Healthcare Quality Improvement: A Decade of Lessons

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Health Research & Educational Trust

- **Mission:** Transform health care through research and education
- Affiliate of the **American Hospital Association**
- Applied Research and Performance Improvement

www.hpoe.org
Overview

- Context and Environment
- Quality Improvement
- Lessons Learned
The Full Monty

The Chain of Effect in Improving Health Care Quality

Patient and Community Experience
- Safe, effective, patient-centered, timely, efficient, equitable

Micro-system Process
- Simple rules/Design Concepts
  - Knowledge-based, customized, cooperative

Organizational Context Facilitator of Processes
- Design Concepts
  - HR, IT, finance, leadership

Facilitator of Facilitators
- Design Concepts
  - Financing, regulation, accreditation, education

Environmental Context

“The First Law of Improvement”

Every system is perfectly designed to achieve exactly the results it gets.

Patterns of Variation in Hospitalization Rates

Among Medicare Beneficiaries Enrolled in Managed Care Plans, African Americans Receive Poorer Quality of Care (Schneider et al., JAMA, March 13, 2002)

American health care "gets it right“ 54.9% of the time.


International Comparison of Spending on Health, 1980–2004

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006


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Katherine Baicker, Amitabh Chandra, Jonathan S. Skinner, and John E. Wennberg Who You Are And Where You Live: How Race And Geography Affect The Treatment Of Medicare Beneficiaries Health Affairs Web Exclusive, October 7, 2004

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EXHIBIT 1
Relationship Between Health And Medicaid Spending: An Excessed Br cheerful Quality Scorecard, 2000–2002


The Full Monty

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Strategic Issues Forecast for 2015

**Goal**
- Transform health care
- Drive health improvement and better quality

**Themes**
- Achieve better value
- Research focus

**Strategic Issues**
1. New payment models
2. Efficiency
3. Bending the cost curve
4. Care coordination
5. Quality improvement

**Research Focus**
- Bundling payment, managing risk, integration, variation, value
- Declining reimbursement, variation in utilization and price
- Comparative effectiveness research, right care in the right setting, end of life care
- ACOs, rehospitalizations, HIT, workforce planning
- Quality across settings, better understanding of social determinants, meaningful metrics

**Indicators Analyzed**
- Care coordination, avoidable hospitalization rates, physician practice ownership and employment, primary care shortage areas
- Unemployment, inflation, GDP, consumer sentiment, health reform impact on enrollment and states, borrower composition
- Health care cost growth projections, government health spending, international comparisons of utilization, health care as percentage of GDP
- Access to quality, patient safety, quality measures, care coordination measures, readmissions by state, physician shortfall projections
- Quality by setting of care, quality by race/ethnicity and SES, access to quality and preventive services, patient safety
1. New models of care that emphasize care coordination across hospitals, other providers, and the community are a critical element for quality improvement.

2. With a slow recovering economy and emerging health care policy changes, there will be increasing pressure on all healthcare organizations to increase efficiency.

3. Bending the cost curve will be essential for the long-term financial sustainability of healthcare for the nation and the financial soundness of the country.

4. Quality is improving, but can be further accelerated.

5. New payment models are a critical element for improvement in quality and efficiency.
Reality

• “Never get paid better than today”
• “One foot on the dock, one foot on the boat”
• “Finding the signal from the noise”
• “Culture eats strategy for lunch”
Engage senior leadership in planning for the hospital of the future

- Must-do strategies to be adopted by all hospitals

Second curve metrics measure success of the implemented strategies

- Organizational core competencies that should be mastered

Self-assessment questions to understand how well the competencies have been achieved
How will hospitals successfully navigate the shift from first-curve to second-curve economics?

**Volume-Based First Curve**
- Fee-for-service reimbursement
- High quality not rewarded
- No shared financial risk
- Acute inpatient hospital focus
- IT investment incentives not seen by hospital
- Stand-alone care systems can thrive
- Regulatory actions impede hospital-physician collaboration

**Value-Based Second Curve**
- Payment rewards population value: quality and efficiency
- Quality impacts reimbursement
- Partnerships with shared risk
- Increased patient severity
- IT utilization essential for population health management
- Scale increases in importance
- Realigned incentives, encouraged coordination
Strategy Implementation Leads to Core Competency Development

Adoption of Must-Do Strategies

1. Clinician-hospital alignment
2. Quality and patient safety
3. Efficiency through productivity and financial management
4. Integrated information systems
5. Integrated provider networks
6. Engaged employees & physicians
7. Strengthening finances
8. Payer-provider partnerships
9. Scenario-based planning
10. Population health improvement

Organizational culture enables strategy execution

Development of Core Competencies

1. Design and implementation of patient-centered, integrated care
2. Creation of accountable governance & leadership
3. Strategic planning in an unstable environment
4. Internal & external collaboration
5. Financial stewardship and enterprise risk management
6. Engagement of employees’ full potential
7. Utilization of electronic data for performance improvement

