

*The
Leadership
Factor in*



Value-Based Purchasing™

*How to leverage HCAHPS/VBP to create a
World-class patient experience*



The Leadership Factor in Value Based Purchasing

Mission: “How to Leverage HCAHPS/VBP to Create a World Class Patient Experience”

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The Leadership Factor

Servant Leadership:

*“A lifelong journey that includes
discovery of one’s self,
a desire to serve others,
and a commitment to lead!”*

-Robert Greenleaf

Leadership Defined:

“Creating the future with and through others.”

“Getting people to follow you for a purpose.”

-Clint Maun, CSP

The Future:

A loving, compassionate patient experience

The Goal:

- Every patient
- Every time
- No Exceptions!

Leadership is: *“When others want to play with you...and your game”*

Leading a Leadership Revolution

“REVOLUTION”

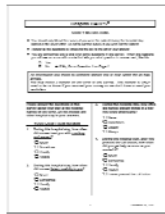
A fundamental change in power or organizational structures that takes place in a relatively short period of time.

VISION: “The art of seeing things invisible.” – Jonathan Swift
 “The bridge between wish and will.”

INSPIRE: “Causing others to take action by example.”

Master HCAHPS & Pay for Reporting

The Hospital Consumer Assessment of Healthcare Providers and Systems, Or
 “Happy Campers At Hospitals Praise Staff.”
 -Laura Stollard, St Elizabeth’s



HCAHPS Mandatory Survey

- 27 questions, 22 performance rated questions was adopted on May 12, 2005 and was rolled out in the Spring of 2007. It became publicly reported in March of 2008.
www.hospitalcompare.hhs.com

300 Patients/Year

A random survey of 300 patients per year, to be reported quarterly to www.hospitalcompare.hhs.gov

HCAHPS Rating System

With HCAHPS, patient expectations will shift from “Top Box” 5 out of 5 to
 “Always” - 4 out of 4, or a 9 & 10 out of 10.

- | |
|---------------|
| 1 – Never |
| 2 – Sometimes |
| 3 – Usually |
| 4 – Always |

Example: HCAHPS Domain 5- Pain Control

13. How often was your pain well controlled?

14. How often did hospital staff do everything they could to help you with your pain?

“Frequency of good pain control?”



“Overall Rating?”



MAXIMIZE REIMBURSEMENT BY MASTERING VALUE BASED PURCHASING

❑ **Premiere Hospital Quality Incentive Pilot**

1. October 2003 – September 2006
2. 250 Hospitals
3. 3rd Year 112 received \$24.5 million
4. Saved 2,500 lives from heart attacks



Historic Date #1: Deficit Reduction Act of 2005 - Congress ordered CMS to report on ways to enhance Value-Based Purchasing

Historic Date #2 CMS begins to fill-in-the-blanks with report to congress Nov. 2007
Plans to Implement a Medicare Hospital Value-Based Purchasing Program.

Historic Date #3 Sunday, March 21, 2010 – Houses pass Healthcare Reform Bill

The Patient Protection & Affordable Care Act

Historic Date #4 March 23, 2010 – President signs into law

Caution

- This information is based on legislation approved to date,
- & Proposed CMS implementation documentation,
- & In the absence of final published regulations and procedures certain assumptions have been made based upon prevailing conventional wisdom

The Good News There will be financial incentives for achievement & improvement Of HCAHPS Scores...

The bad news – There will be *no new money*.

Effective Oct 1, 2012 Hospital's base DRG payments will be **reduced by 1%** ...to pay for VBP incentive payments

Effective Oct 1, 2011 the baseline **VBP measurement starts** by comparing your hospital's current measure-score with its **prior-period baseline**

This leaves you _____ months and _____ days!

... and that's just the start of DRG payment reduction...

