

Define, measure, analyze, improve: Boosting your hospital's quality performance

Everyone in healthcare talks about improving quality, but there seem to be more questions than answers. How do you define quality? How do you measure it effectively? And what improvements do you make as a result of your measures? To improve quality, you need tools and perhaps coaching on how to collect and analyze data. And you need to identify best practices. It's a big challenge, but if properly done, performance improvement can give your hospital a competitive advantage. In this issue of **QHR Roundtable**, our experts examine the challenges of performance improvement.

Why has it been so hard to measure quality at hospitals?

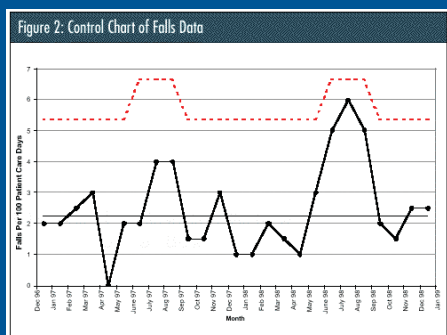
Pat Cooper — Sometimes it's hard to get data, but more often, there is so much information available that it's difficult to know what's important to measure and track. In the nursing unit alone, you have average daily census, discharges, patient satisfaction, medication errors, core measures and more.

Lean Six Sigma: Applications in Healthcare Performance Improvement

Lean Six Sigma methods can apply to manufacturing, transactional and service industries. Because it reduces waste, eliminates non-value-added actions and cuts time, Lean Six Sigma can be particularly effective in healthcare.

Lean Six Sigma combines two proven performance improvement methods. Lean manufacturing stresses streamlined workflow, waste reduction and continuous improvement. Six Sigma is a disciplined, data-driven approach to eliminating defects in any process — from manufacturing to transactional.

The Lean Six Sigma process brings both short-term results — through the power of Lean — and long-term change through the power of Six Sigma. That's why so many hospitals are turning to Lean Six Sigma to improve performance.



Lean Six Sigma uses control charts like this one to help identify performance that is outside the norm so hospitals can target areas for improvement.



Mark Medlin

Mark Medlin — Healthcare is not like manufacturing, where defects are obvious. Our challenge is to admit that sometimes we make mistakes that impact people's lives. That's a tall order.

Dana Rodrigue — A lot of improvement efforts fail because they measure the process, not the outcome. Plus, there aren't a lot of outcome measures everyone can agree on.

How can hospital leaders know what to measure or decide where improvements might be necessary?

Dana Rodrigue — Both Medicare and the Joint Commission have sets of core measures. This has helped hospitals determine what to measure. It has also standardized the definitions for each indicator ensuring all facilities are measuring consistently. Comparing yourself to the top 10% in the nation can help you identify where improvements might be necessary.

Erika Sundrud — We encourage hospitals to look at their strategic plan and implement processes to help achieve the plan. It's not just collecting the data, but analyzing, improving and controlling processes that lead to improvement. Data is everywhere. The important thing is, what are you doing with it?

Bill Leander — We need to look carefully at causes and understand how they impact outcomes. Bringing causes and outcomes together will open people's minds to trying different things that may work.

Pat Cooper — In developing measures, a good place for leaders to start is to look at how they define high "quality." For example, many hospitals use the Institute of Medicine's (IOM) definition, which defines quality as care that is safe, effective,

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equitable, patient-centered, timely, and efficient. Measures to reflect this definition might be timeliness of care, efficiency of care, patient satisfaction, cost per adjusted patient day, nursing hours per patient day, and staff turnover — all of which impact the quality of the entire organization.



Dana Rodrigue

Dana Rodrigue — Without using benchmarks, you can monitor the trend of your performance, but you can't validate it as top performance. Benchmarking our performance against top-performing facilities across the nation has been useful to help us identify opportunities for improvement.

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Hospitals are already busy. How can they make time to analyze data and develop improvement plans?

Bill Russell — As CEO, you need to focus on what you think is important, then commit resources to it.

Dana Rodrigue — Sometimes you have to change the mindset of the staff. They can't look at this as extra duty. If you provide good quality, care will be better, with fewer complications, which means less work.



