Governing Quality: How Systems Deliver Top Performance

Michael D Pugh
President
MdP Associates, LLC

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Session Objectives

Identify	Understand	List
Identify the top drivers of system quality performance.	Understand the role of governance in achieving top level performance.	List two to three new ideas and questions they should be asking about quality performance in their own organizations.

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Quality Oversight: TGI Recommended Practices

1. The board approves long-term and annual quality performance criteria based upon industry-wide and evidence-based practices in order for the organization to reach and sustain the highest performance possible.
2. The board annually approves and at least quarterly reviews 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 needs for corrective action.
3. The board includes objective measures for the achievement of clinical improvement and/or patient safety goals as part of the CEO's performance evaluation.
4. The board devotes a significant amount of time on its board meeting agenda to quality issues/discussion (at most board meetings).
5. The board has a standing quality committee.
6. The board ensures consistency in quality reporting, standards, policies, and interventions such as corrective action with practitioners across the entire organization.

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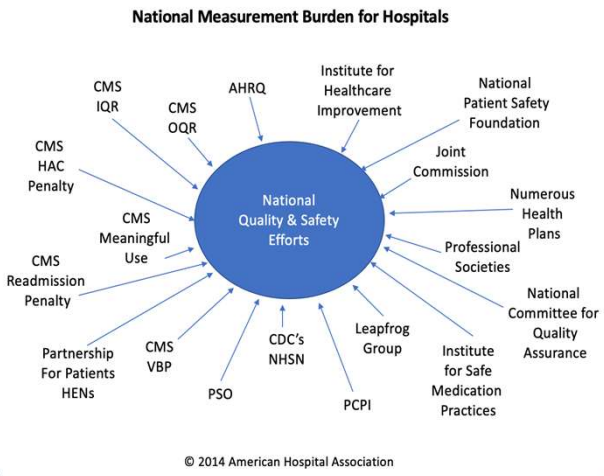
Observations about Quality and Safety Governance in 2022



In many organizations, Board Quality & Safety Governance has become a static process.

- *Scant focus on desired outcomes*
- *Reports are primarily focused on measures being collected and reported externally*
- *Too much detail*
- *Overreliance on Root Cause investigations as a proxy for safety oversight*
- *Few inquiry questions by board members*
- *Little discussion of quality strategy*
- *Physician members tend to focus on individual clinical or research interests*
- *Reporting often reflects what the quality management department is doing in their daily work*

Mirrors the approach of old-style hospital Finance Committees with detailed review of financial statements and budget variances as opposed to real discussion about improving financial performance.

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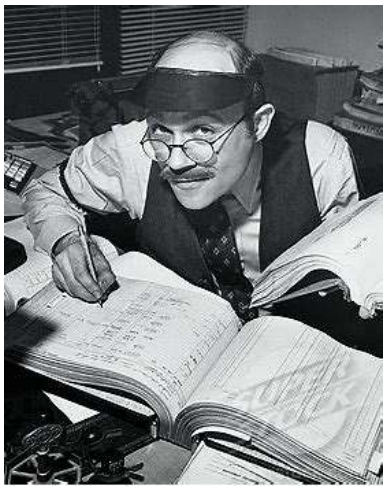
Quality Governance



It makes about as much sense for a system quality committee to be comparing CLABSI rates as it does for the system finance committee to be comparing ICU supply costs.

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2022: Shift the Focus

Shift the governance focus to desired outcomes and create expectations for performance.

- The system-level board should focus on a dashboard of quality and safety outcome measures that reflect governance aims and expectations for quality and safety performance.
- Local or next-level governance review should start with a comparison of local performance to system outcome aims and expectations.
- Know how you compare to other systems and hospitals.

