



NATIONAL  
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RESOURCE CENTER

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# **Assembling a Blue Print for Quality**

## A Rural Hospital Guide to Performance Improvement and Frameworks for Success

**Terry Hill**  
Executive Director  
April 2013



## CAH Challenges

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- Managing complexity and change
- Demonstrating value
- Generating patient volume/loyalty
- Becoming efficient
- Identifying and strategically pursuing a role in the new reform models



## Quality Lives in Health Care When We:

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- Maximize the chance we get patient care right the first time
- Minimize the risks that a medical error will harm the patient
- Ensure that care and operations are consistent with the highest standards



# Why Quality Strategies Fail



**70% of CEO failures are a result of not being able to execute strategy**

Adapted from Kaplan and Norton, *The Strategy-Focused Organization*, 2000, and Paul Niven, *Balanced Scorecard Step-by-Step*, 2003



## The Need for a Strategic Framework

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The case for change and the reality of change calls for an organized process for leading and driving change and creating a culture that supports change. That requires frameworks.

Borrowed with permission: Jim Hobbs, FACHE, Client Principal,  
GE Healthcare Performance Solutions



## Definition of Framework

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“A framework for getting people, processes and resources aligned and moving in the same direction. The ultimate goal is to achieve strategies that benefit the customer and the bottom line and that result in organizational excellence.”

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## Top Reasons for Strategic Frameworks

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1. Creates an organized process for leading and driving change
2. Creates a culture that supports change
3. Enables a broad-based systems approach
4. Supports quality reporting that drives improvement



## Top Reasons for Strategic Frameworks and Evaluation

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5. Opportunity to document where you have been and where you want to be
6. Opportunity to know where you are right now and make mid-course corrections
7. Aligns people, processes and resources
8. Links individual department operations to organizational strategy





# Quality Leadership Summit 2010

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Rural health quality leaders convened in Minnesota to:

- Generate a comprehensive list of lessons learned
- Explore business frameworks to manage culture change and performance improvement
- Examine the relationships between leadership and quality excellence
- Share the gathered knowledge with others



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# Quality Leadership Summit 2010