Bill Leander

Bill Leander — When you try to improve performance in silos, you keep addressing the same problems. There's a lot of wasted energy when you focus on your own initiatives

vs. taking a systemic approach, where you can begin to fix things once and for all.

What about hospitals/organizations that are doing fine? Why change?

Mark Medlin — If your hospital is doing well, then focus on innovation: How can you redesign the hospital to be even more patient-focused and do a better job retaining physicians?

Dana Rodrigue — If you think you are doing fine, that mindset will hurt you. It leads to complacency, which can result in lost market share.



Erika Sundrud

Erika Sundrud — We see lots of information that says we're good enough, but we need to go from good to great. We need to work on our problems as a whole and make the entire process better.

Dana Rodrigue — It's easy to look good if you choose to measure the things you know you already are doing well. The challenge is to measure the things that will have the greatest impact on performance.

Pat Cooper — How do you determine if you are "fine?" By defining a target and then measuring performance against the target. If you find that you are consistently performing at the top or at acceptable levels, then perhaps you don't have to change.

Bill Russell — Our approach is "Good, better, best. Never let it rest." Even if you measure up well against benchmarks or competition, there are always opportunities to improve. Twenty years ago we had one person focusing on performance improvement. She was a lone wolf, with not a lot of backing or a strong link to the board. Today, we are trying to build all those bridges to create a culture of improvement.

What attitudes and approaches are necessary for effective performance improvement?

Bill Russell — You must have a shared vision, open communication, a willingness to take risks, and a commitment to approaching performance improvement with consistency.

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Improve hospital performance with these tools

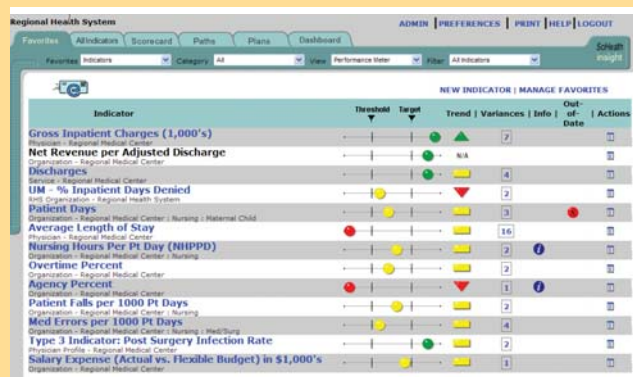
To achieve performance improvement, you must not only collect complex data, but put it in a format that can be understood and serve as the basis of an action plan. QHR recommends two valuable tools to cut this major challenge down to size:

SciHealth

SciHealth offers Insight, a Web-based performance management tool that allows front-line managers to take more informed and timely action by synthesizing information acquired throughout their organizations. For more information, visit www.scihealth.com.

QHR Vantage Scorecard™

Specifically designed for smaller hospitals, the Web-based QHR Vantage Scorecard™ is a performance-improvement tool that provides quick and simplified graphical views of a hospital's data to help translate strategy into action. For more information, visit www.qhrvantage.com.



SciHealth Dashboard



Vantage Scorecard

QHR *roundtable* Participants

Bill Leander — We've traditionally rewarded the best fire fighters, the people who throw themselves on the grenade in an emergency. But we need to reward the fire preventers. That attitude must start at the top: Who's getting the pat on the back? Who's the CEO's right-hand person?

Pat Cooper — The Institute for Healthcare Improvement (IHI) uses a simple mantra to describe the essential elements for strategic improvement: Will, Ideas, and Execution. You have to have the will to improve, the ideas to change the status quo, and the ability to execute.

Describe the QHR performance-improvement process. How does QHR coach hospitals so they are better at collecting and analyzing data for improvement?

Erika Sundrud — Even though Six Sigma was originally used by manufacturing, the healthcare industry is really excited about it. It's an improvement methodology that focuses on defining, measuring, analyzing, improving and controlling processes within departments, and finding waste throughout the hospital. We teach several Process Measurement and Improvement (PMI) courses, which help groups make practical use of the information on the job.

Dana Rodrigue — We've been using Lean Six Sigma since 2000. It's helped organizations to be more data driven and managed by fact, not by gut. It's helped transform our culture.