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Outcomes: What Matters to Patients

Don't hurt me
Help me
Be Nice to Me

Don Berwick, MD

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At the highest level of Governance, focus on outcomes

Potential Categories

Patient safety	Clinical Care
Patient Experience	Access
Equity	STEEEP

Possible Outcome Measures

- Patient Harm Index
- % of patients receiving "right care"
- Hospital Mortality Rate
- % of patients who "would recommend"
- % of patients seen within a specified time frame
- Hospital mortality or "right care" by Race
- Community/Population Health Index by subgroups

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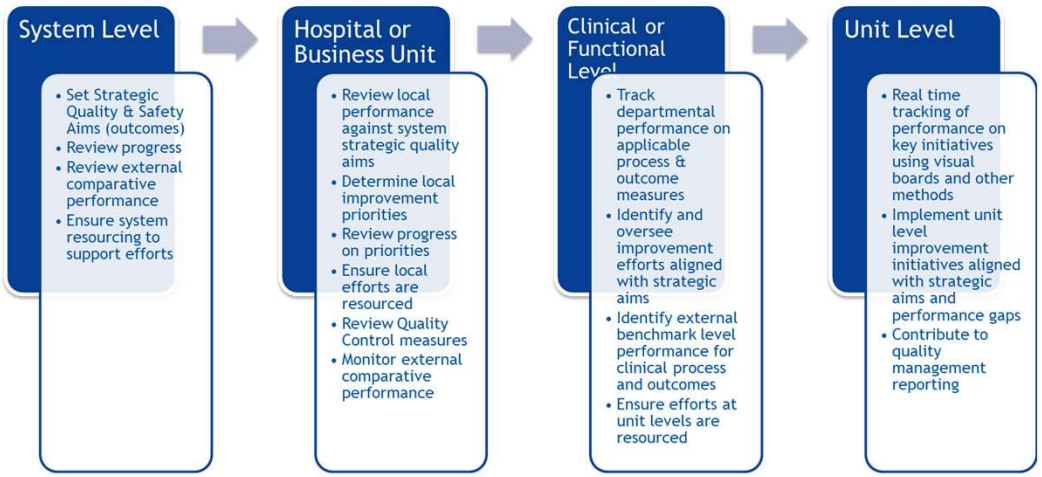
Quality Governance Cascade



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Know how you compare…

- **Public rating and ranking systems are here to stay**
  - Used by payers, regulators and patients to make judgements
  - Patient experience feedback on social media becoming common.
  - Becoming part of payment systems—Fee for Value
- **They are imperfect, but…**
  - Utilize data supplied by the hospitals directly or reported to CMS and regulators
  - When good, it goes on the website
  - When bad…not much transparency
    - Few CEOs enjoy sharing information that suggest performance is poor or average
- **But they can be useful**
  - Composite picture of quality and safety performance
  - Can be a reality check
  - External view of your hospital's performance

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Warning Signals for Boards

Ratings are generally average/below average across multiple rating systems?	You have a "C", "D" or "F" from Leapfrog You are a "1 or 2 Star" on CMS
Ratings do not appear to be improving over time	Efforts to improve quality and performance may not be yielding results

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Does Being Part of a System Lead to Better Quality Results?

The Jury is Still Out….

Review of research studies and news reports over the past several years indicates that the rapid consolidation of hospitals into larger systems has not yet generated expected industry-wide improvements in quality, cost, or standardization of care.

Critics of health system mergers and expansions say that "health systems generally have not done much yet to achieve consistent operational processes, clinical protocols and outcomes, and patient experience across all their facilities."

- From Harris Meyer, "Health Systems Are Working to Live Up to Their Name,"
- Modern Healthcare, May 11, 2019.

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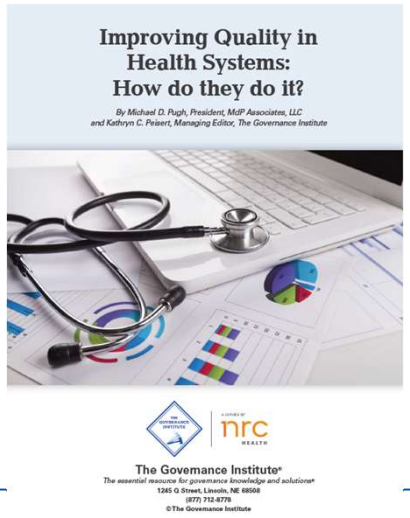
Systems and Quality: How Do They Do It?

We were curious to try and identify which multi-hospital systems might be considered top quality performers ***as a system***.

We want to begin to understand what drives system-level quality and safety performance.

- What do top-performing systems "do" from a leadership and governance perspective to deliver "top decile" quality and safety performance across their systems?



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Improving Quality in Health Systems: How Do They Do It? Michael Pugh and Kathryn Peisert, The Governance Institute, October 2021.