Metrics to Evaluate Progress

Self-Assessment Questions
A Decade of Lessons from Quality Improvement

1. National measures are a good start
2. Focus on implementing the basics
3. Need to build improvement capability
4. Leadership and culture are essential
5. Transparency drives provider improvement
6. Improvement spread doesn’t happen naturally
7. Payment alignment for quality can accelerate improvement
National Measures

• Starter set of 10 clinical measures identified and collected in 2004 for hospitals – AMI, Heart Failure, Pneumonia

• Pay for reporting leads to pay for performance

• Proliferation of hospital-based quality measures

• Physician reporting in early stages

• New, emerging, challenging measures: Patient satisfaction, Harm, Readmissions
Major Hospital Measurement Domains

- Harm
- Mortality
- Infections/Hospital Acquired Conditions
- Readmissions
- Core Measures
- Patient Satisfaction
- Safety Culture
Implement the “Basics”

- Reduce surgical site infection
  - Timely use of antibiotics (82%)
- Improve care for patients with congestive heart failure
  - ACE Inhibitors or ARBs used (84%)
  - Discharge instructions (66%)
  - Smoking cessation counseling (86%)
- Prevent pressure ulcers (7% prevalence)
  - Conduct risk assessments
  - Inspection; pressure minimization
- Prevent central line-associated bloodstream infections (18% attributable mortality; $25,000 cost)
- Open access scheduling (10% to 50% not accommodated)
  - Match supply and demand
Develop Quality Improvement Capability

- Quality improvement as a requisite leadership skill
- Rigor and discipline for organizational performance tracking
- Quality improvement training in professional education
- Quality improvement taught as a science discipline
- Plan-Do-Study-Act / Six Sigma / Lean
Develop Leadership Focus for Quality

- Leadership Walk Aroun ds
- Leadership Financial Incentives
- Leadership Recognition for Quality
Culture

• Shared beliefs, perceptions, expectations of individuals in organizations

• “Culture eats strategy for lunch everyday”

• Strong link between culture and results – financial, innovation, safety, satisfaction

• Many dimensions –
  • Team work is one critical component
Cooperation of Care

AHRQ Hospital Survey on Patient Safety Culture

- Things fall between the cracks when transferring patients from one unit to another
- Important patient care information is often lost during shift changes
- Problems often occur in the exchange of information across hospital units
- Shift changes are problematic for patients in this hospital

Doctors and administration often rate higher than others.

N>1,000 hospitals, >300,000 respondents

http://www.ahrq.gov/qual/hospsurveydb/
Public disclosure leads to performance improvement

Percentage of hospitals with quality improvement activities in reducing hemorrhage following poor results in OB performance

## How Much is this Bill?

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**CURRENT INSURANCE INFORMATION:** Please contact our business office immediately if we do not have your current information on file.

BLUE CROSS ILLINOIS AHA839604414

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**IMPORTANT MESSAGE**

**SUMMARY OF CHARGES**

As required by Maryland State law, we are supplying you with a summary of services rendered during your inpatient stay. If you have insurance we have billed them on your behalf. An itemized bill is available upon your request.

Thank you for choosing Shore Health System for your healthcare needs. Please visit our website at www.shorehealth.org for more information on Shore Health System.
How Much is this Bill?

40 students (30 physicians) from Harvard School of Public Health class for MPH; excludes 6 outliers.

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**Actual** = $7,248

**Class Average** = $10,696

$30,000

$25,000

$20,000

$15,000

$10,000

$5,000

$0
National Medicare Readmission Rate for Heart Failure Patients

National Average = 24.7%

* 52 students (40+ physicians) from Harvard School of Public Health class for MPH; excludes 8 outliers.
Adoption of Innovation — E. Rogers

**Early Majority (34%)**
* Will adopt new ideas after deliberation.

**Early Adopters (13.5%)**
* Gatekeepers of new ideas into a system; the “opinion leaders.”

**Late Majority (34%)**
* Might adopt as a result of increased pressure from peers. Skeptical of change.

**Innovators (2.5%)**
* Crave change and innovation. Seen as slightly radical. Cope well with uncertainty.

**Laggards (16%)**
* Isolated from the social network. Will be the last to change; suspicious of change agents.
A Framework for Spread

Leadership
- Topic is a key strategic initiative
- Goals and incentives aligned
- Executive sponsor assigned
- Day-to-day managers identified

Set-up
- Target population
- Adopter audience
- Key groups that will make adoption decision
- Initial strategy to reach all sites

Successful Sites

Social System
- Key messengers
- Communities
- Transition issues
- Technical support

Communication Strategies

Better Ideas
- Develop the case
- Describe the ideas

Measurement and Feedback

Knowledge Management

© Institute for Healthcare Improvement
Learn How to Learn
Payment Reform as Necessary but Not Sufficient

- Bundled Payment
- Accountable Care Organizations
- Bonuses for Meeting Quality Goals or Improvement
- Gain Sharing
- Value based purchasing
A Decade of Lessons from Quality Improvement

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