BECKER'S HOSPITAL REVIEW

Leading High Reliability Organizations in Healthcare

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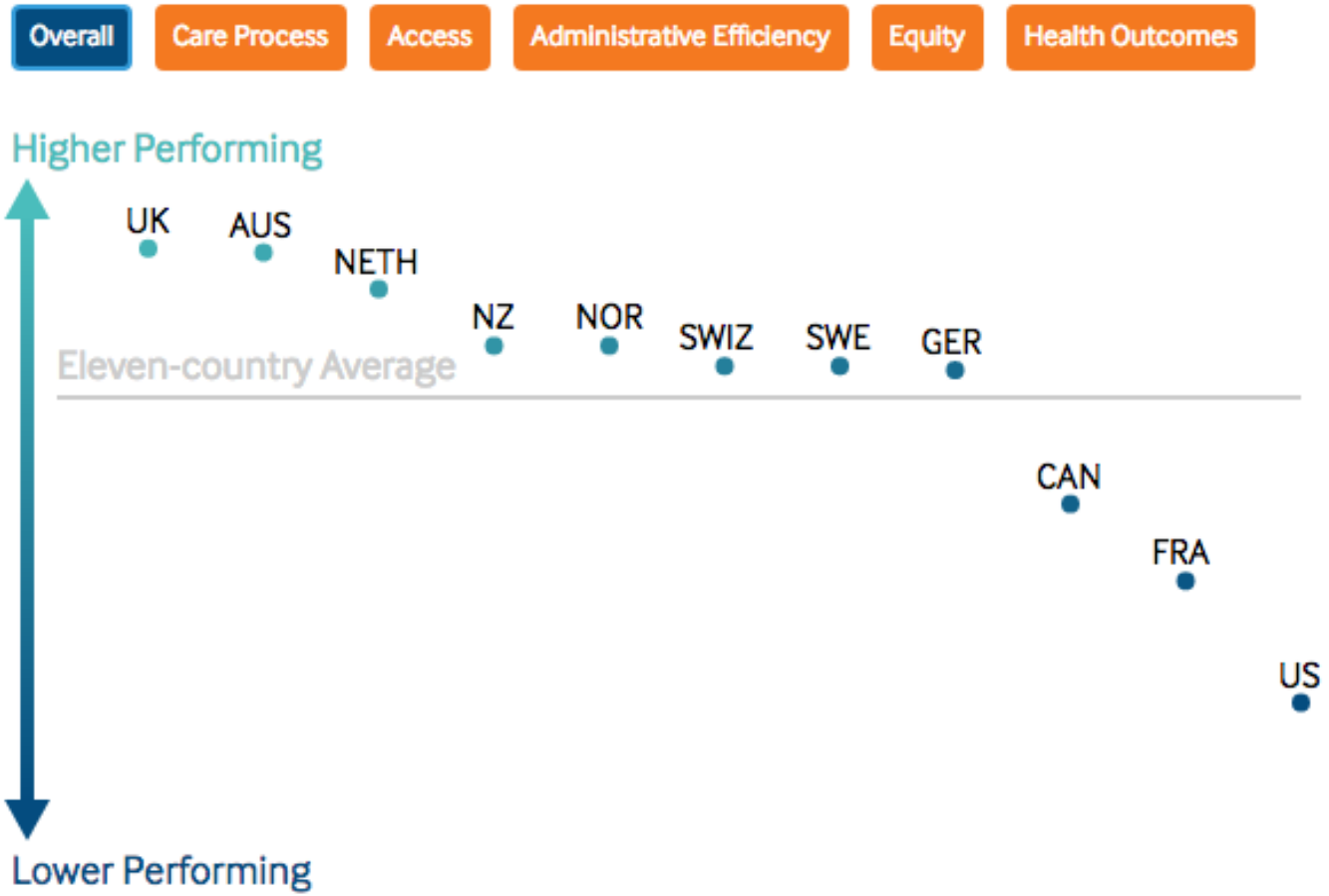
Baseline Performance – Healthcare Compared

Exhibit 3. Health System Performance Scores



Note: See How This Study Was Conducted for a description of how the performance scores are calculated.

