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An Independent Chapter of the American College of Healthcare Executives

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***Becoming Board Certified in Healthcare Management and
a Fellow of the American College of Healthcare Executives***

Knowledge Area Covered in the Board of Governor's Exam:

Quality and Performance Management



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Overview

20 questions (10%) of this specific knowledge area will be asked on the Board of Governor's Exam relate to the following:

- Benchmarking techniques
- Medical staff peer review
- Risk management principles and programs
- Performance and process improvement
- Customer satisfaction principles and tools
- Clinical methodologies and pathways
- Utilization review
- National quality initiatives including patient safety

What is Quality Improvement Healthcare?

- 1980's: Quick fixes, based on hunches and “pet” ideas. Was assigned to the “nerds” in the basement. Projects completely quickly or not at all, change was not sustained
- *March 2001: Crossing the Quality Chasm: Six dimensional aim:* Healthcare should be **safe, effective, efficient, timely, patient centered, and equitable.**
 - best known and most goal oriented definition, or at least conceptualization, of the components of quality today. Report from the Committee on the Quality of Health Care in America –Institute of Medicine



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Benchmarking Techniques

- Defined as “Best Known Performance”
 - Used as an opportunity for others to improve their own performance
- Began with industrial organizations and now applied to healthcare
 - Allows organizations to identify weakness, strengths, opportunities and potential threats to success



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Benchmarking Techniques

- Examples: HEDIS Measures and Joint Commission Hospital Core Measures
 - HEDIS – Health Plan Employer Data and Information Set was developed by the National Center for Quality Assurance (NCQA)
 - Joint Commission Core Measures – Clinical measures for monitoring evidence based practices or clinical practice guidelines



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Benchmarking Techniques

- Benchmarking drives continuous improvement
 - Used to correct quality or performance shortfalls through comparison to successful strategies
 - Measures should come from both functional (market share, productivity, costs, etc.) and disease-oriented applications



Medical Staff Peer Review

- Primary goal of peer review is to improve patient care
 - Reveals areas for improvement in an individual provider's practice.
- Essential elements of peer review include:
 - Evaluation of the care when quality is of concern
 - Confidential communication back to the provider regarding the results and recommended actions to improve performance
 - Protected from release to third parties (e.g. patients, legal, media)



Medical Staff Peer Review

- Covered by Joint Commission standards.
- Can lead to discipline - termination, suspension, or reduction in privileges
- Must offer a fair hearing and appeal procedure
- Ultimate legal responsibility for medical practice lies with the Governing Authority

Risk Management Principles and Programs

- The purpose of a Risk Management (RM) program is to reduce errors in patient care
- Systematic approach to identify, evaluate, and reduce the possibility of an unfavorable patient outcome
 - Prevent the injury of patients and loss of financial assets resulting from negligence