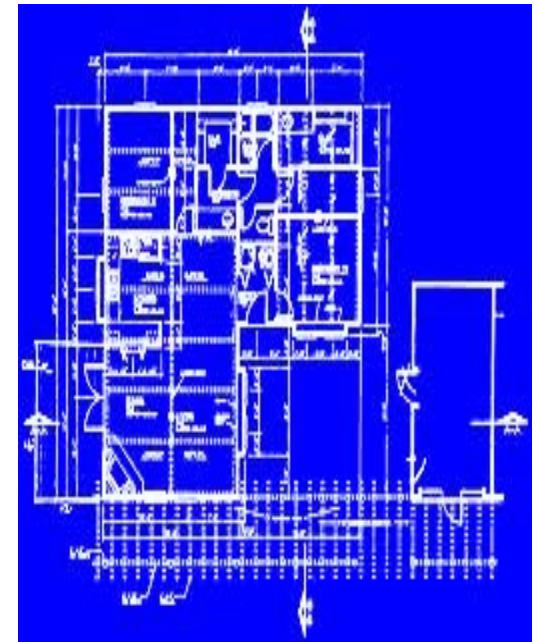
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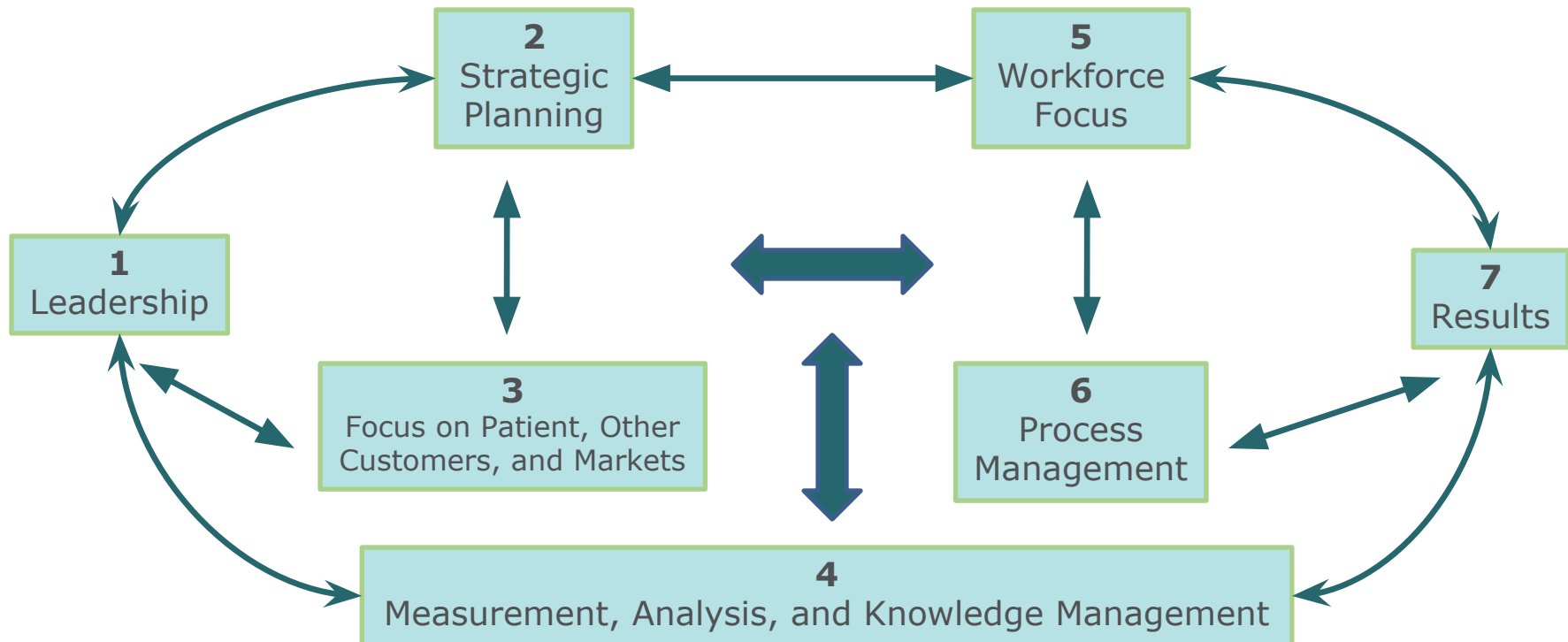
# Assembling a Blue Print for Quality

- Quality improvement initiatives require a systems-based framework
- Baldrige Performance Excellence Framework was proposed by Summit leaders as a good way to manage quality initiatives