Source: Commonwealth Fund analysis.

Organizations Excelling in Reliability

MOTOROLA

HOW IT CAN HELP **SAVE YOUR LIFE**

- OnStar
- BMW

- Even if you're hurt and can't respond, the Advisor knows your exact location through GPS technology and can direct emergency responders to the scene

EATON

Powering Business Worldwide

PRODUCTS & SERVICES CUS

LEC

arc faults and electrical safety

ustainability

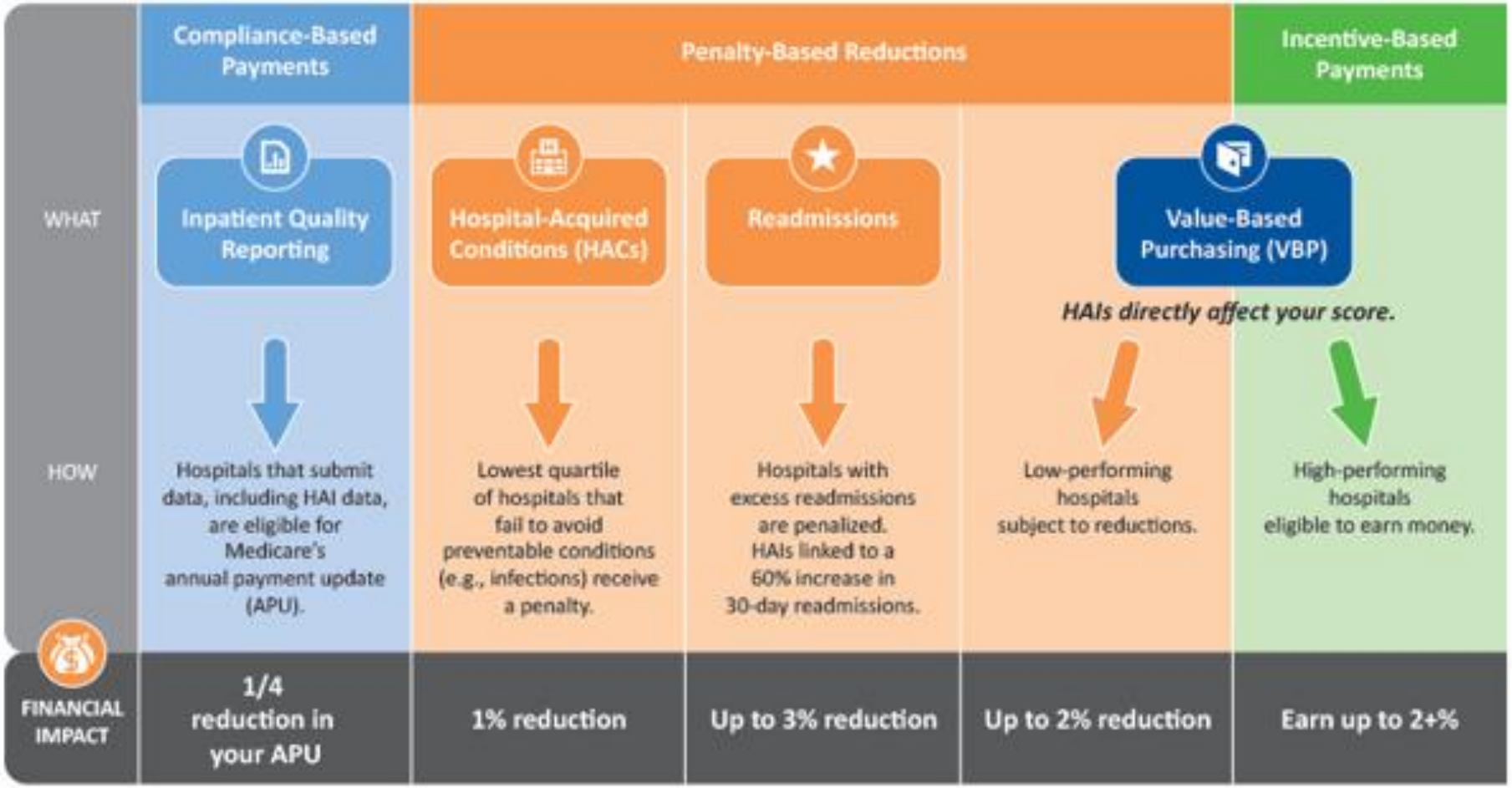
HEALTHCARE

Payers are driving value by redistributing* $1.9B in reimbursement through Value-Based Purchasing