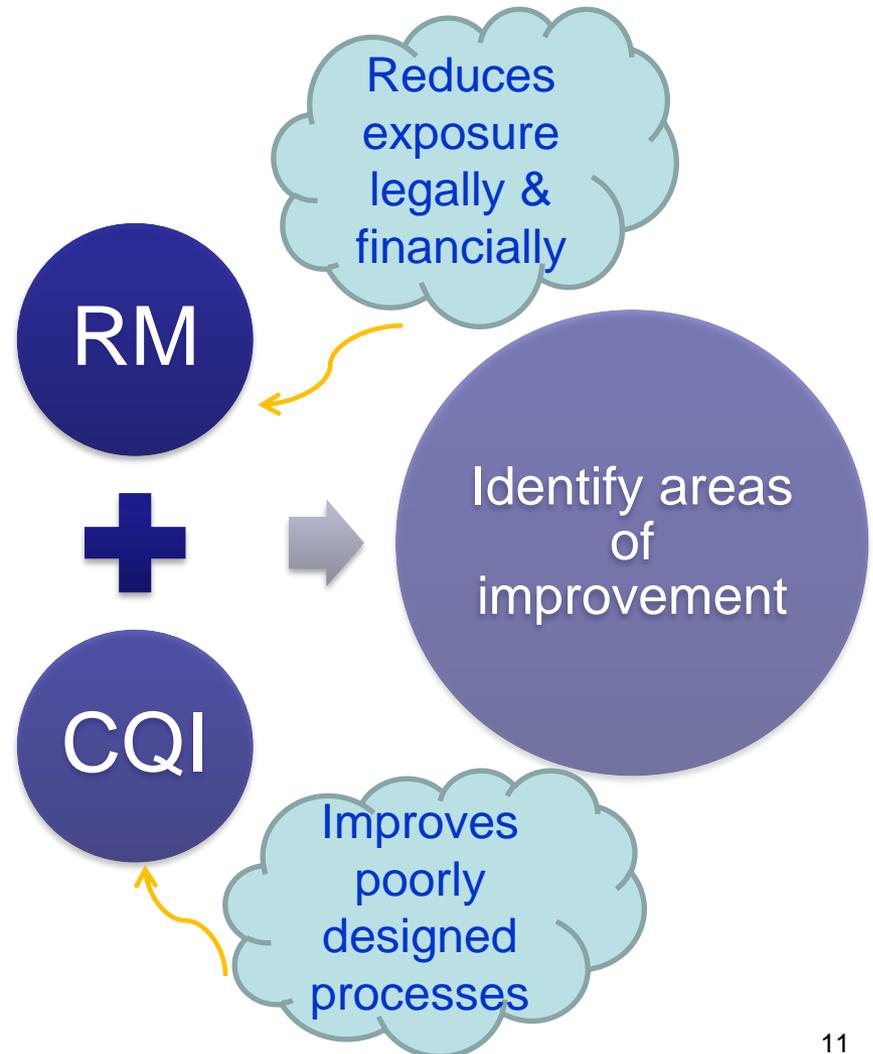


Risk Management Principles and Programs

- **Sentinel Event** – Unexpected occurrence involving death or serious physical or psychological injury, or the risk thereof.
- **Near Miss** – Any process variation that did not affect an outcome, but for which the recurrence carries significant chance of a serious adverse outcome.
- **Root Cause Analysis** – process for identifying the basic casual factor(s) that underlie variation in performance, including the occurrence or possible occurrence of a sentinel event.
- **Health Care Failure Mode and Effects Analysis (HFMEA)** – prospectively looks at potential failure points when implementing a new process to prevent adverse events.

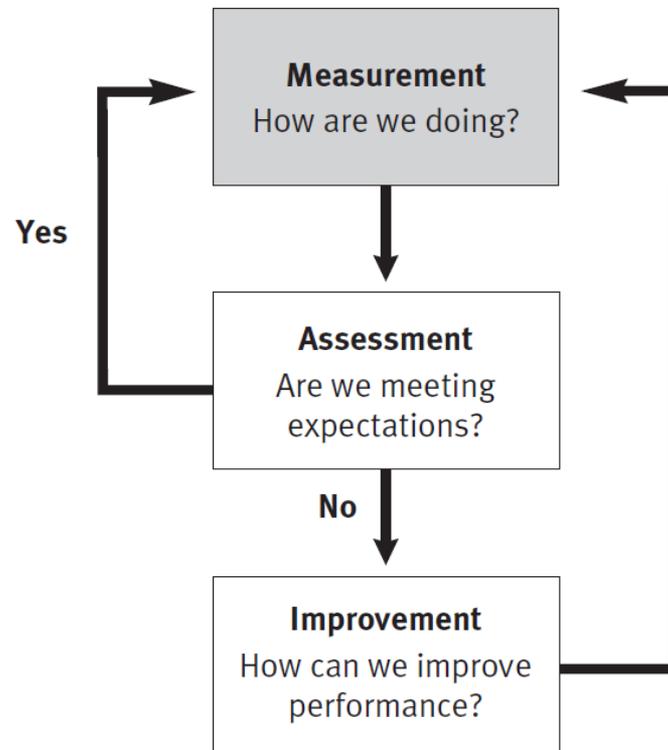
RM and CQI

- RM and CQI initiatives should be deeply seated in the organization as complementary paths for improving patient care and assuring safety.
- Organizations must continuously develop expanded measures of CQI to supplement traditional indicators of quality assessment and RM.



Performance and Process Improvement

- Three Stages of Performance:



Performance and Process Improvement

- CQI tools allow for analysis, measurement, and improvement.