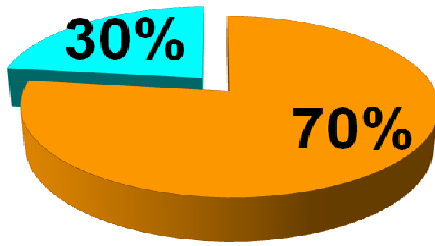
- F2013: 1.0%
- F2014: 1.25%
- F2015: 1.5%
- F2016: 1.75%
- F2017: 2.0%

Mastering Reimbursement by mastering Value-Based Purchasing(cont'd)

How Hospitals "Performance Score" will be rated **30%** Patient Experience

70% Core Measures

1. Acute myocardial infarction (AMI)
2. Heart Failure
3. Pneumonia
4. Surgeries
5. Healthcare-associated infections

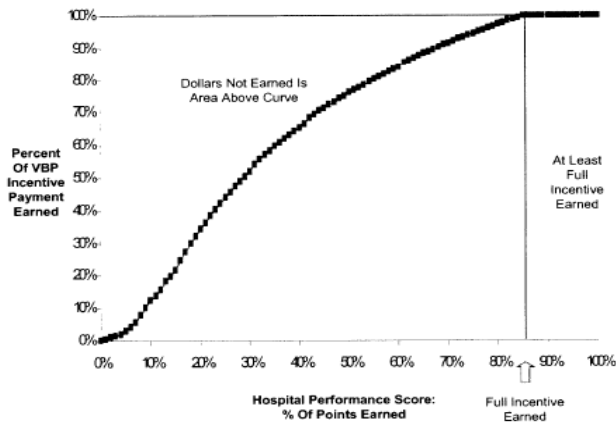


■ VBP Dollars at Stake

Current HCAHPS 10 Themes: (7 in the future?)

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Communication with Doctors 2. Communication with Nurses 3. Responsiveness of Hospital Staff 4. Pain Management 5. Communication about Medicines | <ol style="list-style-type: none"> 6. Cleanliness of room 7. Quietness of room at night 8. Discharge Information 9. Overall Rating 10. Recommendation to others |
|--|---|

Translating performance score into incentive payment: Example



Improvement or Attainment
Pick your best

How to earn back withheld DRG Payments

Earn **Attainment Points** based on your national HCAHPS percentile rank.

Earn **Improvement Points** based on national percentile rank improvement over last year.

National Percentile Rank...

- **Will not be displayed** to consumers but will be used to determine reimbursement
- Hospitals need to know their national percentile ranks in **real time**.
- You can't afford to compare yourself to **last year's** publicly reported data.

Your DRG payment will be increased when you;

- Meet or exceed performance standards
- Based on your Hospital's Services

Master HCAHPS & Pay for Reporting (cont'd)

The Secretary is now “The Decider” and will set performance standards **60 Days prior to the next fiscal year** for each category, based on experience, improvement rates, and opportunities for continued improvement

Value-Based Purchasing Update and Model Results

- CMS proposal required **2% - 5%** of Medicare IHPPS payments to be set aside & redistributed to “quality” hospitals
- For now, **assume 4%**

Expect a Bandwagon Effect

Expectation is that private insurers will jump on this bandwagon shortly after.

Critical Access is next...

Critical access demonstration begins 2010-2015, across a representative spectrum.