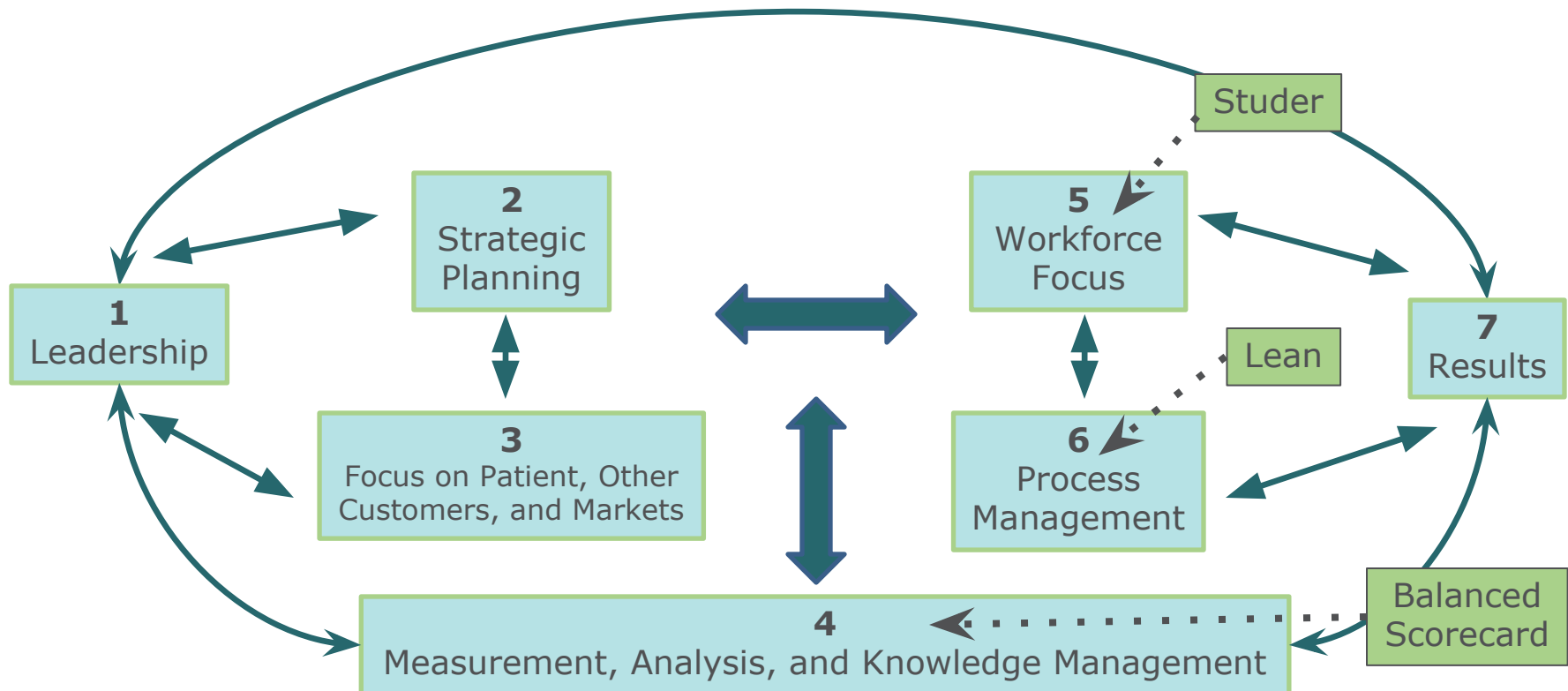


# Baldrige Performance Excellence Framework





# Baldrige Criteria for Performance Excellence Framework

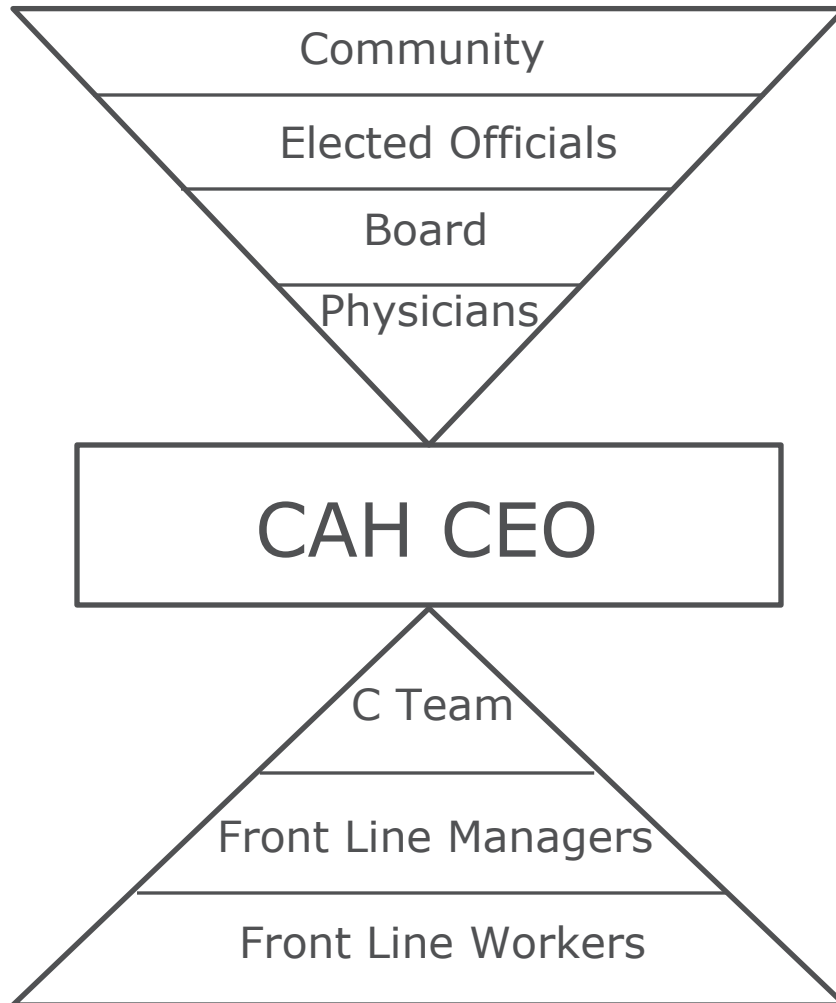




## Key Hospital Leaders

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- Board
- C-team
- Physicians
- Department managers
- Informal leaders



# CAH Leadership Challenges



## Leadership

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- Senior leaders need to be change agents
- Leaders must create and promote the culture
- Leaders must understand their complex systems and take a systems approach
- Boards must be educated on quality systems and the need for change





## Strategic Planning

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- Should be dynamic, specific, quantifiable
- Should be understood by all hospital staff
- Should represent a convergence between mission, operations, and budget
- Requires funding support, leadership attention, and feedback information loops



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## Strategic Planning

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“If you don’t know where you are going, any road will get you there.”