TGI Study of Top System Performance

Utilizing CMS data, we initially identified 37 multi-hospital systems who had a weighted average* CMS Star Performance greater than 4.0 stars (approximate top decile).

Chose to focus on 24 systems who have an existing relationship with TGI.

Extended invitations through TGI client management to senior system leadership seeking participation in an online survey.

**Weighted based on bed counts per facility*

Systems with TGI Relationship	Number of Beds in System	Number of Reported Hospitals in System	CMS Weighted Star Score
Bellin Health	161	3	5.00
Edward-Elmhurst Health	557	3	5.00
Cottage Health System	353	3	5.00
St Lukes Health System (Boise ID)	895	8	4.84
Kalispell Regional Healthcare	220	3	4.81
Mayo Clinic Health System	2570	21	4.81
Hawaii Pacific Health	349	4	4.79
Intermountain Healthcare	1965	23	4.76
Houston Methodist (FKA Methodist Hospital System)	2292	7	4.40
St Lukes University Health Network	1058	8	4.38
Rush Health System	1224	4	4.37
Duke Health (AKA Duke University Health System)	1430	3	4.33
Partners HealthCare	2672	11	4.32
Baptist Health (Jacksonville FL)	628	3	4.30
Atlantic Health System	1382	5	4.25
UCHealth (AKA University of Colorado Health)	1631	10	4.20
Kettering Health Network (FKA Kettering Adventist Healthcare)	997	6	4.20
Northwestern Medicine (AKA Northwestern Memorial Healthcare)	1875	7	4.17
Baptist Health Care (Pensacola FL)	352	3	4.13
HealthPartners	1047	8	4.11
Sutter Health	3702	21	4.06
Baylor Scott & White Health	3931	23	4.05
Main Line Health	1060	4	4.03
Indiana University Health (AKA IU Health)	2394	12	4.02

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Seven Systems Agreed to Participate in Leadership Survey

System Performance across Multiple Ratings

- Seven systems; 24 senior leaders participated with at least two from every system
- Good geographic dispersion
- No organization receives top scores across all public rating systems.
- Objective was not to "rank" or determine "the best." Instead, examine if performance is reasonably consistent across public ratings.
- Only Lown provides a "system" rating based on their own criteria.

Participating System	# of Reported Beds in System	# of Reported Hospitals in System	CMS Weighted Star Score	Avg HCAHPS Score	Avg Leapfrog Grade	Market Insights Quintile	Lown System Rating Grade	Total Points	Com-posite Score
Duke Health (AKA Duke University Health System)	1430	3	4.33	4.00	5.00	4.00	5.00	22.33	4.47
Intermountain Healthcare	1965	23	4.76	3.94	5.00	3.00	4.50	21.20	4.24
St Lukes Health System (Boise ID)	895	8	4.84	4.00	5.00	2.00	5.00	20.84	4.17
St Lukes University Health Network	1058	8	4.38	3.38	4.88	2.00	4.50	19.13	3.83
Main Line Health	1060	4	4.03	4.20	4.50	4.00	2.00	18.73	3.75
Bellin Health	161	3	5.00	4.00	5.00	4.00	N/A	18.00	4.50
Atlantic Health System	1382	5	4.25	2.80	4.40	2.00	N/A	13.45	3.36

CMS Weighted Star based on bed size
Leapfrog and Lown letter grades converted to 5.0 scale for comparison purposes.
Market Insights score divided into quintiles, with 5 being the top quintile.

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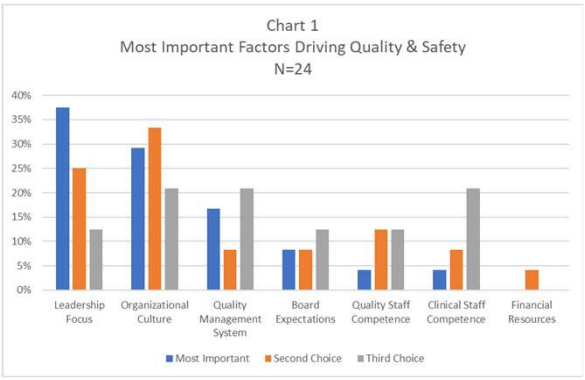
High-Level Findings from the Online Survey

- No single "silver bullet."
- Leadership and governance behaviors as well as quality structure are most important to driving high levels of system-wide quality performance.
- Structure is important. All seven systems indicated that they have local quality governance committees and functions that report up to a system-level quality committee.
- 100% of respondents indicated that system-wide quality and safety results were reviewed monthly by the senior leadership team.
- 100% of the respondents indicated that they review external quality ratings and comparisons with their system-level boards or quality committees, with two-thirds indicating that review was conducted at least quarterly.