Today's Lesson: How to Become Paul

*CMS FY2018 IPPS Final Rule estimate

Reimbursement is Shifting to Reliability = Clinical Outcomes and Value



Source: CALHIIN

How Much Is At Stake for Your Organization?

RPM EXECUTIVE
High-Reliablity Engaged

Value-Based Care Report						Overall Star Rating		1	100022
VALUE-BASED PURCHASING (VBP)						FY2019 Score (% of Possible Points for Domain)			Net change: Annual reimbursement reduction or incentive
Person and Community Engagement Domain Score						16			
1. Base Score						2	HCAHPS Summary Star Rating	2	
2. Consistency Score						14			
Clinical Care - Outcomes Domain Score						10			
Clinical Care - Safety Domain Score						13			$ (2,650,343)
Efficiency Domain Score						0			
Fiscal Years	2013	2014	2015	2016	2017	2018 FCST	VBP Multiplier by Year		
VBP Total Performance Score	36.74	35.87	27.3	31.6	20.2500	13.39	13 14 15 16 17 18 19	9.6797	
VBP Multiplier	0.99675	0.99690	0.99558	0.99786	0.992440	0.9877434		0.9867	

Then, Paul can lose it all in readmission and hospital-acquired conditions penalties

The cost of poor reliability comes to healthcare

Becoming a High Reliability Healthcare Organization

- What is reliability?
- How bad is it today?
- What causes poor reliability?
- What improves it?
- How do we sustain it?

HIGH RELIABILITY is:

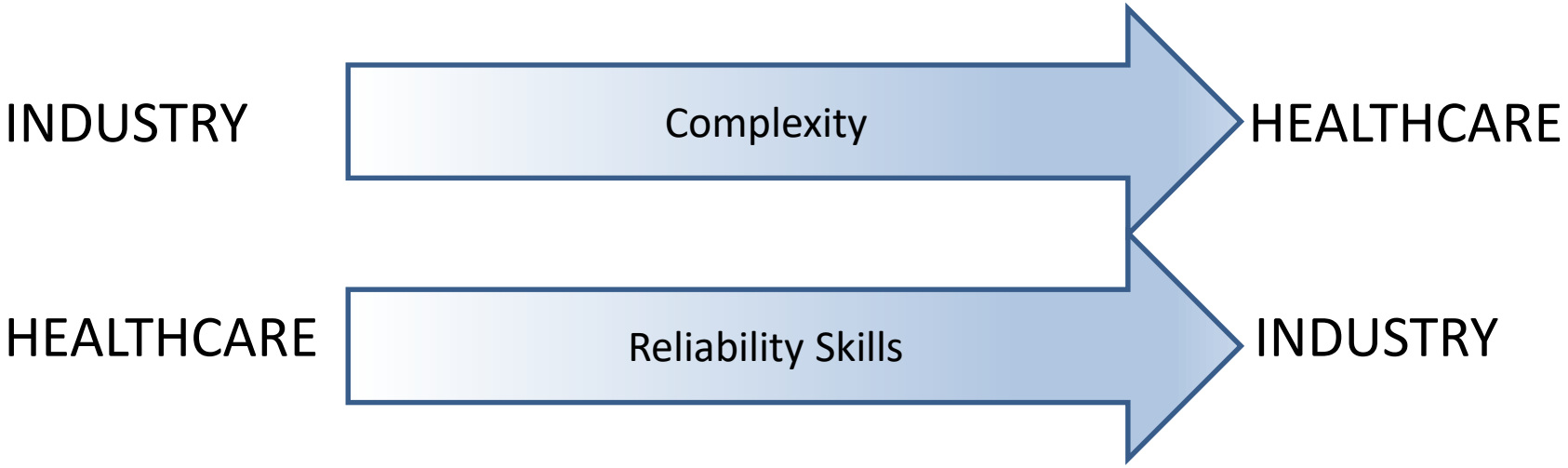
CAPABILITY IN ACHIEVING THE EXPECTED OUTCOME

THROUGH TIME

High Reliability is Not…

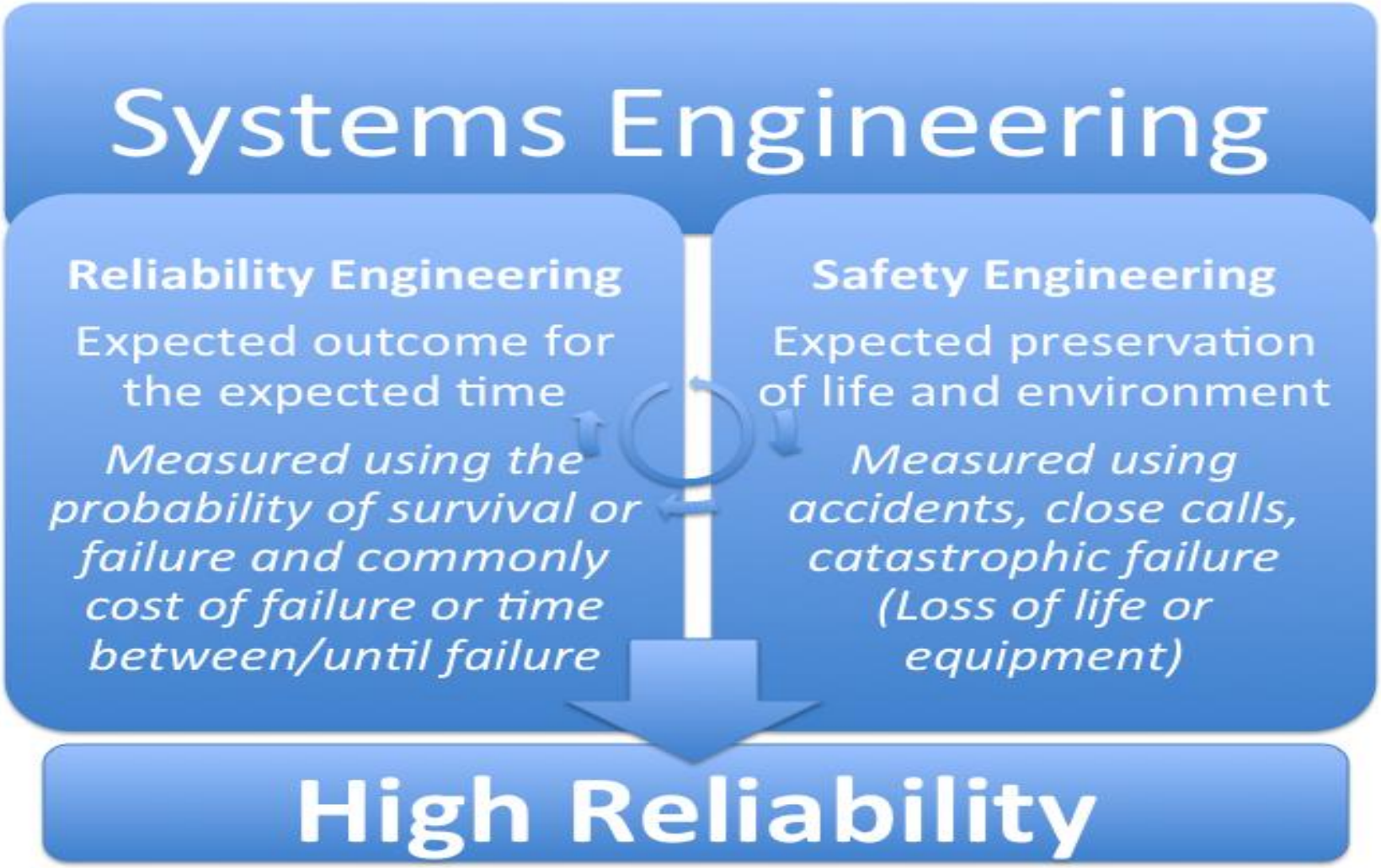
- Just about safety
- Six wrong site surgeries every week
- Patient and caregiver satisfaction below national median
- Readmissions being big business for you
- Entertaining your State Inspectors

Comparing Complexity and Reliability Skills



If this is true, how are you going to compete and win the margins to sustain your mission?

