Subsidiary Focus

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Quality Is Local: The Role of Boards within Systems

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Local boards'[1] primary focus is on quality of care in the hospital(s) they oversee. These boards have many other responsibilities as well, but must emphasize quality as their first priority. Twenty years after the Institute of Medicine's groundbreaking report, *To Err Is Human*, hospitals are still struggling to raise the bar to where it needs to be regarding quality, and as more hospitals are choosing to join systems, local hospital boards roles regarding quality oversight become ever more important.

To fulfill this responsibility, many boards have recently adopted the Institute for Healthcare Improvement's quality framework and assessment, which was developed through a collaboration with The Governance Institute. Some of the items on that quality assessment are particularly relevant to the job of local boards. As such, we would like to dig deeper into this subset of quality oversight practices and provide guidance to boards around how to effectively carry out their critical role.

What Does Quality Oversight Entail?

The first and most important reminder for all board members working on quality oversight is that "quality" now encompasses safety, outcomes, experience, *and* value. Every organization defines quality a little differently, but all must ensure that their definition of quality and the metrics and practices related to quality oversight include each of these dimensions.

Board member education on how quality affects cost is crucial in this effort. Innovative boards have their CFOs attend quality committee meetings and CMOs attend finance committee meetings, and/or hold a joint quality/finance committee meeting at least annually, collaborating in between to help their boards make important decisions affecting the value equation.

For local boards that do not have these committees and carry out the work at the full board level, cross-communication already occurs naturally, but it remains important to hold discussions on how quality and cost are related on a regular basis, building this into meeting agendas and relying on the CFO and CMO to provide pertinent background information.

IHI Quality Assessment Items

The following items can be found on the Institute for Healthcare Improvement's quality framework assessment, which was developed in collaboration with The Governance Institute. The practices below are those that are most relevant to the responsibility of local boards based on a typical authority matrix, so this is not the complete list.[2] We discuss each item and provide tips on how

1 We know that local hospital/subsidiary boards are called by many different names, and strive to choose nomenclature that is both respectful and easy to understand. For the purposes of this article, we are speaking to any board within a system that reports to the system board and has responsibility for overseeing quality at one or a few specific sites within that health system.

2 For the complete IHI Governance of Quality Assessment, visit www.ihi.org/resources/Pages/IHIWhitePapers/Framework-Effective-Board-Governance-Health-System-Quality.aspx.

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local boards can put them into action.

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Asks questions about gaps, trends, and priority issues related to quality and is actively engaged in discussions about quality

The board should be spending a significant amount of time reviewing and discussing quality at most board meetings. Important ways to frame questions to management when targets are not being met include how much improvement needs to be made and by when, along with what specific steps are being taken to improve the target.

Receives materials on quality before board meetings that are appropriately summarized and in a level of detail for the board to understand the concepts and engage as thought partners. Reviews the annual quality and safety plan, reviews performance on quality metrics, and sets improvement aims

The quality dashboard report can be either very effective or very ineffective. It is important that the dashboard report the board receives shows the most critical/big picture information on the front page. It can provide more complete information in the subsequent pages, along with explanations/definitions of what the metrics mean/what they are measuring, if needed. If your board has a quality committee, it would review the complete set of metrics, while the full board would be looking at higher-level metrics that provide board members a strong sense of how well the hospital is doing on key quality targets and overall. These key targets might be different for each hospital within the system, depending on where their quality and safety priorities are for a given year. Examples include harm rates, near misses, hospital-acquired infections, serious safety events, mortality rates, and unplanned readmissions.

Local boards working on population health aims might be looking at chronic disease rates and disease management (e.g., if patients' health status is remaining level, improving, or decreasing) for diabetes and diabetes-related illnesses, heart disease, cancer, Alzheimer's/dementia, kidney disease, and COPD. Local boards should have regular communication with the system board quality committee or system-level quality improvement staff to ensure they are measuring and reviewing metrics approved/assigned by the system, and using standardized reporting.

Quality Oversight: The Governance Institute's Recommended Practices

Below is a complete list of The Governance Institute's recommended practices for quality oversight. In parentheses below, we have indicated where we believe the practice should lie in health systems with multiple boards.