1. **How often does the system-level board or its quality committee review external quality ratings and rankings like CMS, Leapfrog, etc.?**

Monthly	38%
Quarterly	25%
Periodically/as needed	25%
Annually	13%
Never	0%

Survey Results: Most Important Factors Driving Performance



- Two-thirds of the respondents chose either Leadership Focus or Organizational Culture as the most important factor driving quality and safety performance across their system.
- The Quality Management System was chosen by four respondents as the most important factor.
- Two respondents chose Board Expectations as the most important factor.
- One respondent chose Clinical Staff Competence as the most important factor.
- Only one respondent chose Financial Resources as a top three factor.

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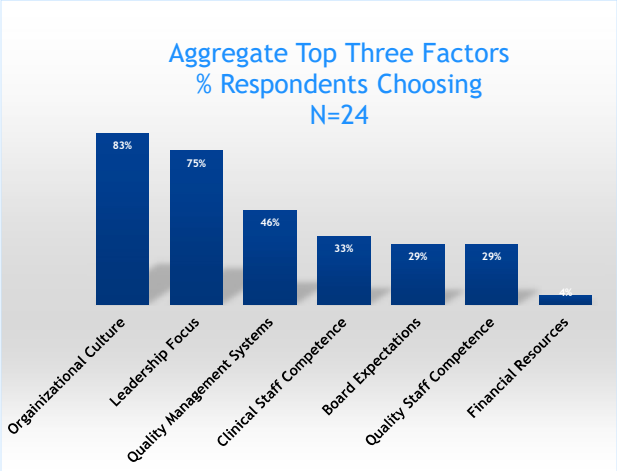
Top Drivers of Quality & Performance based on Survey



- ***Organizational Culture*** is driven by leadership and governance behaviors.
- ***Leadership Focus*** is a specific behavior linked to high performance.
- A strong ***Quality Management System*** is a key driver.
- ***Board Expectations*** is equally important a driver as clinical and quality staff competence.

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Other Key Factors: In Their Own Words…

Leadership Behaviors

- High Reliability Organization principles to shape how individuals, teams, and leaders behave and how we design our systems and processes to improve quality and safety.
- System CEO sees quality as top priority.
- Highly engaged board that challenges us to fulfill our vision of being a model healthcare system.
- Organizational commitment to eliminate harm.
- We strive to have quality and safety discussed as much as finance and we work to be sure that the operating system has a focus that has quality and safety leading their work.
- Transparent communication.

Strategy

- Having a strategic focus on quality and safety.
- Safety and quality performance program is driven by our mission "Helping people live the healthiest lives possible," and is aligned strategically as part of the system's focus on our Fundamentals of Extraordinary Care: safety, quality, equity, experience, access, stewardship, and engaged caregivers.

Measurement

- Visibility and drilldown into data focusing on process measures driving outcome measures.
- Focus on key quality measures targeted at payer/regulatory metrics.
- Consistent use of data scorecards.
- Steadfast reliance on measuring performance against best practice outcomes; no excuses!!!

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Other Key Factors (cont.)

Method or Process

- Defined, standardized approach to our Culture of Safety and a system view to decreasing variation while building process.
- Continuous Improvement methodologies are employed to drive change with an emphasis on engaging front-line caregivers in the process and standardizing.
- Constant investment in continuous improvement; willingness to learn from best practices.
- Ability to remove bureaucracy of process to timely implement improvements.
- Leveraging accomplishments and experiences from within the 11 campuses.
- Delineated responsibilities across the system and within individual sites, along with a transparent tiered escalation process for issues, ensures alignment, scalability, and accountability across the system.
- Time for frontline staff to participate in quality and safety initiatives.