Pat Cooper — There are several levels of coaching support for hospitals, including very specific departmental assistance (i.e., patient throughput, medication reconciliation, improving patient safety); Lean Six Sigma assessment and implementation; and offering an improvement advisor to provide general education and support in readying an organization for improved performance. Any and all of this can be supplemented through QHR's internet-based Vantage Scorecard™.

Dana Rodrigue — Our revenue cycle project with QHR has helped us identify key metrics. It helps to have QHR benchmarks to guide us.

How does QHR take complex data and put it in an understandable format for staff to use?

Mark Medlin — At the most basic level, we train department directors to properly use run charts and control charts. For some folks, this is first time in their careers they have had to analyze trends over time, so we build that into the system and also offer good follow-up courses. We have statistics experts who evaluate the client's charts, so we are helping them with their actual work.

Bill Leander — At SciHealth, we provide tools to monitor performance, identify root causes, collect data from a variety of sources, weave it into a consolidated set, then present information in color-coded dashboards so it can be easily understood. There is a dashboard for each department, but they all line up with the strategic plan.



Bill Russell

Bill Russell — At the board level, having effective dashboards helps to communicate lots of information succinctly to show where you are doing well and where you need to improve.

Pat Cooper — The QHR Vantage Scorecard™ is Internet-based and helps hospitals identify their system-level goals as well as the specific meas-

Patricia K. Cooper, RN, MS, CNAA Vice President, Patient Services QHR Consulting Services

Pat has spent the majority of her career as a senior-level executive in hospital operations. She has expertise in management and organizational development, productivity enhancements, operations improvements and nursing strategic planning.

Bill Leander CEO, SciHealth Atlanta, Georgia

Bill's 20-year career includes serving as a senior consultant at Booz Allen & Hamilton and director of strategic technology at American Express. He has directed the successful evolution of SciHealth and its Insight solution since 2001.

Mark C. Medlin Director, Performance Measurement and Improvement QHR Consulting Services

Mark has almost 25 years of experience in leadership development, organizational improvement, customer service excellence and more. He has also developed top-selling quality-improvement materials and courses.

Dana Rodrigue Chief Quality Resource Officer and Compliance Officer Thibodaux Regional Medical Center Thibodaux, Louisiana

Dana has more than seven years experience as a senior-level healthcare executive working in an acute-care hospital setting. She began her career as an intensive-care nurse.

William B. Russell CEO, Central Montana Medical Center Lewistown, Montana

Bill has 20 years of executive healthcare experience, handling major projects and improvements for organizations such as Heartland Health Systems and the Rio Grande Regional Hospital. He has introduced Lean Six Sigma training in his current facility.

Erika Sundrud Senior Consultant, Patient Services QHR Consulting Services

Erika has over five years of experience analyzing data and measuring processes within a healthcare setting, focusing on improving nursing excellence, surgical services, patient throughput, and nursing strategic plans.

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ures to meet those goals. That information is cascaded down through the organization. It's useful especially for organizations that had been measuring performance improvement using individual PCs. With Vantage, you can see what your measurements are and how they link to the organization.

What are the other benefits of improved performance?

Bill Russell — Our Medicare reimbursement by 2008 will be based on outcomes. Our data is posted publicly. Additionally, managed care organizations are looking at that same public data. As they are going into negotiations, they already know about your quality and cost management performance.

What can senior management do to accelerate performance improvement?

Mark Medlin — Senior leaders are well aware of the need to focus on quality. They are not fighting it. But the challenge is leveraging the energy of their organization to focus on improvement.

Dana Rodrigue — Support from the top makes it easier to get improvements through. Performance improvement goes beyond clinical issues — it also contributes to market share growth, improved financials and better employee productivity. Every department is involved. People can't be pulling in different directions.



Pat Cooper

forums for front-line staff to bring project ideas forward. We post our performance on our bulletin boards. We don't hide things.

Bill Leander — We have the U.S. Military Health System as a customer, and they have a good philosophy on performance improvement. They have found that, if the effort comes from the top, you get performance measurement. If it comes from the bottom, you get performance management. Only when you bring the top and bottom together in a single solution with the two efforts fully aligned do you get performance improvement.

QHR can help boost your quality performance

Click here to receive a copy of "10 Steps to Incorporate Lean Six Sigma into Your Performance Improvement Program." Or call Pat Cooper for more information at 1.800.233.1470, ext. 4775.

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