Recommendation #1

“Act as if HCAHPS is mandatory!” –Brian Lee, CSP

Recommendation #2

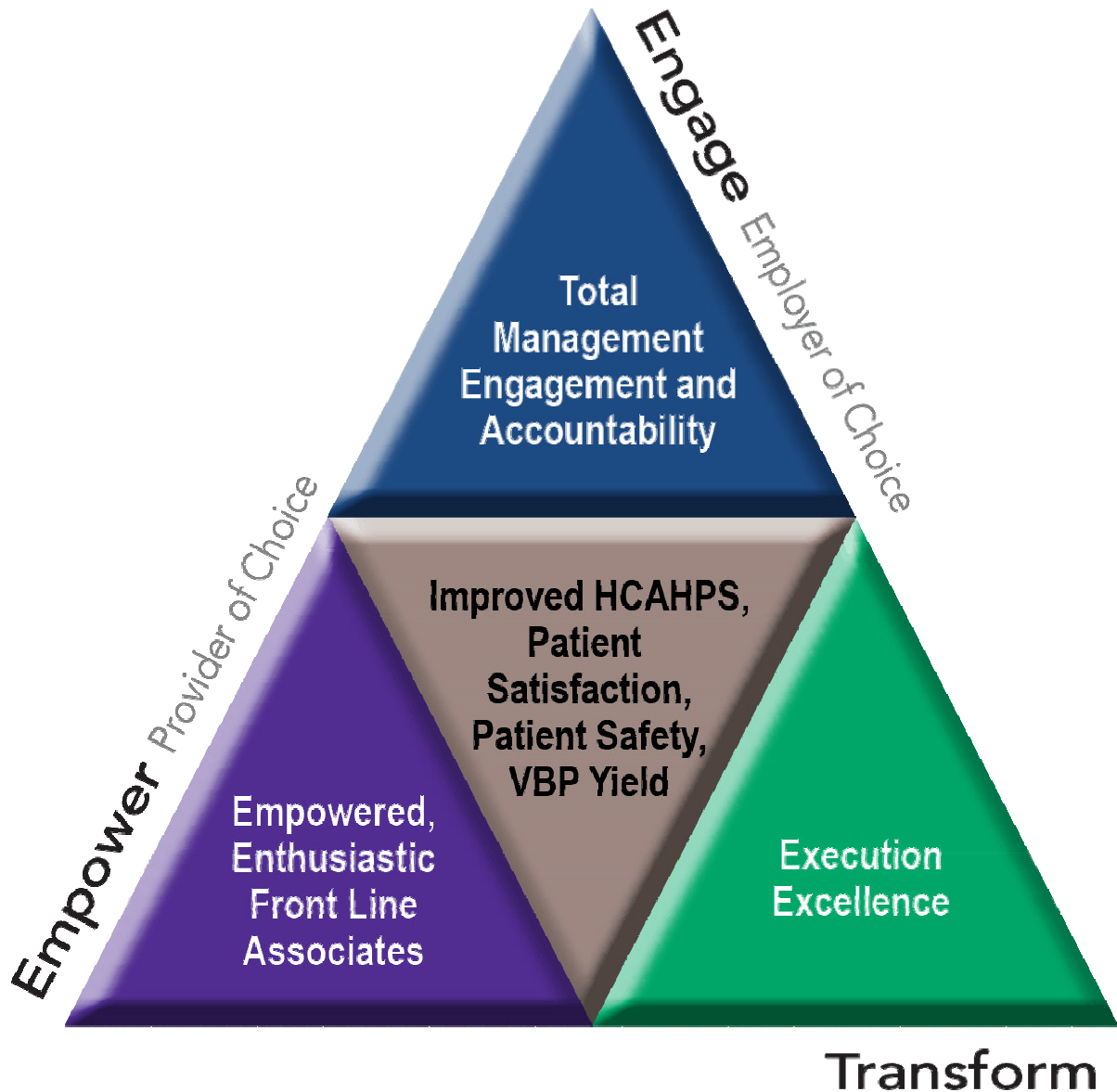
- Do a financial ‘dry run’ and estimate the potential cost to your bottom line now.

Recommendation #3

- Make HCAHPS improvement a top priority by setting goals to;
 - **Goal #1-** Engage **absolutely** everyone **NOW!**
 - **Goal #2-** to be **well above** the national average **in every domain** by **Oct. 1, 2011.**
 - **Goal #3-** to be in the **top quartile** by **Oct. 1, 2012.**

The Leadership Factor
URGENCY
The Need for Urgency: Rapid Cycle Improvement

The 3 Cornerstones of a Culture of Engagement





CORNERSTONE #1

“TOTAL MANAGEMENT ENGAGEMENT AND ACCOUNTABILITY”

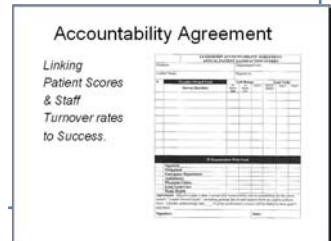
☐ Breakthrough Recommendation #IV:

“Hardwire” for High Performance Accountability & Sustainability

- By linking leaders job descriptions & performance incentives,
- Through an annually negotiated **Accountability Agreement** for improved patient and employee satisfaction.

