Informational Call – Session 2
May 26, 2011 12:00-1:00 ET

Onboarding Begins July 2011
If you’re joining with a team, please type the **organization** you represent & the **number of people** joining from your organization.

*Example: Midwest Health Alliance – 5*

Please type your **name** and the **organization** you represent in the chat box!

*Example: Doug Jones, Midwest Health Alliance*
A time for creating new possibilities

We believe everyone has the ability to make patient care more effective, safe, and timely while decreasing costs. You will meet leaders who have done just that, and have the opportunity to work alongside these organizations.
Impacting Cost + Quality Faculty

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Relationship / Project Manager, IHI

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Project Coordinator, IHI
Aim 1: Impacting Cost + Quality

- You will have a working knowledge of the skills and tools to improve quality while removing 1% of operating expenses in your target system in 12 months of project work.
Help organizations build a portfolio of projects that will help them achieve Aim 1.

**Primary Drivers**

- **Clinical Quality Problems**
  - Malpractice claims
  - Coordination of Care
  - Adverse Events and Complications
  - Turnover/Recruitment

- **Staffing**
  - Premium Pay
  - Work Days Lost Due to Injury/Illness

- **Flow**
  - Match Capacity : Demand

- **Supply Chain**
  - Mass Purchasing
  - Pharmaceuticals
  - Wasted Materials

- **Mismatched Services**
  - End-of-Life Care
  - Unnecessary Procedures/Hospitalizations

**Secondary Drivers**

- **Dark Green Dollars**
  - Reduce settlements by changing process when sentinel event occurs
  - Prevent infections (SSI, CLI, VAP)
  - Prevent Decubitus Ulcers
  - Prevent readmissions

- **Clinical Quality Problems**
  - Achieve optimum performance levels
  - Use a flexible staffing model
  - Reduce agency usage

- **Staffing**
  - Implement an acuity identification system
  - Use appropriate patient lifting techniques

- **Flow**
  - Redesign care management
  - Redesign ER processes
  - Redesign OR processes

- **Supply Chain**
  - Standardize purchasing
  - Base utilization on best practices
  - Purchase wholesale instead of retail

- **Mismatched Services**
  - Stop denial rework
  - Stop services not adding value (ex. unnecessary landscaping)
  - Improve chronic disease management

**Projects**

- Base utilization on best practices
- Purchase wholesale instead of retail
- Switch from brand-name to generic
- Prescribe based on industry norm
- Stop performing outpatient services as inpatient services
Aim 2: Impacting Cost + Quality

• In the context of your strategic plan and building on your existing capabilities, you will develop a framework for achieving strategic objectives in year 2 and beyond that can be applied to improve quality while reducing expenses.
Aim 2 Driver Diagram

Continually improve quality while reducing operating expenses 1%/yr

Primary Drivers

- Align the Enterprise
  - Develop and use core strategic metrics
  - Align strategy
  - Align systems
  - Measure performance
- Deploy a system that delivers value and is continually improved
  - Create/maintain stable and standard processes
  - Identify and eliminate waste
  - Develop and use front-line data
  - Integrate value and improvement into daily work
- Show respect for people
  - Engage everyone in value delivery
  - Develop people
  - Ensure a safe environment
  - Build teamwork
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 in productivity that result in better experience for clinicians as well as savings for your organization.

- Develop a plan to sustain the gains while positioning your organization to be a respected, exceptional leader for tomorrow’s health care community.
Learning from a current participant

Donna Saxton, MHA, MPH, FACHE
VP, Quality and Safety at Ochsner Health System

Brief History of Ochsner

- Large academic, tertiary medical center ~ 70 medical specialties
- Eight hospital locations, 1500+ licensed beds
- Over $1 billion in annual revenue
- 700+ employed MDs,
- Approximately 16,000 employees
- Largest multi-specialty group practice in Gulf South
  - 50 + neighborhood clinic sites
Help organizations build a portfolio of projects that will help them achieve Aim 1

**Dark Green Dollars**
Reducing Operating Budget by 1% a year

**Primary Drivers**
- Clinical Quality Problems
- Staffing
- Supply Chain
- Mismatched Services

**Secondary Drivers**
- Malpractice claims
- Coordination of Care
- Adverse Events and Complications
- Turnover/Recruitment
- Premium Pay
- Work Days Lost Due to Injury/Illness
- Match Capacity : Demand
- Hospital Throughput
- Ancillary Throughput
- Mass Purchasing
- Pharmaceuticals
- Wasted Materials
- Waste in Admin Services
- End-of-Life Care
- Unnecessary Procedures/ Hospitalizations

**Projects**
- Reduce settlements by changing process when sentinel event occurs
- Prevent infections (SSI, CLI, VAP)
- Prevent Decubitus Ulcers
- Prevent readmissions
- Achieve optimum performance levels
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Show respect for people

Draft 1.0 4 December 2010
Portfolio Management

• Aim of Portfolio: $5.8M, 1% of System Operating Expense

• Current Projects:
  – CLABSI Reduction
  – Staffing Improvements

• Upcoming Projects
  – CLABSI LOS Opportunity
  – MDR LOS Opportunity
  – MDR Readmission Opportunity

