Impacting Cost + Quality: An IHI Leadership Initiative
Frequently Asked Questions

What is Impacting Cost + Quality?
The Institute for Healthcare Improvement (IHI) is entering the second year of an initiative for health care leaders called Impacting Cost + Quality. It’s designed to be a dynamic learning system for the rapid spread of proven changes and for further testing of ideas that hold promise for reducing expenses while improving quality in health care.

Programming in this initiative is geared toward organizations with a strong track record of improvement and demonstrated quality outcomes. The focus will be on diagnosis and execution — helping organizations prioritize what changes are best for them to make, based on quality and financial models.

The focus of this program is on finding the waste and removing it. It is designed to answer your questions:

- Where is the real waste in this organization?
- What projects are most important to improve cost and quality here?
- How do we make the changes that reach our targets?
- How do we track the quality and financial impacts?
- How do we assure that gains this year will continue and be added to year after year?

Why should my organization join Impacting Cost + Quality?

- Solve your most pressing challenge: Improve the quality of care for patients and families across your organization while at the same time reducing expenses at least 1% per year;
- Create dramatic improvements that result in better experience for clinicians as well as savings for your organization; and
- Develop a plan to sustain the gains while positioning your organization to be a respected, exceptional leader for tomorrow’s health care community.

We asked current Impacting Cost + Quality teams about their experience so far. Here is what we heard from one of our teams . . .

“The Impacting Cost + Quality program has strengthened the lines of communication between finance and quality. We have both learned and taught each other different approaches to quantifying quality metrics, which in turn creates a mutual respect for the work each of us does individually. This program has created excitement around the ability to measure quality metrics and quantify cost savings in ways we haven’t thought about doing before.”
Who are the faculty leading *Impacting Cost + Quality*?

- **Kathy Luther, RN, MPM**
  Vice President, IHI
- **Pete Knox**
  Executive Vice President, Bellin Health, Green Bay, Wisconsin
- **Eric Dickson, MD, MHCM, FACEP**
  Senior Associate Dean and President, University of Massachusetts Memorial Medical Group, Worcester, Massachusetts

**Lucy A. Savitz, PhD, MBA**
Director of Research and Education, Intermountain Health Care, Institute for Healthcare Delivery Research, Salt Lake City, Utah

- **Helen Zak, MS**
  President and COO, Healthcare Value Leaders Network

Who can join?
This initiative is geared toward leaders — those responsible for improving the bottom line and quality in departments, divisions, or the hospital as a whole — of hospitals with a strong track record of improvement and demonstrated quality outcomes. Participants will identify opportunities to drive out waste, prioritize what changes are best suited for their organization, and successfully lead front-line improvement efforts that improve the organization’s financial standing.

IHI encourages participation by collaborative teams that represent leadership across the organization. We recognize, however, that individual leaders may also be interested in participating in this work; offerings are designed to help support both types of participants.

What should a team look like?
A highly functioning improvement team will be multidisciplinary, with representation from a variety of areas. Team members include at least one senior leader; medical, nursing, and other professional leaders; at least one representative from finance; and front-line managers and professionals who will be involved in the improvement.

We would like to work in a service line rather than in the entire hospital. Is that OK?
Yes. We consider participation in *Impacting Cost + Quality* to be prototyping for your organization, with the chance to expand the focus from service-line improvement only, to scaling up improvement to the entire organization in the future. We expect different organizations will work at different levels.

Is there only one time to join the initiative?
It’s ideal to join before the first in-person meeting in September 2011, but organizations may also join at the full enrollment rate at any time during the year. IHI will provide additional resources to teams that join after September 2011 to help bring them up to speed with other organizations participating in the initiative.

What kind of results can I expect if I join *Impacting Cost + Quality*?
Participation will help your hospital leadership teams achieve measurable results within the year. You can expect improvements in quality in the form of fewer delays, less rework, shorter lengths of stay, fewer infections and complications, while at the same time reducing operating expenses. In summary:

- **A Way Forward**: The skills and tools to remove at least 1% of operating expenses while maintaining or improving clinical performance
• **Confidence:** A sound strategy for making needed improvements in cost and quality that take into account the payment environment for a one-year, two-year, and five-year time horizon

• **Capability for the Future:** Tools for developing financial viability, even at Medicare prices

**What else can organizations expect from their participation in the year-long initiative?**

Take full advantage of the following activities and support:

• Use IHI’s Waste Assessment Tool to identify opportunities to remove waste throughout your system, identify non-tangible sources of waste (e.g., case management, supplies, utilization), and prioritize key areas of focus.