❖ Seven Basic CQI tools

1. Flowcharts/Process maps
2. Control charts
3. Cause-and-effect diagrams/Ishikawa or fish-bone
4. Histograms/Bar Charts
5. Check lists
6. Pareto charts
7. Scatter diagrams



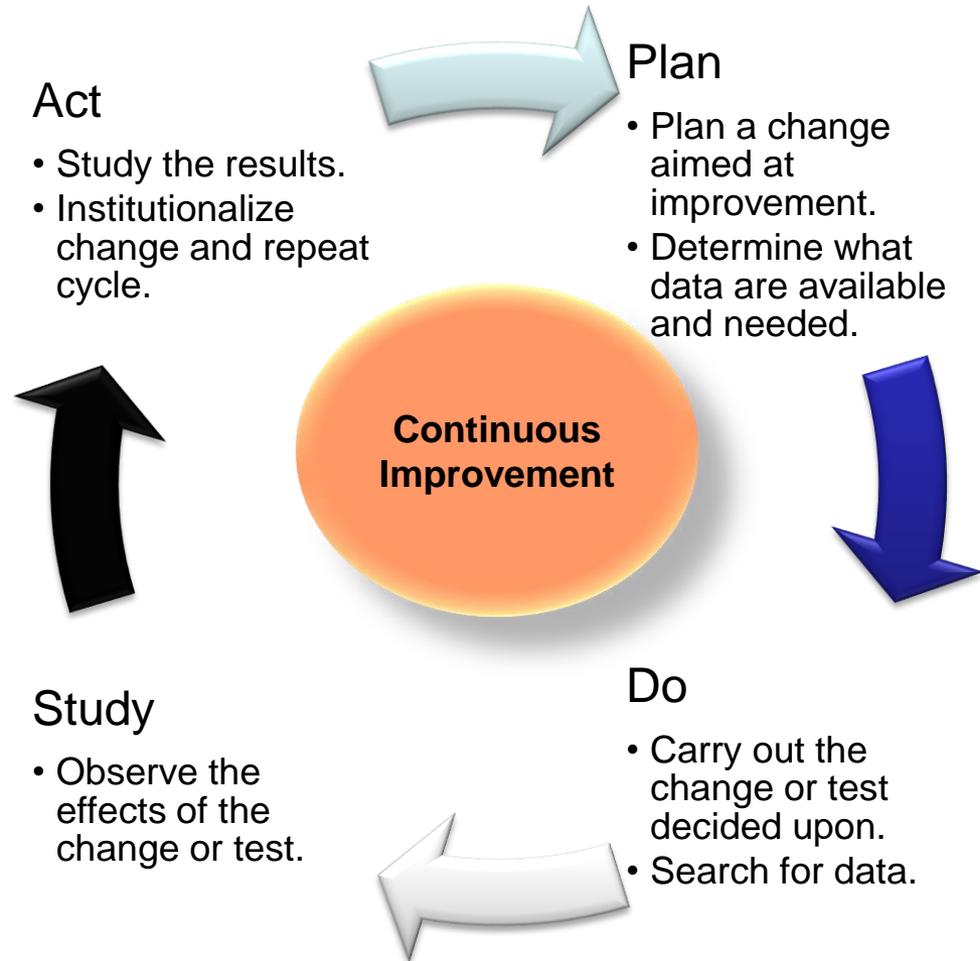
Performance and Process Improvement

- Compares performances of healthcare organizations to each other and to national benchmarks
- Continuous Quality Improvement (CQI)
 - Phrase used to describe a reiterative process of not accepting the status quo
 - System focus in reducing unnecessary variation in processes
 - Understanding that mistakes are not necessarily the fault of any one person or error
- Interconnectivity of processes and systems
 - When one part is improved, other related parts also benefit