Engagement

- Physician engagement and participation.
- Medical staff leadership.
- Strong alignment between medical staff and hospital leadership.
- Professional training and professionalism. Choosing the right people with the right commitment.
- In addition to the overall culture, I believe provider desire to constantly improve care and willingness to cooperate and help each other achieve these goals is an important ingredient.
- Ownership by frontline staff.

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Creating Focus

1. **How does system leadership enable the required focus on desired levels of quality and safety performance? (Choose all that apply)**

Annual performance objectives	88%
Strategy execution	83%
Routine operational performance reviews	83%
Leadership rounding	75%
System leadership/management incentive compensation plans	71%
Recognition systems	71%
Physician compensation plans	54%
Annual budgets	25%
Hospital/functional unit incentive compensation plans	21%
Other (please specify):	17%

- Regular quality and patient safety updates given at our various board and board committee meetings and in all management and departmental meetings.
- Goals cascade based upon organizational strategic objectives and actionable internal data.
- HRO Culture
- Annual quality awards

Proven Methods Are Widely Deployed

1. **Which of the following theories/approaches are routinely used within your system as tools/methods for improving performance? (Check all the apply)**

Root-cause analysis	100%
High-reliability organization (HRO) principles	71%
IHI Model for Improvement	71%
Lean/Six Sigma	67%
Lean	58%
Science of Improvement	42%
Toyota Production System (TPS)	8%
Safety II	4%
Other (please specify):	17%

- PDSA
- PDSA, Gap Analysis, Serious Safety Events review
- FMEA
- Our own Operating Model- developed from a combination of different continuous improvement methodologies.

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In Their Own Words…

- "It begins with board and leadership expectations for national leading performance that align to a culture that can perform to those expectations because they are given the tools (training in PI/Safety/Care Experience, actionable data, cascading goals with accountability monthly and annually, etc.) and finally a mentality that improvement has no limits."
- "Commitment to quality and safety at all levels from board to front line. Constancy of purpose reinforced through regular communication. Quality & safety is a specific strategic objective with goals on our system scorecard that are cascaded to departments and rolled out in action plans every 120 days."

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Analysis and Learning

1. Unequivocal board commitment and executive leadership focus.
2. There is a commitment to excellence—wanting to be the best—with a focus on patients at the center. HRO is a commonly used framework.
3. Clear expectations and goals for quality and safety performance are set by the board and senior leadership.
4. Patient safety is an organizational and leadership priority and a demonstrated cultural value.
5. Quality and safety are seen as strategic and aligned with organizational mission.
6. Management process and structures are designed to deliver quality and safety results. There is a process of systematic review of performance against targets/goals.
7. There is system-wide use of measurement, data and transparency.
8. There is significant engagement of physicians, clinicians, and front-line staff in quality and safety efforts.
9. They have invested in creating capacity for improvement. Methods, process, and structure exists to support the efforts.
10. They celebrate success.

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Jack Lynch, CEO, Main Line Health on Role of Governance

Board and Leadership Focus

- Four themes that are the basis of their strategic plan and integrated into the governance function of the board: *Eliminate harm, top-decile quality performance, equity for all, and affordability*.
- Scorecard organized by the four themes metrics are reported at every board meeting and reviewed in depth at every meeting of the Board Quality, Safety and Equity Committee.

Transparency

- "Boards have to understand that bad things do happen. There is not an event that is so bad that I am not going to tell the board. We present our root cause analysis and our action plans, and the board asks questions about our plans and how we are going to ensure that such an event does not happen again."

Accountability

- "If the board does not hold leadership accountable, then it is unlikely that leadership will hold management accountable and unlikely that management will hold staff accountable."

Homework: How about a discussion at your next Board Quality Committee?

1. How does our system (or hospital) compare? Are our ratings consistent across the various public rating sites?
2. What are the outcomes that we want for our patients? How good do we want to be?
3. How might we change our meeting agendas and governance process to create increased organizational focus on delivering quality and safety results?
4. If we were to evaluate our organization's efforts against the 10 Key Drivers in the Lessons Learned section of the study, where are we strong and where are there gaps in our efforts?

Discussion & Questions from the Audience

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Contact Information

Michael D. Pugh
President
MdP Associates, LLC
719 671-2668
mdp@mdpassociates.com

MdP Associates, LLC
assisting clients with strategies for improvement

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