• With guidance from IHI faculty, select your portfolio of work, set system-wide cost and quality goals, establish measures for key areas of focus, and quantify potential savings.

• Deploy established financial models as well as develop and test complex financial models to measure progress over time for cost savings against your organization’s financial footprint and create plans to ensure “dark-green” dollars fall to the bottom line.

• Use Part Two of IHI’s Waste Assessment Tool to evaluate projects in terms of quality, patient centeredness, and waste dollars removed. Develop a timeline of projects based on this analysis.

• Explore a deeper dive in population specific solutions
  - Deep dive topics include:
    - Palliative care; end of life
    - Perinatal care: early inductions/NICU admits
    - Elder care
    - *Healthy Hospital* initiatives
    - High risk populations – homeless, frail elderly
    - 50% flow improvement
    - Models for financial analysis
    - Multiple co-morbidities
    - Behavioral health; substance abuse
    - Inappropriate admissions
    - All re-admissions
    - Population-based management
    - Ambulatory care

• Develop cost-quality indexes

• Build an aligned culture within your organization

• Construct a true north measurement system

• Drive innovation and improvement simultaneously

• Align messages to engage internal and external audiences

• Communicate process, aims, and system changes at all levels within your organization

• Share your best ideas and success with other participants and adapt ideas, successes, and lessons learned from other participating organizations to enhance your work.

• Rely on ongoing help and “stuck coaching” from IHI’s expert faculty resources to move your projects forward

• Identify partners and potential savings beyond your walls

• Engage with your community organizations, patients and families, payers, and competitors (where appropriate) to reduce duplication, decrease suboptimal patient handoffs, and improve care and outcomes.
What are the expectations for participation?
- Attendance and participation from each hospital team at three face-to-face meetings;
- Attendance and participation on interactive webinars between meetings;
- Active sharing of experience and insights with others in the program; and
- Regular reporting on results of improvement efforts to others in the program.

How much does it cost?
The cost for this intensive, year-long initiative is $16,500 per hospital team (US dollars). This fee includes access to all program events and materials. It does not include the cost of travel to face-to-face meetings.

Are discounts or scholarships available?
IHI is pleased to offer a 50% discount to hospitals with fewer than 50 beds and members of the National Association of Public Hospitals. In cases of financial hardship, we are providing scholarships to offset the enrollment cost for the initiative.

Is this initiative appropriate for leaders in ambulatory settings, specialty services, or pediatric hospitals?
Although the context is different, many of the financial challenges are the same across all of these settings. Acute care pediatric centers and specialty hospitals will also benefit from the learning and the tools that will be available throughout this initiative. During the first year of this program teams from home health care as well as ambulatory services were able to demonstrate significant savings as well as improvement in their services. Both teams will be joining us again in year two to continue this work.

Is this initiative appropriate for international organizations?
Yes. The payment systems will vary internationally, but the financial challenges are very similar. This initiative will offer tools and resources that can be customized to your local financial, political, and socioeconomic environment.

Will Impacting Cost + Quality help me with working with doctors and front-line staff?
Yes. Leaders will learn ways to engage doctors and front-line staff in identifying and removing the wasteful practices that make their work lives difficult, and helping them improve care while reducing costs.

Will Impacting Cost + Quality improve quality for patients and reduce wait times for services?
Yes. Participation in this initiative will help leaders identify key changes within their own organization that improve quality, especially reducing defects and improving flow.

Will Impacting Cost + Quality improve efficiency and lead to lower costs?
Yes. Participants will learn about multiple ways to improve efficiency and also how to select the changes to make first in their organization.

How is Impacting Cost + Quality different from – or similar to – other Lean initiatives?
We have learned that Lean tools and methodologies are extremely helpful in reducing costs while continuing to improve quality. When used strategically with other methods, they offer leaders and front-line staff a complete approach to improving quality while reducing costs. With our expert faculty, Impacting Cost + Quality will offer additional insights into the use of Lean methods throughout this initiative.
How is Impacting Cost and Quality different from a collaborative?
In a typical collaborative, participants are given a very specific focus, with an equally specific change package or set of steps and processes that the group must work to complete. At the end of most collaborative programs, participants share results around one or more specific improvement initiatives. In Impacting Cost + Quality, teams will identify unique projects that are specific to their organization; over the course of one year, they will begin to develop an organizational portfolio of tools and resources for addressing issues that are specific to their organization and to their community. Although teams will likely work on very different portfolios, they will use the same tools and resources to address many of the same challenges. Expert faculty will work with teams around identifying the right tools and resources for their individual needs. We will not offer a “one size fits all” change package; rather, teams will build what they need along the course of the year. We will provide the opportunity to learn from organizations committed to this same work together, with the support of faculty experts, and access to proven tools and resources.