Performance and Process Improvement

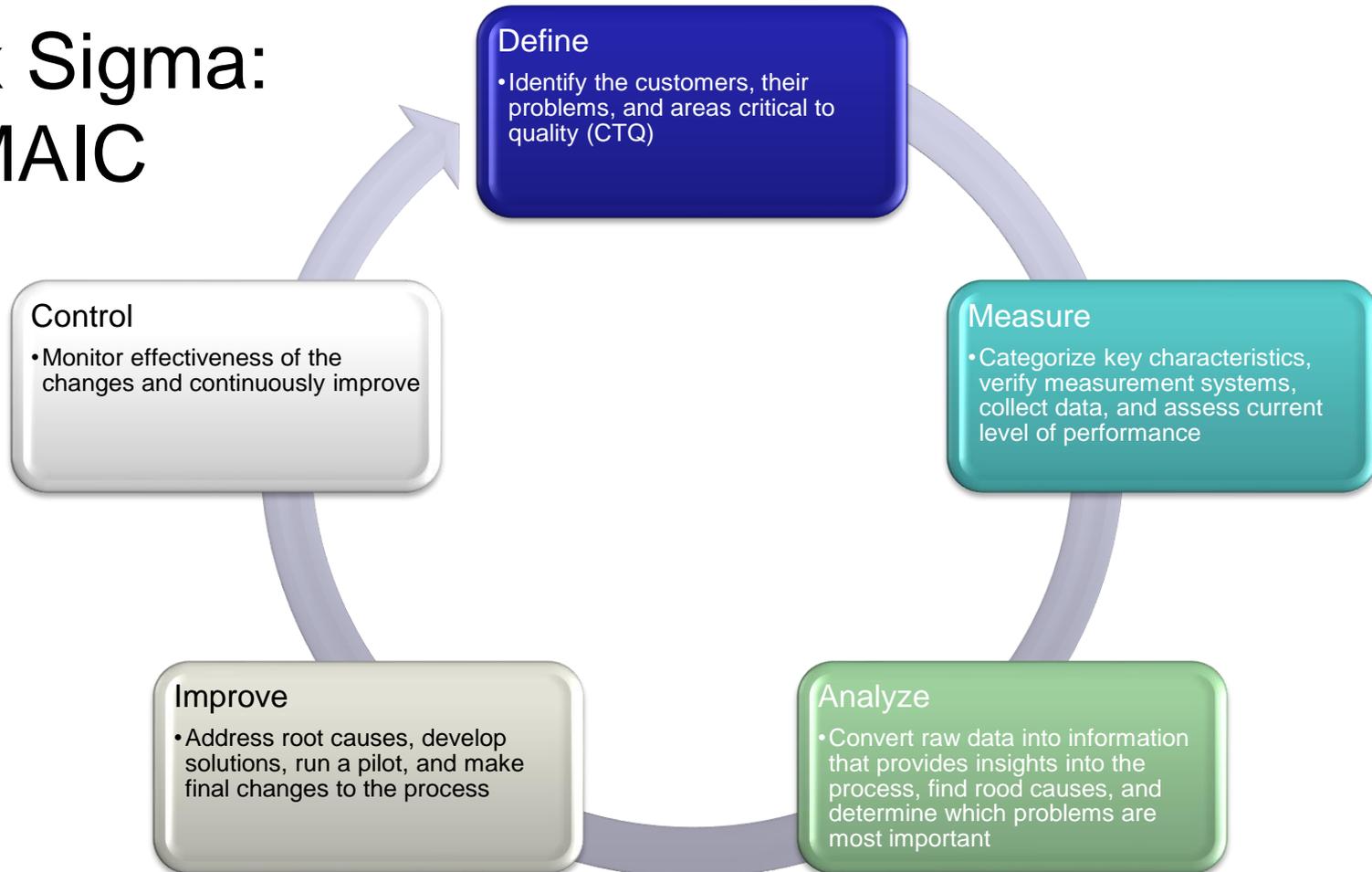
Deming Wheel –

- Focuses on reducing variation while improving care and support services



Performance and Process Improvement

Six Sigma: DMAIC





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Malcolm Baldrige National Quality Award

- America's most prestigious quality award
- Benchmark for performance excellence
- Open to healthcare organizations since 1996
- Focuses on integration, alignment, deployment, learning, improvement, and achievement

Baldrige Award Criteria – Categories of Focus



Customer Satisfaction Principles and Tools

- Customers are defined as anyone affected by an organization's actions (providers, payers, staff, patients, family, community, etc.).
- Insight from the customer is more important than the organization's perception of what the customer should recognize.

Customer Satisfaction Principles and Tools

Baldrige Customer Knowledge Recommendations:

- Clearly identify customers and segment them by market, geography, or other categories
- Use a variety of methods to identify customer requirements and priorities
- Continuously evaluate and improve methods to determine customer requirements
- Conduct research to identify potential future markets/customers and their needs
- Identify the requirements of potential customers or customers of competitors

Customer Satisfaction Principles and Tools

Baldrige Customer Satisfaction Recommendations:

