

## **Structuring a Healthcare Performance Improvement Process that Results in Incentive Payments**

PATRICIA DONOVAN: This is Patricia Donovan for the Healthcare Intelligence Network. Today I'm speaking with Jim Benté, Vice President of Quality and Organizational Development at Memorial Medical Center in Springfield, Illinois. Jim is presenting at HIN's audio conference on "Structuring a Healthcare Performance Improvement Process that Results in Incentive Payments". Thanks for joining me today Jim.

JIM BENTÉ, VICE PRESIDENT OF QUALITY AND ORGANIZATIONAL DEVELOPMENT AT MEMORIAL MEDICAL CENTER IN SPRINGFIELD, ILLINOIS: You're most welcome Patricia.

PATRICIA DONOVAN: First of all Memorial Medical Center was the first hospital in the nation to sign up for this program in 2003. What motivated your organization to sign on so early?

JIM BENTÉ: Well actually starting at around 2000 Memorial Health Systems set its sights on being one of the highest performing hospitals in the nation. And at that time we developed our core philosophy that was related to safety, quality and clinical effectiveness. We set clear performance expectations for the organization and we also launched at that time what we call our quality leadership institute. Therefore in about 2002 when the project was first being discussed with Premier and CMS, we viewed it as a way of simply accelerating our clinical performance and clinical excellence. Therefore it really took very little discussion to actually sign on to the project. We weren't looking at it as a revenue generator we were looking at it really as an improvement generator.

PATRICIA DONOVAN: I see, thank you Jim. Now to merit a top performer designation Memorial has to have the engagement and support of its entire staff. How do you communicate the program goals to your doctors, nurses and support staff and then sustain

their commitment to quality?

JIM BENTÉ: Actually it's tied into our overall perspective. If I can start with all prospective employees, they're introduced to the health systems mission vision, values, throughout the entire hiring process. Personal commitment to that mission, vision and values is a basic requirement for all who work within our health system. And upon hiring the message is then reinforced by senior leadership during the entire orientation process. Then to further connect each employee's every day work to our mission, vision and values, Memorial's senior leadership developed what we call our long term strategic plan that really focuses on three fundamental strategies, and that is patience, employees, and performance results. All staff then are accountable for implementing this strategy. Each individual affiliate within the health system, each department, each employee then are required to establish annual goals to support MHS' overall goals.

Also then, these goals are displayed very prominently in each department on what we call our wall maps and then there are also personal goals that are displayed on what we call great cards which is just simple methodology that we use to make sure that each employee actually has actionable goals and those goals are being measured on an ongoing basis as opposed to the end of the year if you will. Then, to ensure accountability measures of success, for specific department action plans are in place. And it's an interative process where we're looking at our goals and looking at our processes on an ongoing basis to make sure it's down to that functional level and everyone is actually contributing to the success of the organization. So when we look at the demonstration project goals as they relate to the five key areas of heart failure, pneumonia etc, that's just the one piece of our strategy. We actually look at that in the same way we look at every other strategy or every other goal we have in the organization.

We also have what's called the clinical performance committee, which is a group of physicians. It's actually all the department chairs and they meet on a monthly basis to really coordinate efforts not only around these five key areas but around other clinical performance issues such as DVT prophylaxis or beta blocker used for high risk surgical patients etc. And again through their individual efforts and collective efforts, we are able to solicit the medical staffs buy-in in actions to really bring this about.

PATRICIA DONOVAN: Thank you Jim. In the second year of the three year project Memorial was rated at the top 10% of top performing hospitals for hip and knee replacement and in the top 20% for heart bypass surgery. What are your goals for the last year of the initiative? Did you have to reevaluate your priorities along the way?

JIM BENTÉ: Again another great question. But actually our strategic goals for fiscal year '07 are still based on the five key areas. However we are not looking at composite scores as we had in the past two years. We've now shifted our performance to looking at what's called perfect process scores or scores that talk about how often we provide all the appropriate care for each patient one at a time, as opposed to just looking at a composite score. For example we now have goals for cavage and HIPAA knee surgery for a perfect process score at 95% for the health system. So again we significantly raised the bar and it's really not a reevaluation but it's merely a progression towards a higher level of performance for our patients and communities.

PATRICIA DONOVAN: I see Jim. And finally, does this designation as a top performer impact the hospitals marketing initiatives?

JIM BENTÉ: Not really. We believe that high performance is our best marketing tool. When you do a great job, patients and physicians really take notice of that. And we are in a community

of two hospitals and although they're both large facilities 550+ bed tertiary receiving facilities, when you're doing things and performing well again the community takes notice of that, and those services when they become needed by patients and physicians they tend to then direct their needs to that facility which is having the higher performance. Really when we look at our performance over the last several years we were actually able to shift market share from about 45% or less of the market share several years ago, to now we're actually at over 54% in the market share. So it's really not a marketing issue. Again it's performance that really counts. And performance is what really attracts people to the organization.

PATRICIA DONOVAN: I see Jim. If I could just follow up on that. How do you think consumers become aware of these performance results?

JIM BENTÉ: That's another good question. Although, we are all looking towards and working towards a day when healthcare will truly be consumer driven. When I say that, I mean by the patient, here at memorial we consider the patient to be our customer and the physician to be our partner, unfortunately I don't believe that we're at that stage yet here in Springfield or in the nation. Much of health care is still realistically directed by physicians, or by the health plans. And as we look at performance, as physicians look at a patient's performance they are often the ones who direct their patients to that organization that they feel more confident in or more comfortable with.

Also health plans is another important aspect in directing where a patient goes obviously. And we've through our performance and being able to sit at the table and negotiate with managed care companies and the like we've been able to demonstrate and show our performance as you indicated being the top decile for HIPAA knee, the second decile for cavage surgery. That plays very well with managed care companies who are actually footing the bill if

you will. They certainly want to see value for the dollars that they're putting out. And we can demonstrate those values. They really want to have us on their panel as a provider for the patient population that they're covering.

PATRICIA DONOVAN: I see. Well thank you Jim. Those are all the questions that I have today. Thanks again for being with us. And we're looking forward to hearing more from you during the audio conference.

JIM BENTÉ: You're very welcome Patricia. I look forward to being a participant.

PATRICIA DONOVAN: To register or get more information about this conference 1-888-446-3530. This is Patricia Donovan for the Healthcare Intelligence Network.