Lewis Carroll, Author



# Formula for Center Excellence

## Learning & Growth

Optimize Highly Skilled Staff

Foster Change Ready Culture

Maximize Web/Information Technology

## Internal Processes

Increase Marketing Effectiveness/Sales

Maximize Improvement Processes

Communicate Effectively

## Customers & Partners

Identify Emerging Needs of Customers

Provide Excellent Customer Service

Build Meaningful Partnerships

## Financial

Develop and Invest Reserves

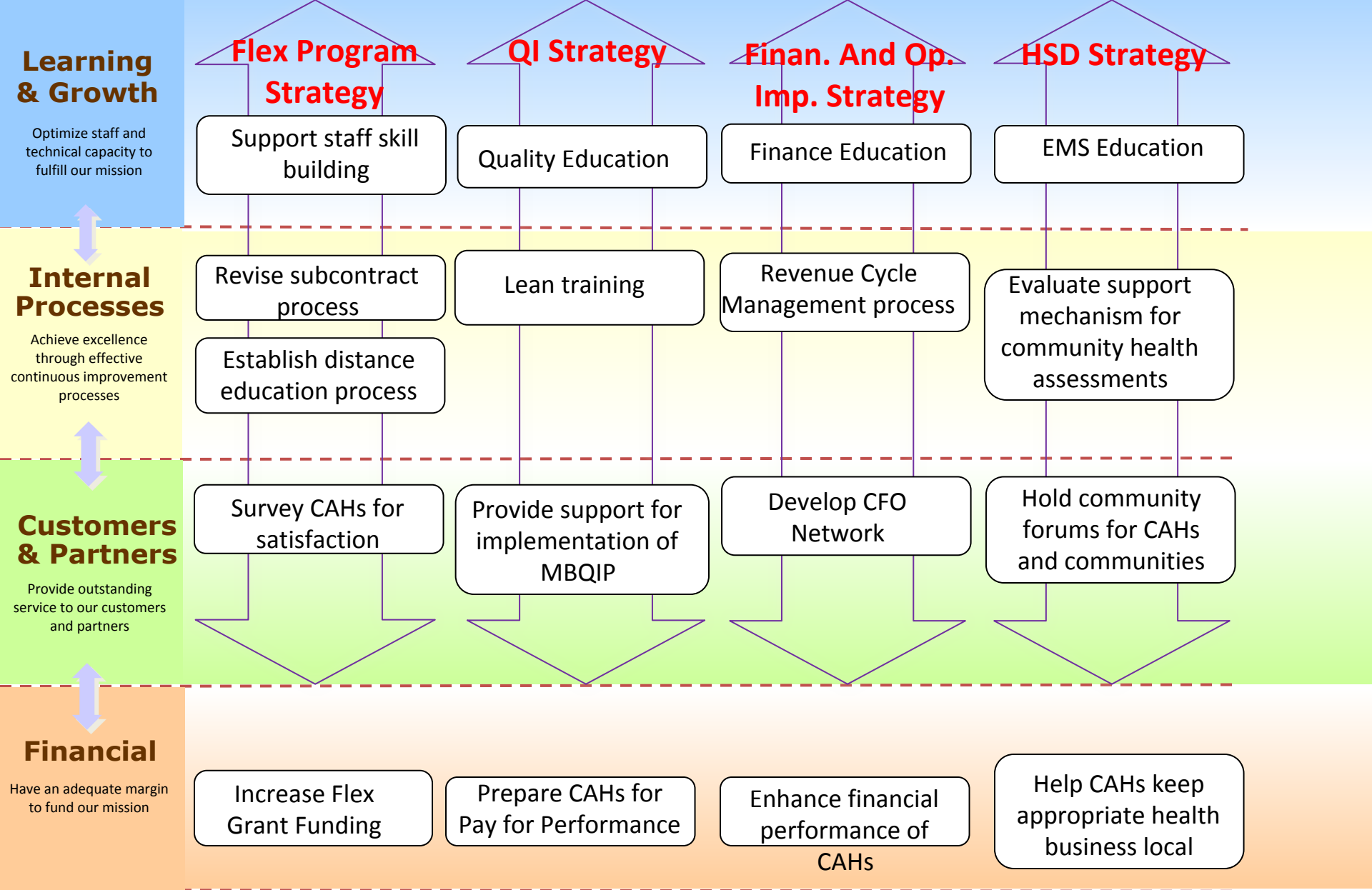
Diversify Revenue

Maximize Value of Product and Services

**Mission:** The National Rural Health Resource Center provides technical assistance, information, tools and resources for the improvement of rural healthcare. It serves as a national rural health knowledge center and strives to build state and local capacity.

**Vision:** The National Rural Health Resource Center will be the premier national resource for rural health information, education and technical assistance and serve as a catalyst for improved healthcare delivery in rural communities.

**Strategy Statement:** Tailored to customer needs, The Center provides rural health knowledge, education, and resources through collaboration and innovation while ensuring excellence. The Center works with organizations to improve and sustain the health and well being of rural communities.



**Mission:**

**Vision:**



## Patients, Customers, Communities

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- Continuously monitor patient satisfaction
- Treat physicians as primary customers
- Communicate with service area residents and assess community needs and wants
- Look for networking and partnering opportunities with others





# Patients, Customers, Communities

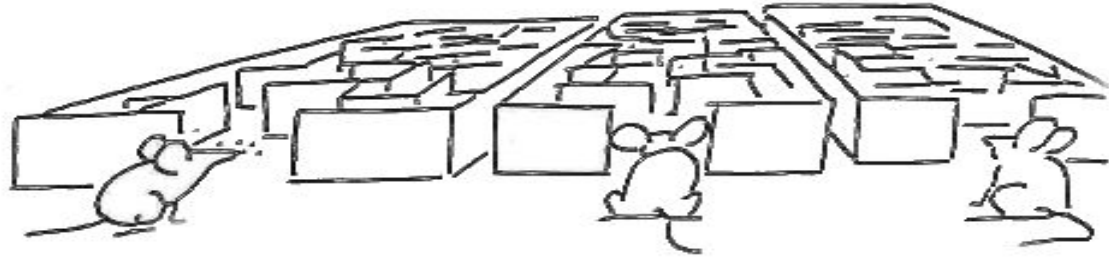
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“Learning, networking, and best practices all need to become hardwired within an organization.”