Recommended Tool “B” – Leadership Accountability Agreement Forms

- Is a set of boilerplate forms to enable you to create customized accountability agreements for Executive team and hospital leadership.
- Includes sample HCAHPS forms as well as sample core survey forms.
- Suggestions for structuring financial incentives.



☐ Breakthrough Recommendation #V:

Train and engage your **entire management team** to serve on cross departmental, performance improvement **teams** to implement HCAHPS correlated prioritized Best Practices.

- 6 to 10 managers, cross functional membership
- That implement one Best Practice Project per year
- The Goal – to implement **6 “Hospital of Choice” Best Practices** a year for **3 years**

Year I Priority Best Practice Recommendations*

- | | |
|----------|----------|
| 1. _____ | 4. _____ |
| 2. _____ | 5. _____ |
| 3. _____ | 6. _____ |

*Based on a Best Practice Gap Analysis

Hospital Of Choice Imperatives

Employer Of Choice

- I. Leadership Performance Accountability**
 1. Annual Leadership Accountability Agreements
 2. CEO Service Support Roundtables
 3. Performance Measurement And Incentive Process
 4. Executive Leadership Coaching
 5. Leadership Best Practice Performance Improvement Teams
- II. Staff Retention & Recruitment**
 1. Semi-Annual Leadership Empowerment Survey
 2. Resignation Recovery Protocol
 3. Service Empowerment Leadership Training
 4. Daily Leader Staff Rounding
- III. Peer Selection & Performance Review**
 1. Peer Hiring Screens Utilizing Service Standards
- IV. Orientation & Onboarding Process**
 1. First Year New Hire Onboarding Process
- V. Awards & Recognition**
 1. Awards & Recognition Process
 2. Semi-Annual Best Practice Sharing Celebration
- VI. Physician Satisfaction And Engagement**
 1. Physician Satisfaction Measurement & Improvement Plan
 2. Comparative Ranking Of Physician Patient Satisfaction Scores
 3. Service Excellence Education For Physicians
 4. Physician Advisory Team On Patient Satisfaction Results

Provider Of Choice

- VII. Service Standards**
 1. Service Standards
 2. Service Scripting
 3. Empowered Frontline Leader Train-The-Trainer
 4. Annual Service Excellence Staff Training
- VIII. Service Recovery**
 1. Service Recovery System
 2. Inspirational Story Telling
- IX. Moments Of Truth**
 1. Communicate Patient Satisfaction Survey Results To Staff
 2. Weekly HCAHPS Service Huddle
 3. Departmental Service Improvement Action Plan Implemented Via Monthly Staff Improvement Meetings
 4. Internal Support Services Score Card
 5. Admitting Patient Preference/Patient Room White Board
- X. Discharge Satisfaction**
 1. Administrator Patient Welcome Visit
 2. Early Warning Report Card
 3. Nurse Hourly Rounding
 4. Patient Discharge Phone Survey
- XI. HCAHPS/Value-Based Purchasing Focus**
 1. 60 Day Quickstart Initiative
 2. Nursing Care
 3. Physician Care
 4. Pain Control/Medication
 5. Overall Hospital Experience
- XII. Emergency Department Breakthrough**
 1. Best Practice Gap Analysis Comprehensive Assessment
 2. Service Throughput Process Redesign

Recommended Tool “C” – Best Practice Gap Analysis

- Summarizes highly correlated Best Practices necessary to become an Employer and Provider of Choice.
- Self-scoring tool.
- The basis for a “100 Day Rapid Action Plan”



CORNERSTONE #2

“EMPOWERED, ENTHUSIASTIC FRONT LINE ASSOCIATES”

Breakthrough Recommendation #VI:

Engage and train a representative group of the **best of your frontline staff** to serve as a positive role model and teach an **HCAHPS – based Service Excellence Workshop** to all current staff and new hires.

