



Assuming Quality Leadership

Each year, Alegent Health—a nine-hospital health care system headquartered in Omaha, Neb., and the largest not-for-profit, faith-based system in Nebraska and southwestern Iowa—hosts a celebration for its entire management team. It's an evening for the board and executive leadership to applaud the hard work of the past year and acknowledge significant achievements. The most recent celebration was also a night to give special

thanks to Kathryn Mershon, M.S.N., who was retiring from the Alegent Health Board after eight years of dedicated service.

When Alegent Health's CEO, Wayne Sensor, thanked Mershon for her tireless contributions, especially relating to quality, he shared a memorable moment with the group: "I will never forget the day Kathy asked me the tough question, 'How is the board holding Alegent Health accountable for the quality of care we provide?'" It was a moment that would set the stage for change and continues to benefit the organization.

That was one of the first questions Mershon asked Sensor when he took the helm of Alegent Health in June 2004, and one she had been posing to Alegent Health's board and executive leadership since joining the board a few years earlier.

Mershon is not only a national authority on nursing, but she has also had career-long experience as a health care executive, most recently as president of her own firm in Louisville, Ky., consulting with health care clients to improve nursing leadership and outcomes.

She recalls, "Since the time I first asked the question at my

third meeting as a board member, it bothered me that nobody seemed to have a sense of the quality of care that Alegent Health was providing. That's not to say nobody cared or that the quality wasn't good, they just had never made it a focus of discussion or accountability."

While Mershon may not have initially received an acceptable answer to her question, Sensor says, "The short answer was that we weren't being held accountable for our quality of care. In fact, the first quality reports we tracked were more 'red' than 'green'—meaning most of our quality scores were falling below what we had established as goals."

Sensor continues, "Asking that question was the beginning in a series of changes. When I came to Alegent Health, I knew I wanted to make leadership in quality a major initiative, but Kathy's question made me realize that before we could affect the quality of care at the bedside, we had to make certain that the right governance structure was in place to create a foundation from which we could build. From that point on, a natural and rapid progression of change began to take place."

BY DINA MAAS

Defining the Board's Role

The first task was to determine how the board understood its responsibility for overseeing quality. After not receiving an answer to her question the first time she asked it, Mershon volunteered to serve on the system's Professional Affairs Committee—the committee delegated with overseeing quality. Over time, she became disappointed that its primary focus was credentialing and that the committee didn't spend much time on quality. The board did not receive any reports giving it clear, measurable information about safety and quality.

Mershon explains, "Once Wayne arrived at Alegant, I remember working very carefully with him to come up with an alternative to the original committee. We used the same structure in general, but renamed it the Patient Safety and Quality Committee and assigned a board member as chair. We totally revamped its focus and duty and made the committee directly accountable to the board."

While this change was taking place, Alegant Health, formed in 1996, had already achieved success by growing to be the largest health care system in the region despite a very competitive market. However, the board and Sensor both realized that change was needed to continue to carry out the organization's mission—to provide high-quality care for the body, mind and spirit of every person—in a rapidly changing and increasingly volatile health care environment.

As a result, Alegant Health's board and senior executives began an aggressive, collaborative planning process in October 2004 to produce a new vision and strategic plan. For the next six months, Alegant Health brought together a steering committee of board members, administrators, physicians and community leaders to develop the plan that would take Alegant Health to new heights. They emerged with a new strategic plan known as the Quality Revolution—a plan that provided the foundation for Alegant Health to achieve the high quality scores it is achieving today, with most measuring near or above 99 percent. The new plan was approved by the board in April 2005.

Once the Quality Revolution was in place, the board and executive leadership of Alegant Health needed to determine precisely how quality would play a leading role in that plan.

