that they are accountable for what happens throughout the institution. This ensures the clinic is aligned with the interest of patients, which is core to their business model and mission.

“It used to be that all of our administrators grew up within the system,” says Dr. Leibovich. “Now we’re evolving, and we bring in people who have never worked in a model like ours. We’ve had to evolve mindsets to meet this shifting dynamic,

which often means identifying and dispelling any potential misconceptions.”

Dr. Leibovich recalls an early conversation with Ms. Khan where he sensed she was concerned about imposing. “I know she was being considerate by trying to protect me,” he says, smiling. “But once people adjust to our model, we then unlock opportunities to leverage the other’s abilities and spark real innovation.”

It didn’t take long for the two to sync—even in a remote environment due to pandemic safety protocols—and align toward achieving a mission greater than the sum of its parts.

“Dr. Leibovich unlocks the best knowledge across our domain expertise,” Ms. Khan says. “He’s an incredible catalyst who can impact and accelerate our work to move us toward achieving our vision.”

Accelerating Transformation

The Center for Digital Health was established in order to bring structure and a comprehensive strategy to the discipline.

“Prior to the CDH, Mayo Clinic had not experienced a consumer push for digital transformation, which allowed us to take a proactive stance,” says Ms. Khan. “As Dr. Leibovich and I came together to lead digital acceleration across the enterprise, >>>

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we first had to consider what transformation meant to an organization like Mayo Clinic.”

For Ms. Khan and Dr. Leibovich, it meant considering how to broaden access to the clinic’s world-class services by leveraging technologies and virtual solutions that seamlessly complement in-person care from anywhere in order to achieve better patient outcomes. “The future that Mayo Clinic is designing for the patient, the caregiver, the families of patients, and the clinicians is one that is not only inspiring but is destined to create better outcomes and even joy to the stakeholders,” says Shideh Sedgh Bina, Insigniam founding partner. “The leaders and executives of CDH have had to come to terms with pushing themselves to innovate and execute on out-of-the-past programs while also bringing along the esteemed Mayo Clinic’s internal stakeholder.”

“Our goal was to explore and identify simple ways to engage patients and provide care navigation that adjusts as the needs of the patient change,” says Ms. Khan.

The CDH’s Advanced Care at Home and Remote Patient Monitoring programs use machine learning and predictive models to find areas where enhanced patient outcomes could be had, exceeding the clinic’s quality measures. This enabled Mayo Clinic to scale beyond its already robust physical footprint.

“People travel from around the globe to get here, which is especially challenging when dealing with serious, complex illnesses,” Ms. Khan says. “Now, our digital platform can transform that experience by enabling patients to interface with physicians online and schedule in-person visits with providers who may visit you at home. It’s a more convenient, cost-effective experience for many, especially during the COVID era.”

While the ongoing pandemic wrought a multitude of challenges for all health care providers, it forced Mayo Clinic and the CDH to evolve rapidly in order to provide a safe experience for those in need of care.

“Our work aims to shift the health care ecosystem far beyond Mayo Clinic. If done correctly, it could alleviate concerns about inequity in health care.”

—Dr. Brad Leibovich

“The CDH is also focused on bringing joy back into the practice of care,” notes Ms. Khan, “so that our physicians can spend more time with patients. By automating many low-value tasks, providers can focus on the human aspect of their job. From our perspective, it’s not about technology, it’s about people.”

Evolving Ecosystems

While the impact of their work will be felt for decades at Mayo Clinic, the CDH also stands to transform global health care.

“Our work aims to shift the health care ecosystem far beyond Mayo Clinic,” says Dr. Leibovich. To address concerns that digital transformations may leave some patients behind, he says, it could greatly lower barriers to quality care, where a simple smartphone could be a game changer.

“While it’s true that not everyone has broadband access or a smartphone, it most likely won’t take long for payers—Medicare, Medicaid or private insurers—to figure out that subsidizing or providing these tools for free enables less costly, higher-quality care, especially if they’re supported by robust digital health care platforms.”

For Ms. Khan, the dyad model has enormous potential to transform ecosystems—within and beyond health care—if adopted broadly.

“Why does a leader need to be singular? In my time at Mayo Clinic, I’ve recognized the value that comes from aligning two individuals with extremely diverse but complementary abilities and knowledge to make outsized impacts,” she says.

Despite being masters of different domains, Ms. Khan, Dr. Leibovich and the Mayo Clinic are firmly aligned where it matters most: supporting the needs of the patient.

“We have a shared goal and mission,” she says. “I’m thrilled that together we have the power to leverage meaningful data to enhance patient experience and improve outcomes in order to serve what matters most: people.” **IQ**