Recommendation:

Consider Utilizing The “Service Excellence Advisor™” Concept:

1. Frontline/non-management.
2. Terrific attitude.
3. Demonstrated commitment to patient satisfaction.

Service Excellence Advisors:

- Are recruited at a ratio of 1 for 10-20 staff.
- Are appointed for one year term, as part of their existing job.
- Teach a 3-hour Service Excellence Workshop to their peers in teams of 4.
- Experience a rocket ship ride of personal and professional growth.



The SEA Creed:

“We must become the change we want to see.” - Gandhi



Cary Medical Center



Penobscot Valley Hospital



Question:

What do you see is the value of frontline engagement, empowerment, and enthusiasm?

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____

Recommended Tool “D” – Frontline Leader Recruitment and Selection Criteria

- Is a step-by-step guideline for recruiting and selecting frontline leaders (ie, Service Excellence Advisors).
- Includes manager nomination forms.

 **CORNERSTONE #3**
“EXECUTION EXCELLENCE”

Breakthrough Recommendation #VII:

Job #1 – Make sure you have achieved universal HCAHPS patient satisfaction survey literacy.

Patient Satisfaction Literacy Survey *

“Your people can’t care about what they don’t know about.”

-Brian Lee CSP

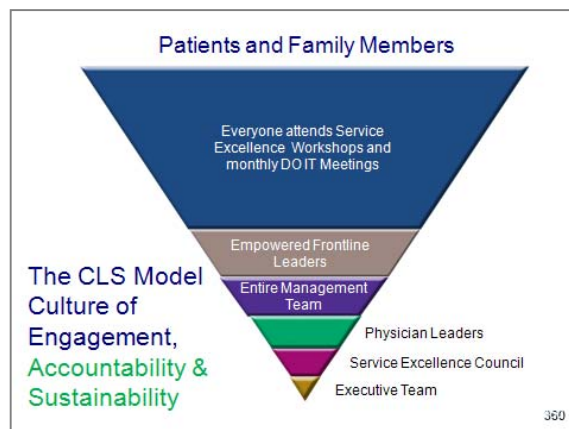
- | | | | |
|----|------------|-----------|--|
| 1. | Yes | No | Do you know your department’s latest Patient Satisfaction scores?
What are they? |
| 2. | Yes | No | Do you know how the scores have changed since the previous report? How? |
| 3. | Yes | No | Can you identify two of the top 10 things your patients say that you and your peers do best? What are they? |
| 4. | Yes | No | Can you identify two of the top 10 things your patients say that you and your peers can improve upon? What are they? |
| 5. | Yes | No | Can you name your work groups current Service Improvement Project(s)?
What is it? |

*Source: Custom Learning Systems Group Ltd

Recommended Tool “E” – Seminar PowerPoint

- Is an actual digital download of this Seminar PowerPoint, ready-to-use to educate peers and leaders not here today.
- Please note: the proprietary copyrighted content may only be used by you for peer education at your current employer.

HOW TO ENGAGE EVERYONE TO BECOME A HOSPITAL OF CHOICE



RECOMMENDED TOOLS *From* The HCAHPS Hospital of Choice™

A. Focus Group Facilitators Guide

- Is a step-by-step how-to guide on how to organize a frontline staff focus group.
- Clarifies how to target, recruit, and acknowledge attendees.
- Provides facilitation guidance on the critical steps for an effective, objective listening experience.

B. Leadership Accountability Agreement Forms

- Is a set of boilerplate forms to enable a designated coordinator to craft relevant, customized accountability agreements for Executive team and hospital leadership.
- Includes sample HCAHPS forms as well as sample core survey forms.
- Suggestions for structuring financial incentives.