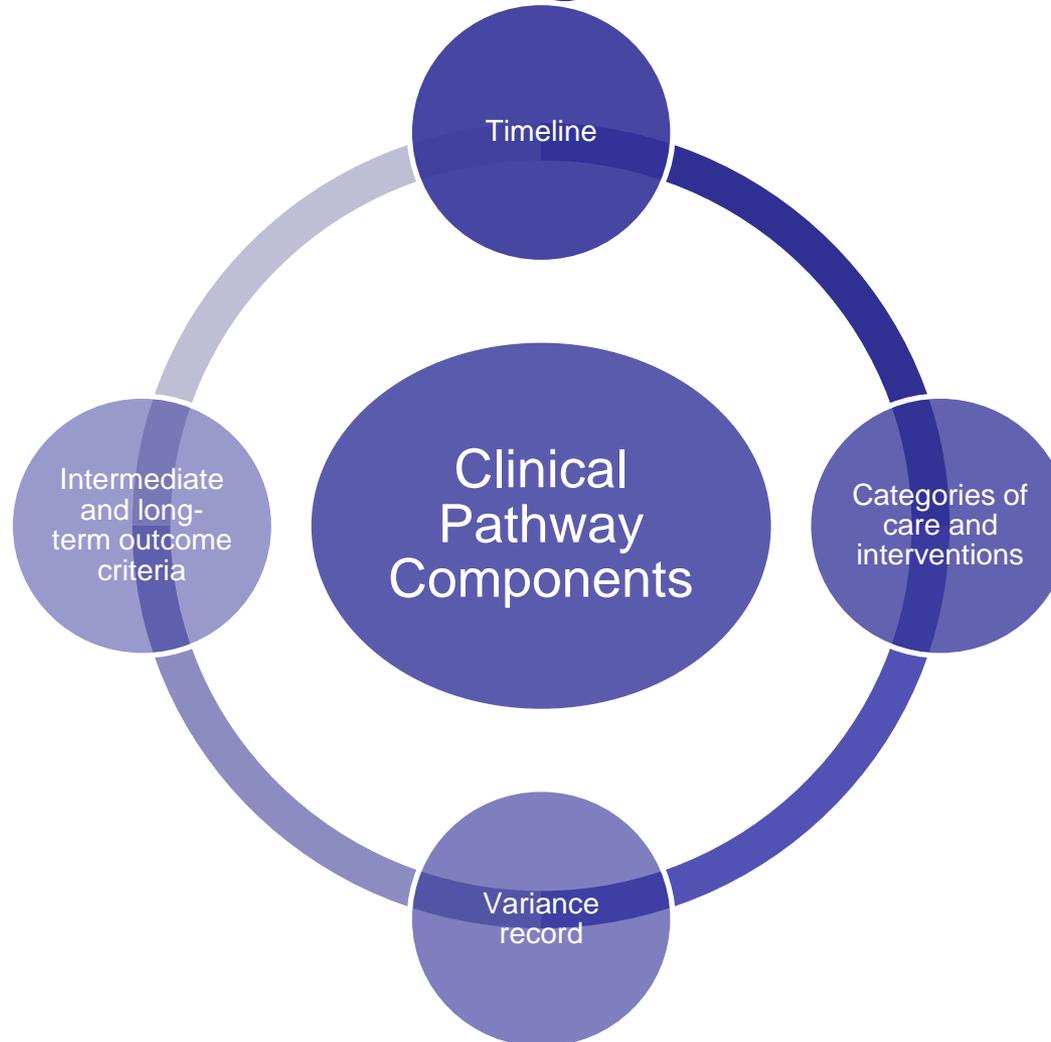
- Hire the best and brightest customer contact people; pay and train them well
- Define service standards and measure performance against them
- Make it easy for customers to get info
- Track all complaints, no matter how minor, and resolve all complaints quickly
- Accumulate customer info and use this info to drive improvement



Clinical Methodologies and Pathways

- Structured, multidisciplinary care plans
- Provide guidance for each stage of patient care
- Aim to improve quality and coordination of care across different disciplines
- Utilized by a multidisciplinary team

Clinical Methodologies and Pathways





Evidenced Based Medicine

- The purposeful use of current best evidence in patient care decision making
- Three components in the patient care decision making process:
 - Clinician expertise
 - Patient values
 - Best evidence
- Evidence/guidelines/pathways alone **do not** make care decisions; rather, they support the patient care process.

Utilization Review

- Utilization Review (UR) is an organized process for monitoring the use, delivery of services, and to evaluate the medical necessity to promote most efficient use in a cost-effective way, especially those provided by medical professionals.
- A process of improving quality through controlling overuse, underuse and misuse of care



Utilization Review

- UR may be performed by a hospital committee, insurer itself, or contracted out to a 3rd party review specialist.
- Most frequently, nurses are employed to conduct actual reviews.
- In all cases, medical records are reviewed to determine if the patient was given an economical level of care consistent to their needs.