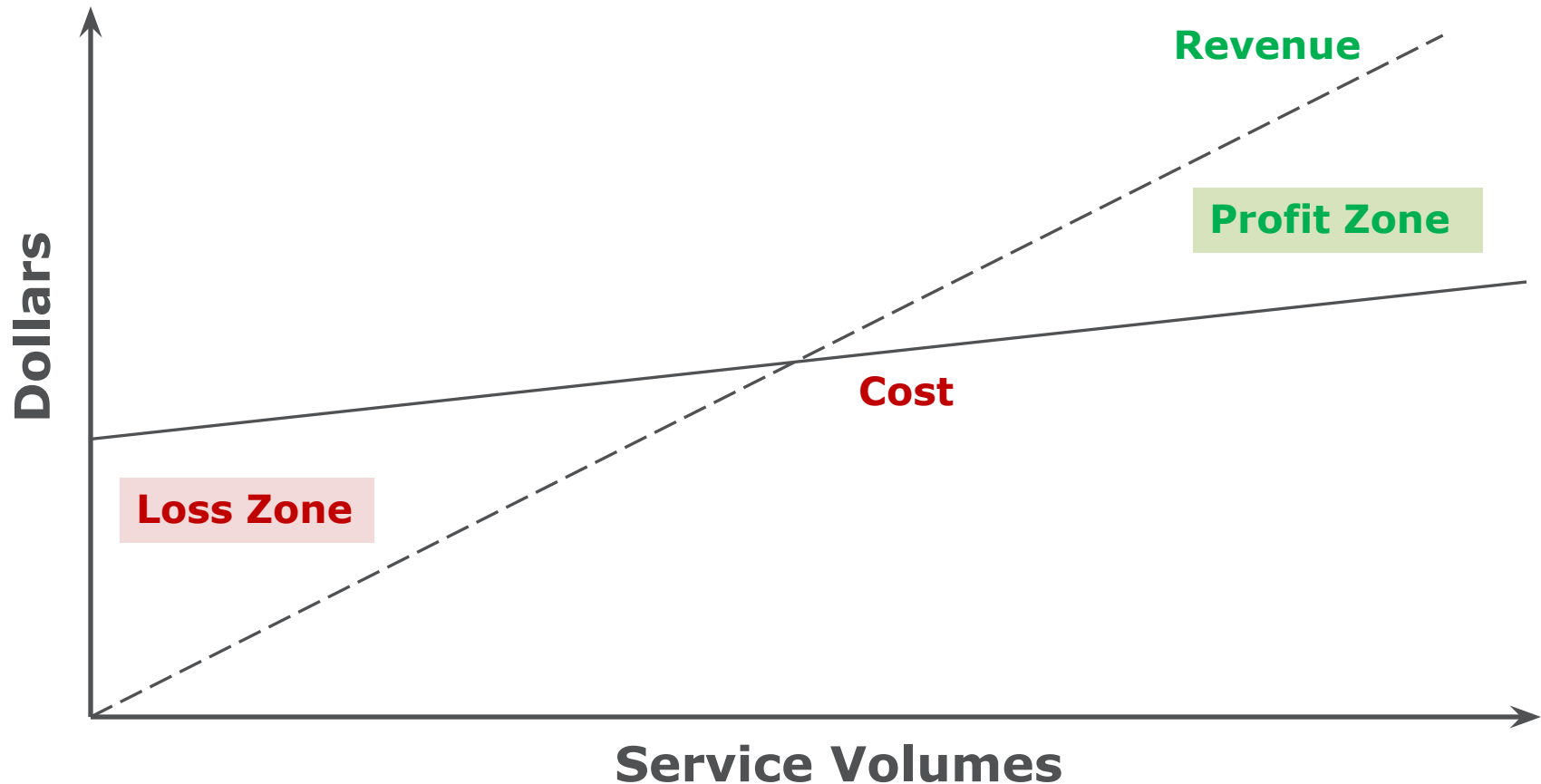
Jennifer Lundblad, Executive Director, Stratis Health

# A Collaborative Effort





# CAH Formula for Success







## Why Migration Happens

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- Physician referrals out of areas
- Negative perception of local hospital
- Lack of knowledge/understanding of local services
- Inconsistent customer service and quality
- Lack of innovative ways to engage the community



# Measurement, Feedback, Knowledge Management

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- Find an appropriate strategic framework to ensure a holistic focus
- Build in feedback loops to enable timely process improvements
- Make the framework and scorecard understandable and relevant to all staff



## Measurement, Feedback, Knowledge Management

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“Story telling is crucial in getting the buy-in for the implementation of frameworks, such as the Balanced Scorecard. The Balanced Scorecard creates an obsession with people, not an obsession with numbers.”