How many in-person meetings are planned?
There will be three in-person meetings between September 2011 and September 2012.

When and where will the in-person meetings be held?
The first meeting is scheduled for September 15-16, 2011 in Cambridge, MA. We are thrilled to announce that the second learning session will be hosted by Intermountain Healthcare in Salt Lake City March 22-23, 2012. The third learning session date and location is to be determined.

What will we be doing at the in-person meetings?
The focus of the meetings is learning from experts, acquiring new tools, and working within your team to plan and initiate changes in your organization that move you toward new possibilities. Meetings will also offer the opportunity to harvest energy and momentum from other organizations like yours. Finally, customized help and planning from world-class faculty will be available, focused on building a personalized strategy for making needed improvements in cost and quality that take into account the payment environment for a one-year, two-year, and five-year time horizon.

How many webinars are planned for this initiative?
We will offer two to three webinars on a variety of topics each month. Webinars will be an opportunity for participants to hear from world-class experts on topics of interest that are identified by participants and faculty throughout the initiative. Teams will also be asked to share their stories and examples from progress during webinar discussions, and faculty leaders will provide coaching to participants during these discussions.

The Fall 2011 webinar schedule includes:
- Honing your portfolio
- Disruptive innovation
- Healthy Hospitals
- Utilizing multiple health-social needs models
- The impact of progressive ICU sedation/delirium programs
- High velocity organizations
- Advancing perinatal care
- Transforming Care at the Bedside (TCAB)
- Advanced financial models
- Exemplar work from returning teams
- . . . and more!
What results can we expect in just one year?
At the end of the year-long initiative, we are very confident that your organization will have a portfolio of projects and a plan that you are confident in and that you have started. The focus will be on making significant changes in productivity, implementing various waste reduction tools, and developing a plan to sustain the clinical and financial gains beyond this one-year initiative. In addition, hospital teams that participate fully will realize early results and a modest amount of savings by the end of one year.

What are some examples of opportunities and clinical areas for identifying waste?
- Preventing admissions for chronic illnesses, frail elderly, and end-of-life care
- Consolidating care teams for medically complex patients
- Augmenting emergency care with community partnerships for the homeless, elderly, and at-risk populations
- Reducing ventilator-associated pneumonia (VAP) in the ICU
- Eliminating hospital-acquired bloodstream infections
- Reducing pressure ulcers
- Decreasing length of stay for hip and knee replacement patients
- Reducing the waste of blood products
- Reducing length of stay and readmissions for congestive heart failure (CHF) patients
- Eliminating unwarranted or repeat inpatient labs and x-rays

What can I expect over the year?

<table>
<thead>
<tr>
<th>Pre-work</th>
<th>Face-to-Face Meetings</th>
<th>Webinars</th>
<th>Personal Coaching</th>
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<tbody>
<tr>
<td>Pre-work may vary by team, but will include:</td>
<td>Three (3) meetings over the year. First meeting: September 15-16, 2011 in Cambridge, MA</td>
<td>Two to three webinars per month</td>
<td>Faculty will provide coaching related to:</td>
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<tr>
<td>Organize a local multidisciplinary team</td>
<td>Meeting experience will include:</td>
<td>Work with world-class faculty in areas that include:</td>
<td>Portfolio development</td>
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<tr>
<td>Identify specific measurable goals that are linked to your organizational strategy.</td>
<td>- Introduction of IHI’s Waste Tool</td>
<td>- Leadership</td>
<td>Strategic alignment</td>
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<td>Draft team Charter</td>
<td>- Hands-on opportunities with new tools and methodologies related to waste reduction, financial measurement and quality improvement</td>
<td>- Clinical improvement</td>
<td>Clinical improvement processes</td>
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<td>Develop organizational agreement on financial measures and desired outcomes</td>
<td>- Designated team discussion and work opportunities</td>
<td>- Finance</td>
<td>Waste reduction strategies</td>
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<td>- Developing a portfolio and a plan to sustain the work over one, two, and even five years</td>
<td>- “Less of” and Lean methodologies</td>
<td>Productivity measurement and implications for clinical and financial outcomes</td>
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<td>- Add new tools and resources to team portfolio</td>
<td>Developing and sustaining financial measurement systems</td>
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<td>- Experience small group coaching from faculty experts</td>
<td>Implementation of a variety of additional tools and methodologies related to waste reduction &amp; quality improvement</td>
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