Mershon says, "We needed to create the right structure to drive quality. So, even as changes were being made, and we were preparing to publicly report our quality data in just a few short months, we spent the next year to 18 months revamping the governance structure for quality from the board level to the hospital campus level." Sensor adds, "Leadership begins with governance, and that was really missing in the area of quality when I joined Alegant Health. When Kathy first asked me that now-infamous question, it became clear that success was dependent on our board and executive leadership setting the tone. We also realized that it was imperative that physicians were engaged and co-leading any efforts."

Getting Physicians on Board

Physicians had been invited from the beginning to share in the strategic planning process. However, Mershon says there was still a feeling among physicians on the medical staffs that they were not involved enough at the governance level. The Physi-

cian Leadership Council (PLC) was in place, but there was no real avenue for sharing information with the board, and therefore the board didn't have a true understanding of what issues were concerning physicians.

Randall Pritza, M.D., a leading cardiologist in the Alegant Health system and ex-officio member of Alegant Health's board, says, "When we started the strategic planning process there was a conscious effort that all stakeholders needed to be involved. So, there was active physician engagement from the start. As the process went on, it became apparent that there was physician engagement at the planning level, but broader input was needed at the board level on day-to-day activities."

Pritza explains that there are three voting physician board members, but they are required to leave their "physician hats" at the door and make decisions from a business perspective. But the board still needed to hear a clear presentation of the physician's perspective and then be able to discuss issues openly. Accordingly, they invited the PLC chair to be an ex-officio board member. At the same time, the board decided it was important to include the chiefs of staff from each campus at every board meeting. By doing so, issues, ideas and concerns from each campus could be shared and discussed. This process started two years ago and continues to be successful at providing an unfiltered way for physicians to share concerns.

Mershon says, "It became very clear to the physicians that we were listening, and it was very clear to us that they were being up-front and honest regarding their concerns."

Because the number of physician board members is limited by Nebraska law, opening up board meetings to subsidiary chiefs of staff created a culture of transparency among the board, administration and physicians. Pritza says, "Physicians wholeheartedly embraced the opportunity to have a seat at the table and are empowered. Administration gains, too, because they are hearing our thoughts and concerns in a very direct and open manner. It's a win-win situation. The new process has been invaluable in implementing quality initiatives and raising the bar on quality at a faster pace. From the physicians' standpoint, we get to see how the other half lives, and it really opens one's eyes as to how the governance structure operates. Once you understand the process, you are more likely to create solutions together."

Perhaps one of the best examples of how physicians are helping to drive the Quality Revolution at Alegant Health is its evidence-based care initiative. Fred Hosler, M.D., senior vice president and chief medical officer at Alegant Health, explains, "We supported our physicians as they built a process, a framework, that they could own—to drive evidence-based care across our five metro hospitals, among economic competitors—all for the benefit of our patients."

Hosler says that with physicians owning the process, Alegant Health has developed condition-specific order sets for more than 30 clinical diagnoses and areas of care, including pneumonia, heart failure, acute diverticulitis, chronic obstructive pulmonary disease, severe sepsis, acute stroke and hyperglycemia management (insulin protocols). In the process of developing these evidence-based order sets, physicians from the medical staffs of the nine hospitals have reviewed and retired 208 existing order sets throughout Alegant Health. For example, 49 separate car-

diac order sets and 65 obstetric order sets were consolidated to seven and four respective evidence-based order sets.

Daring to Be Transparent

Raising the bar on quality, implementing new quality initiatives and communicating results internally was one thing, but from the moment Sensor took the helm of Alegant Health, transparency became a priority.

"The issue of transparency and empowering patients with meaningful information was initiated by Wayne, but the board supported the idea wholeheartedly," Mershon says.

"From the beginning of my tenure at Alegant Health," Sensor adds, "I felt it was imperative that we—and that's a capital WE—defined transparency. The best way to do that was, and is, to be proactive. At a board-hosted reception before 300 community leaders in my first three months in Omaha, I shocked my team by declaring that we would share meaningful and relevant quality information with our community by the following September [2005]."