John Roberts, Executive Director, Nebraska Rural Health Association





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D	Website visits	10% increase from same quarter, previous year	Quarterly	47.8% 8841 (5980)	48.4% 8370 (5640)	29.6% 9697 (7482)	-1.68% 9092 (9247)	
E	Bounce rate	40% (or less)	Quarterly	44.2%	44.4%	43.5%	44.1%	
<b>Internal Processes</b>				<b>SEPT11</b>	<b>DEC11</b>	<b>MAR12</b>	<b>JUNE12</b>	
G	Process improvement implemented (Color/trend line reflect cumulative standing, not quarter result)	25%/qtr cumulative	Quarterly	21% (3 of 14) Kim Angie Kami	0% (0 of 15)	36% (5 of 14) Sally T Sally B Nicole Jere-lyn Phil	36% (5 of 14) Dan Kap Leslie Tony Tracy	
H	Staff satisfaction Survey Questions 10, 11, 15	4.3	Annual	4.23				



## Staff and Culture

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- Performance improvement requires alignment of hospital's cultural subgroups
- Frequent feedback and reinforcement from leaders to staff is essential for buy-in and follow through
- Meaningful culture change always takes time
- Measure organizational culture through staff satisfaction surveys



## Staff and Culture

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"To address this mistake we must use root-cause analysis. I'll begin by saying it's not my fault."

"Culture trumps strategy on virtually every occasion."

Brock Slabach, Senior VP  
of Member Services,  
National Rural Health  
Association



## Process Management

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- Quality excellence requires continuous performance improvement
- Process mapping and process redesign will be necessary for electronic health records
- Quality information should be specific, relevant, actionable, and reportable
- Best practices and lessons learned should be captured and shared with others



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## Process Management and Quality Reporting

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“At best, Electronic Health Records can hardwire quality.”

Darlene Bainbridge,  
President, D.D. Bainbridge &  
Associates, Inc.