• Benefits to Ochsner; Lessons Learned
Impacting Cost + Quality Benefits to your organization

• A Way Forward:
  ─ The skills and tools to remove at least 1% of operating expenses while 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
Additional benefits

- Use of IHI’s Waste Identification Tool
- Guidance on selecting your portfolio of work
- Access to financial models to measure progress over time
- Coaching to ensure “dark green” dollars fall to the bottom line
- Opportunity to adapt lessons learned from other participants
- “Stuck coaching” from IHI’s expert faculty
- Help in identifying partners and potential savings beyond your walls
With new possibilities for uncovering waste…

• Get out of the cycle of across-the-board cuts
• Empower clinicians and colleagues in finance work together to address waste
• Engage front line staff, clinicians and physicians to become the problem-solvers to reduce costs
• Track improvements all the way to the bottom line in ways that make sense to clinicians and to finance

“If you do not have a systematic way to find, remove and track waste in your organization, I guarantee that you are missing the best and biggest opportunities.”

Roger Resar, MD, Senior IHI Fellow
Building a Comprehensive Portfolio

Some of the opportunities that will be explored over the next year 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
## Program overview: What can I expect

<table>
<thead>
<tr>
<th>Pre-work</th>
<th>Face-to-face meetings</th>
<th>Webinars</th>
<th>Personalized coaching</th>
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| Pre-work may vary by team, but will include:  
Organize a local multidisciplinary team  
Identify specific measurable goals that are linked to your organizational strategy  
Draft team Charter  
Develop organizational agreement on financial measures and desired outcomes  
“Cleaning the plate” alignment | Multiple face-to-face meetings over the next year  
1st meeting: Sept 15-16, 2011 in Boston, MA  
Introduce IHI’s Waste Tool  
Complete an organizational energy grid  
Experience hands-on opportunities with new tools and methodologies related to waste reduction and quality improvement  
Establish concrete change ideas and actionable take-aways  
Experience designated team discussion and work opportunities  
Develop a portfolio and a plan to sustain the work over one, two and even five-years | Two-Three monthly webinars (2-3/mo)  
Work with world-class faculty in areas that include:  
• Leadership  
• Clinical improvement  
• Finance  
• “Less of” and lean methodologies  
Add new tools and resources to team portfolio  
Experience small group coaching from faculty experts | Faculty will provide coaching related to:  
Portfolio development  
Strategic alignment  
Clinical improvement processes  
Waste reduction strategies  
Productivity measurement and implications to clinical and financial outcomes  
Developing and sustaining financial measurement systems  
Implementation of a variety of additional tools and methodologies related to waste reduction & quality improvement |
Program overview: What do we ask in return?

• Participation from each site in face-to-face meetings
• Attendance and participation in interactive webinars between meetings
• Active sharing of experience and insights with others in the program
• Regular reporting on results of improvement efforts to others in the program
Program overview: Who should join

• Organizations with a strong track record of improvement and demonstrated quality outcomes

• Teams with representation from three different dimensions: organizational leadership, technical or improvement expertise, and day-to-day leadership

• At least one or more individuals on the team that represent each dimension. One individual may fulfill more than one role, but all three components should be represented in order to drive change in your organization.
Impacting Cost + Quality 2010-2011 Participating Teams

- Hackensack University Medical Center
- University of Pittsburgh Medical Center
- Markham Stouffville Hospital
- Presbyterian Hospital
- Baptist Memorial Health Care Corporation
- Novant Health
- Bert Fish Medical Center
- Kaiser Permanente - West Los Angeles Medical Center
- Alliance Community Hospital
- Florida Hospital Waterman
- Highline Medical Center
- The County Council of Jönköping
- Georgetown Memorial Hospital
- NCH Healthcare System
- Kingsbrook Jewish Medical Center
- Baptist Memorial Health Care Corporation - Memphis
- Florida Hospital Deland
- MemorialCare Health System
- Florida Hospital Zephyrhills
- Interim Healthcare of Greenville, Inc.
- Blessing Hospital
- Appalachian Regional Healthcare
- University of Rochester Medical Center
- Baptist Memorial Hospital
- Veteran's Association
- University of Kansas Hospital
- Ochsner Health Systems
- Hotel Dieu Hospital
- Florida Hospital Flagler
- Florida Hospital Fish Memorial (FHFM)
- Memorial Hospital of Sweetwater County
- Florida Hospital Heartland Division
- Hawaii Pacific Health
- King's Daughters Medical Center
- Waverly Health Center
- Northeast Health
- Meriter Health Services
- Alexian Brothers Health System
- South County Hospital
- Claxton-Hepburn Medical Center
Program overview:
The cost to join Impacting Cost + Quality

• $16,500 per team
• Includes access to all program events and materials; does not include travel expenses
• IHI is pleased to offer a 50% discount to hospitals with fewer than 50 beds and members of National Association of Public Hospitals
• Scholarships are available in the case of financial need
Please join us

More info available here:
www.IHI.org/ImpactingCostandQuality

We would be happy to speak directly with teams that have additional questions or would like further information about this exciting initiative. Please contact us at Imusick@ihi.org