- Approve long-term and annual quality performance criteria based upon industry-wide and evidence-based best practices for optimal performance. *(System)*
- Require all clinical programs and services to meet quality performance criteria. *(System)*
- Review, at least quarterly, quality performance measures for all care settings, including population health and value-based care metrics (using dashboards, balanced scorecards, or some other standard mechanism for board-level reporting), to identify areas for corrective action. *(Both; system boards will be looking at higher-level measures showing the overall picture of how each hospital is doing, and subsidiary boards will be looking at all quality metrics for their own hospital(s). The critical factor for this practice is to make sure that the reports the board and committee receive are easy to understand and provide a true picture of how the hospital is really doing.)*
- Include objective measures for the achievement of clinical improvement and/or patient safety goals as part of the CEO's performance evaluation. *(System)*
- Devote a significant amount of the board meeting agenda to quality issues/discussion (at most board meetings). *(Both; this is a particularly important practice for subsidiary boards, whose primary job is to ensure quality of care at their individual hospital(s).)*
- The board has a standing quality committee. *(Both)*
- Annually approve and regularly monitor employee engagement/satisfaction metrics, including issues of concern regarding physician burnout. *(System)*
- In consultation with the medical executive committee, participate in the development of and/or approval of explicit criteria for medical staff recommendations for physician appointments, reappointments, and clinical privileges, and conduct periodic audits of the credentialing process. *(System)*
- Board members are willing to challenge recommendations of the medical executive committee(s) regarding physician appointment or reappointment to the medical staff. *(Both)*
- Allocate sufficient resources to developing physician leaders and assessing their performance. *(System)*
- Ensure consistency in quality reporting, standards, policies, and interventions such as corrective action with practitioners across the entire organization. *(System)*

Local boards will receive an annual quality plan and performance criteria from the system. Some systems may set improvement aims for their subsidiaries. Or, you may need to set improvement aims that will help your hospital reach system-level targets and criteria. This process can and should be collaborative, with local hospital boards providing input to the system as to their quality improvement priorities, but the system needs to provide the guidelines on what to improve, how much, and by when.

Reviews Serious Safety Events (including workforce safety) in a timely manner, ensuring that leadership has a learning system to share the root cause findings, learning, and improvements

It is critical for the board to be provided with a full report of how, when, and why a serious safety event occurred (especially including "near misses"). (This should be included in the standardized board dashboard report referred to above.) The board's job is then to assist management and quality staff in implementing new/different system protocols with safeguards in place to ensure that such an event does not occur again in the future. This requires an understanding of change management and reliability science. This expertise can lie on the board and/or quality improvement staff. Lay board members can be effective by asking pointed questions:

- How and why did this occur?
- What are you doing to make sure this won't occur in the future?
- How do you know that the changes you are making will ensure this doesn't happen again?
- How and why are you measuring things differently (if applicable)?
- How are red flags and alerts handled? Is this sufficient or does it need to change?
- Do all staff feel that they can alert their superiors of problems without judgement or repercussions?
- What new information and training does staff need to implement the change(s) and when and how are they receiving it?

Remember, the job of the board is not to determine or tell management *how* things should be changed, but to ensure itself, through asking tough questions, that management is doing what it needs to in order to fix the problem.

Has patient representation, patient stories, and/or interaction with patient and family councils, and engagement with community advocates at every board and quality committee meeting

Involving patients and their families in quality improvement efforts provides the board with a critical perspective that might not be possible to have if you are a current board member on the "inside." Invite patients and families to share their experiences (good and bad) at every board meeting, ideally in person or virtually if that is not possible. This also helps to further build the hospital/system relationship with the community.

Reviews metrics related to access to care at all points in the system (e.g., hospital, clinics, behavioral health, nursing home, home care, dental) and ensures that access is equitable and timely for all patients

As care settings expand outside the walls of the hospital, it is important that boards are reviewing quality metrics for each care setting in which its patients receive care. Depending on your level of clinical integration, this may require special relationships/efforts to plan, build expectations, and share data with independent physicians.

Equitable and timely access to care is part of the Institute of Medicine's definition of quality (the well-known and widely used STEEEP acronym). Boards must have knowledge of any issues or concerns regarding patients' inability to access care or receive equitable care. Setting up mechanisms for direct patient feedback regarding these specific issues is important, as is setting expectations with management around staff training for equitable care practices.