Collaboration among board members, executive leadership and physicians was once again crucial. The group spent the next year engaging physicians in the discussion about what transparency would mean—identifying the measures and benchmarks they would use for processes and outcomes of care.

The collaborative team settled on the Centers for Medicare & Medicaid Services (CMS) core measures and created a methodology to make those scores meaningful to members of the community. CMS indicators were chosen because they could be benchmarked, verified and compared over time, enabling patients to make informed health care choices.

The next step was to communicate the use of the CMS indicators and the quality results widely and frequently. It was important to communicate internally to all employees and physicians before sharing the information with the broader public, so there would be no surprises when quality results were shared externally. Progress and results were shared at the hospitals' medical staff executive committee meetings, department meetings and in the organization's newsletters.

Since they first began reporting quality scores in 2005, Alegant Health has achieved and surpassed each goal they have set for themselves, surpassing regional competitors and a national benchmark they created, measuring themselves against the 10 U.S. hospitals with the highest CMS scores. And, the system continues to add more indicators. In 2005, Alegant Health reported on the 10 quality indicators required by CMS, as well as an additional 10 internally. By 2006, the system reported data on all 20 publicly. In 2007, Alegant Health added quality indicators related to the CMS Surgical Care Improvement Project (SCIP), which brought its total to 30 quality indicators report-

ed publicly, covering four diagnosis-related groups: heart attack, heart failure, pneumonia and the 10 diagnoses within the SCIP scores.

"Transparency was really the final driver. Health care research shows that publicly reporting on quality drives further improvements and ultimately results in improved clinical outcomes, shorter hospital stays and healthier lives for our patients," Sensor says. "We've seen that to be true within Alegant Health, as each of our hospital quality teams focuses on patient results and adopts procedures to make our care better."

Alegant Health's progress in quality scoring has been dramatic—its overall composite score went from 88 percent in 2005 to 99 percent by June 2007 within its five metro hospitals. That 11 percent rise in quality prompted Alegant to include the additional 10 quality indicators in order to continue driving quality.

"Once we had the governance structure firmly in place, we recognized the need for an intense focus on bedside clinical care," Mershon says. "We also realize we need to keep raising the bar. The core measures are very important. When we started the journey, we viewed them as a target, now we view them as a threshold of our success."

Alegant Health's board continues to provide quality leadership. Over time, the board has realized that some members without clinical backgrounds have a number of questions about quality, so trustees are increasingly attending off-site education programs on various issues surrounding quality and patient safety.

"Among the [board], there is a real interest to become more educated and effective as it relates to quality," Mershon says. Sensor adds, "Ninety percent of everything we do at Alegant Health has a quality component, and quality is everyone's responsibility as directed by our board—from executive leadership to housekeeping. Ultimately, our Quality Revolution is all about measurably enriching the lives of the families we serve through an exceptional commitment to quality. That's a strategic plan that's not gathering dust on a shelf, but rather making a real and dramatic difference for our patients."

Mershon agrees and believes so strongly in what Alegant Health is accomplishing that, although she is no longer on the board, she has agreed to continue serving on the Patient Safety and Quality Committee.

"I think that the very fact that a former board member not living in Omaha is willing to serve on this committee and still take part in meetings speaks volumes about the robust nature of Alegant's commitment to quality," she says. **T**

DINA MAAS is a communications specialist and freelance writer with Alegant Health, Omaha, Neb. She can be reached at dmaas@alegent.org.

"Before we could affect the quality of care at the bedside, we had to make certain that the right governance structure was in place to create a foundation from which we could build."
—Wayne Sensor, CEO

Wellness Movement

Qui Tam Laws

Rural Fund Raising

Dashboards

MAY 2008

www.trusteemag.com

VOL. 61 NO. 5



The New

Demand

AHA



**CENTER FOR
HEALTHCARE
GOVERNANCE**

THE MAGAZINE FOR HEALTH CARE GOVERNANCE