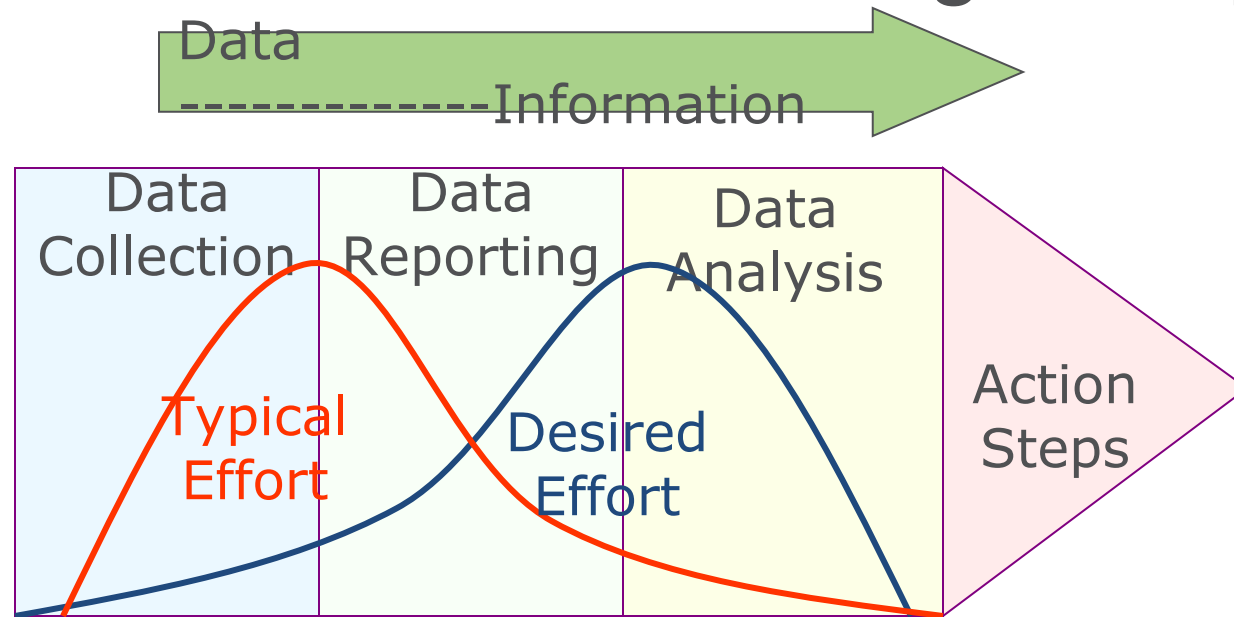
## Impact

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- Quality measurement and outcome transparency are increasingly important
- Quality outcomes should be translated into information that is relevant and easily accessible to rural health leaders/providers
- More time should be spent on data analysis



# CAH Data Collection: Strategic Purpose



- Significant investments in collecting data (regulatory or accreditation purposes) → limits value
- Goal: push the Effort Curve to the right



## Impact

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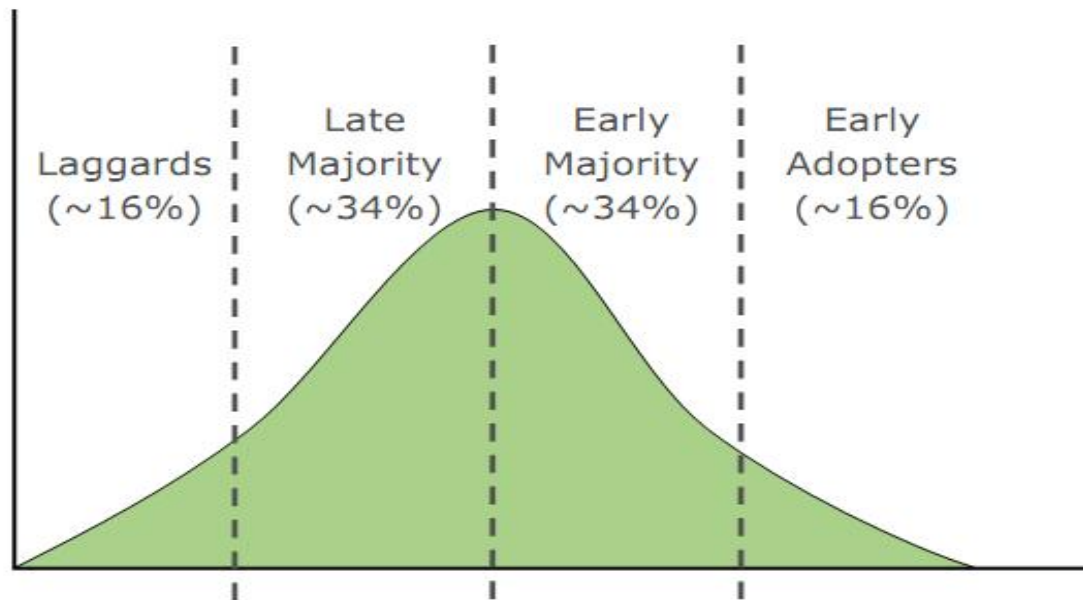
“Customization of hospital performance indicators and reports to meet hospital-specific needs is crucial.”

Larry Baronner  
Flex Coordinator, Pennsylvania  
Office of Rural Health



# Knowledge Capture and Dissemination

## Bell-Shaped Curve





## Conclusion

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“I think healthcare is more about love than about most other things. At the core of this, two human beings have agreed to be in a relationship where one is trying to relieve the suffering of another.”



Don Berwick, Administrator,  
Center for Medicare & Medicaid  
Services



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“Even if you’re on the right track,  
you’ll get run over if you just sit there.”  
-Will Rogers



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# Terry Hill

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Executive Director

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