Utilization Management:

- Consists of discharge planning, concurrent planning, pre-certification and clinical appeals
- Concurrent clinical reviews and peer reviews
 - Includes appeals introduced by the provider, payer or patient.
- Review and Management are not synonymous
 - Professionals often use these terms interchangeably.



UM vs. UR

- Utilization management is prospective
 - Intends to manage health care cases efficiently and cost effectively
 - Occurs before and during healthcare administration
- Utilization review is retrospective
 - Considers whether healthcare was appropriately applied
 - Occurs after healthcare administration



National Quality Initiatives & Patient Safety:

- Greater realization of astonishing impact of poor quality and medical errors
 - *To Err is Human (1999)*
 - *Crossing the Quality Chasm (2001)*
- Demand of payers and consumers
 - Transparency – no hiding behind impressive marketing campaigns
 - Data – contrast and compare quality outcomes and satisfaction via the Internet
- Leaders in organized quality comparisons are CMS, TJC, Leapfrog and IHI



Pay for Performance (P4P)

- P4P links compensation to measures of work quality
 - As of 2005, 75% of all U.S. companies connect at least part of an employee's pay to measures of performance
 - In healthcare, over 100 private and federal pilot programs are underway
- Incentives are aligned with quality care, patient safety and customer satisfaction.

CMS Initiatives

Physician Quality Reporting Initiative (PQRI):

- 119 quality measures
- Earn 1.5% incentive payment of total allowed charges

Hospital Quality Initiative (HQI):

- Focuses on patient satisfaction (HCAHPS), heart attack, heart failure, pneumonia, asthma (children only) or patients having surgery

Others:

- Home Health Quality Initiatives
- Nursing Home Quality Initiatives
- ESRD Quality Initiatives

Joint Commission Quality Initiatives:

- Consumers can access JC Quality Report
- Features organization's accreditation status, special quality awards (e.g. Magnet) and compliance with National Patient Safety Goals and National Quality Improvement Goals

The Leapfrog Group aims to:

- Reduce preventable medical mistakes and improve the quality and affordability of health care.
- Encourage health providers to publicly report their quality and outcomes so that consumers and purchasing organizations can make informed health care choices.
- Reward doctors and hospitals for improving the quality, safety and affordability of health care.
- Help consumers reap the benefits of making smart health care decisions.
- <http://www.leapfroggroup.org>

Institute for Healthcare Improvement (IHI)

- *Let's Make Harm History!*
- Began as the 100,000 Lives Campaign –
Has grown into the 5 Million Lives
Campaign
- Protect patients from five million incidents
of medical harm over the next two years
(December 2006 – December 2008)



IHI 5 Million Lives Campaign – 12 changes

1. **Deploy Rapid Response Teams...**at the first sign of patient decline
2. **Deliver Reliable, Evidence-Based Care for Acute Myocardial Infarction...**to prevent deaths from heart attack
3. **Prevent Adverse Drug Events (ADEs)...**by implementing medication reconciliation
4. **Prevent Central Line Infections...**by implementing a series of interdependent, scientifically grounded steps
5. **Prevent Surgical Site Infections...**by reliably delivering the correct perioperative antibiotics at the proper time
6. **Prevent Ventilator-Associated Pneumonia...**by implementing a series of interdependent, scientifically grounded steps

IHI 12 Changes (continued)

- **Prevent Harm from High-Alert Medications...** starting with a focus on anticoagulants, sedatives, narcotics, and insulin
- **Reduce Surgical Complications...** by reliably implementing all of the changes in care recommended by SCIP, the Surgical Care Improvement Project (www.medqic.org/scip)
- **Prevent Pressure Ulcers...** by reliably using science-based guidelines for their prevention
- **Reduce Methicillin-Resistant *Staphylococcus aureus* (MRSA) infection ...**by reliably implementing scientifically proven infection control practices
- **Deliver Reliable, Evidence-Based Care for Congestive Heart Failure...** to avoid readmissions
- **Get Boards on Board ...** by defining and spreading the best-known leveraged processes for hospital Boards of Directors, so that they can become far more effective in accelerating organizational progress toward safe care

Key Points:

- Preoccupation with patient safety and quality
- Focus on the system, processes
- Data-driven proactive approach to CQI
- Leadership, staff and patient involvement
- Continuously improve utilizing QI tools
- Benchmarking



Section 1: Benchmarking Question:

- Which organization accredits healthcare plans and provides measure of health plan effectiveness?
 - a. AHRQ
 - b. CMS
 - c. NCQA
 - d. NQF



Section 1: Benchmarking Question:

- You are designing a new benchmarking initiative for your organization. What would be the first step to undertake?
 - a. Identify high-performing organizations
 - b. Identify your poor or low-performing units
 - c. Create a comparative data-base
 - d. Seek out collaborative networks/alliances

Section 2: Medical Staff Peer Review Question:

- In hospitals, the medical staff is accountable to the:
 - a. Medical Staff President
 - b. Chief Executive Officer
 - c. Governing Body
 - d. The State Medical Board

Section 2: Medical Staff Peer Review Question:

- What process results in the delineation of specific procedures allowed for a healthcare practitioner:
 - a. Credentialing
 - b. Privileging
 - c. Peer review
 - d. Accreditation



Section 3: Risk Management Question:

- In designing a risk management program for your organization, what approach would have the most impact on reducing risk?
 - a. Developing a reporting system for medical errors
 - b. Require assessments of all high-risk areas or process
 - c. Use task forces to address key Joint Commission standards
 - d. Educate the staff on potential risk and patient safety practices



Section 3: Risk Management Question:

- In conducting a risk assessment, what would be the first action to take?
 - a. Identify the steps in the process of concern
 - b. Identify what could fail in the process
 - c. Identify causes of failure in the process
 - d. Identify priorities for action



Section 3: Risk Management Question:

- Incident reports should be initiated by:
 - a. A member of the medical/professional staff or by any employee
 - b. Any person with direct patient-care responsibilities
 - c. The department director or supervisor
 - d. The risk manager/quality assurance coordinator



Section 4: Performance and PI Question:

- Continuous quality improvement assumes that:
 - a. Achievement will be rewarded
 - b. There is direction from top management
 - c. There is no upper limit to excellence
 - d. Interconnected work teams are in place



Section 4: Performance & PI: Question:

- Performance improvement teams should consist of:
 - a. Experts in process management
 - b. Members from the involved Microsystems
 - c. Middle managers with experience
 - d. Physicians and other users



Section 4: Performance & PI Question:

- A balanced scorecard is a set of performance measurements used to:
 - a. Assess patient satisfaction
 - b. Ensure the organization does not exceed one performance metric at the expense of another
 - c. Provide a scorecard for annual performance monitoring
 - d. Gather and monitor financial data



Section 4 Performance & PI: Question:

- A bar chart format, with the items rank ordered on a dependent variable, such as cost, profit, or satisfaction that Examines the components of a problem in terms of their contribution to it is know as:
 - a. A run chart
 - b. A frequency table
 - c. Pareto analysis
 - d. Deming cycle



Section 4 Performance & PI: Question:

- Which is the Shewhart process for performance improvement:
 - a. Plan, check, do, act
 - b. Plan, do, check, act
 - c. Analyze, formulate, implement, evaluate
 - d. Analyze, implement, control, evaluate



Section 4 Performance & PI: Question:

- The applicability of continuous improvement in healthcare organizations assumes:
 - a. An upper limit of improvement
 - b. The physician's perspective is dominant
 - c. An organizational commitment
 - d. The elimination of outliers

Section 5: Customer Satisfaction: Question:

- A patient files a complaint relating to a negative hospital experience. The proper handling of this patient's complaint is to:
 - a. Cite organizational policy
 - b. Side against the organization
 - c. Minimize the complaint
 - d. Clarify the problem

Section 6: Clinical Methods/Utilization Review

Question:

- You are doing a review of a measures report that shows the results from care for heart attack patients. In analyzing this information with the Chief of Cardiology, it was determined that much variability exists in how care is being provided by the staff cardiologists. What action would you first take?
 - a. Recommend the use of clinical practice guidelines
 - b. Develop clinical pathways
 - c. Institute a disease management program
 - d. Refer the issue to the utilization review committee

Section 6: Clinical Methods/Utilization Review

Question:

- The hospital's Utilization Review (UR) Committee usually addresses all of the following, *except*?
 - a. Necessity of tests and procedures
 - b. Length of stay
 - c. Revenue per patient
 - d. Cost per patient