C. Best Practice Gap Analysis

- Summarizes highly correlated Best Practices necessary to become an Employer and Provider of Choice.
- Self-scoring tool.
- The basis for a “100 Day Rapid Action Plan.”

D. Frontline Leader Recruitment and Selection Criteria

- Is a step-by-step guideline for recruiting and selecting frontline leaders (ie, Service Excellence Advisors).
- Includes manager nomination forms.

E. PowerPoint Seminar

- Is an actual digital download of this PowerPoint Seminar, ready-to-use to educate peers and leaders not here today.
- Please note: the proprietary copyrighted content may only be used by you for peer education at your current employer.

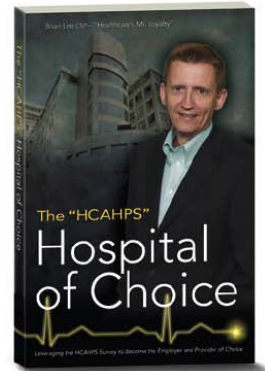


A special 1-hour Leadership Teleconference

facilitated by Brian Lee CSP

The HCAHPS Hospital of Choice for the C-Suite

*Vital information on the CMS Value-Based Purchasing
initiative for the CEO, CNO, CFO, VP of HR and
other senior leadership team members*



Brian Lee CSP, Author

Your Executive/Senior Leadership Team Will Learn:

- Exactly what economic impact the CMS Value Based Purchasing legislation will have on your bottom line effective October 1, 2011, and how to avoid crippling losses and maximize reimbursement.
- Which of the 12 biggest barriers may be preventing you from improving the patient experience, and how to overcome them.
- How to create a culture of engagement, and ignite an internal service revolution that will pay dividend for years.
- How to empower front line staff to be accountable for the delivery of world class patient satisfaction.
- How to implement a 60-day high-speed HCAHPS scores improvement process to create a permanent sustainable customer driven culture.

Your name _____ Position _____

Hospital _____

Preferred Date and Time of Coaching Call _____ Time Zone _____

Phone _____ E-mail _____

Call with: CEO Executive Team Service Excellence Council

Other _____

Participant Satisfaction Report

Please Print

Driving HCAHPS to Sustain Excellence

Group/Event: American Academy Of Medical Administrators **Date:** Thursday, November 18, 2010 **City:** Clearwater Beach, FL

You've just heard from me, now I'd like to hear from you. Evaluation is the "genius" of growth - and I sincerely value your comments about this presentation, so that I can improve in the future. Thank you.

1. We **totally employ** about # **staff**, and # **Managers**, to service approximately # **beds**.

2. **For me, the most valuable idea I learned and intend to use is:**

3. **What I would tell others about the quality of the speakers and value of the content:**

O.K. to quote me: YES NO

4. **Presentation improvements I would suggest:**

5. **On a scale of 1 - 5, this presentation:** (Met My Expectations) 5 4 3 2 1 (Did Not)

6. Current Patient Satisfaction scores Now ____ % percentile Goal ____% percentile

1. **Free "SMART" Tool Coaching:** Patient Survey Company _____

- | | |
|---|--|
| Yes A. Service Excellence Council Charter | Yes E. Economic Impact Statement Forms |
| Yes B. Best Practice Gap Analysis | Yes F. Seminar PowerPoint |
| Yes C. Frontline Leader Recruitment and Selection Criteria | Yes G. Accountability Agreement Forms |
| Yes D1. May be interested in a Coaching Call | Yes H. Value-Based Purchasing Spreadsheet |
| Yes D2. Would like a 1 hour Leadership Teleconference | |

8. **Yes** Information about a similar presentation to our leadership and staff

9. PS I would like you to know: _____ More on reverse

First Name: _____ Last Name: _____

Organization: _____ Position: _____

Organization Address: _____

City: _____ State/Prov: _____ Zip/PC: _____

Bus. Phone: () _____ Extension: _____ Fax: () _____

*Email: _____ Cell: () _____

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