Required: Systems Approach to High Reliability



Step 1: Safety Engineering - Leadership's Role

"I was absolutely amazed that the NASA people I argued with against the launch…

didn't even mention to other members of the mission management team that there was a concern…"

High Reliability Healthcare

It may seem a strange principle to enunciate as the very first requirement in a hospital that it should do the sick no harm.

Florence Nightingale

Step 2: Reliability Engineering principles taught to leadership and staff (Yellow – Master Level)

High Reliability Organizations Utilize 3Ms:

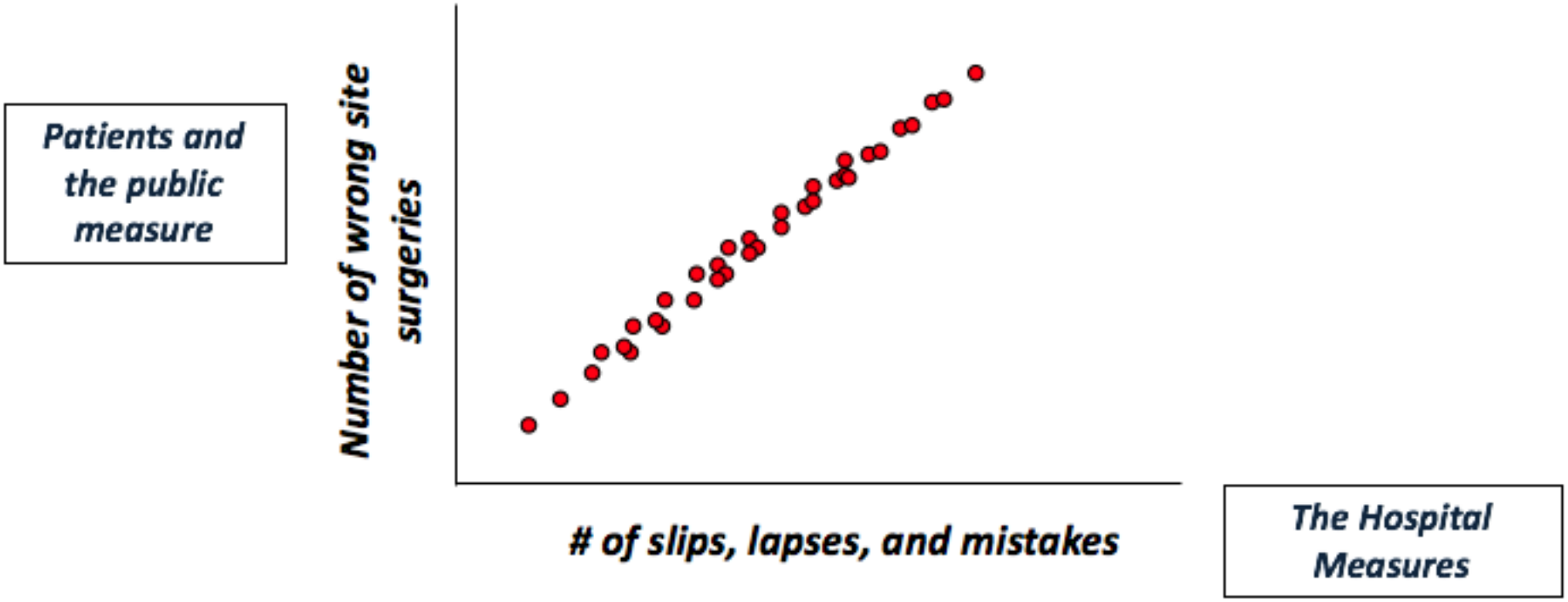
1. Measure daily

2. Manage to that measure

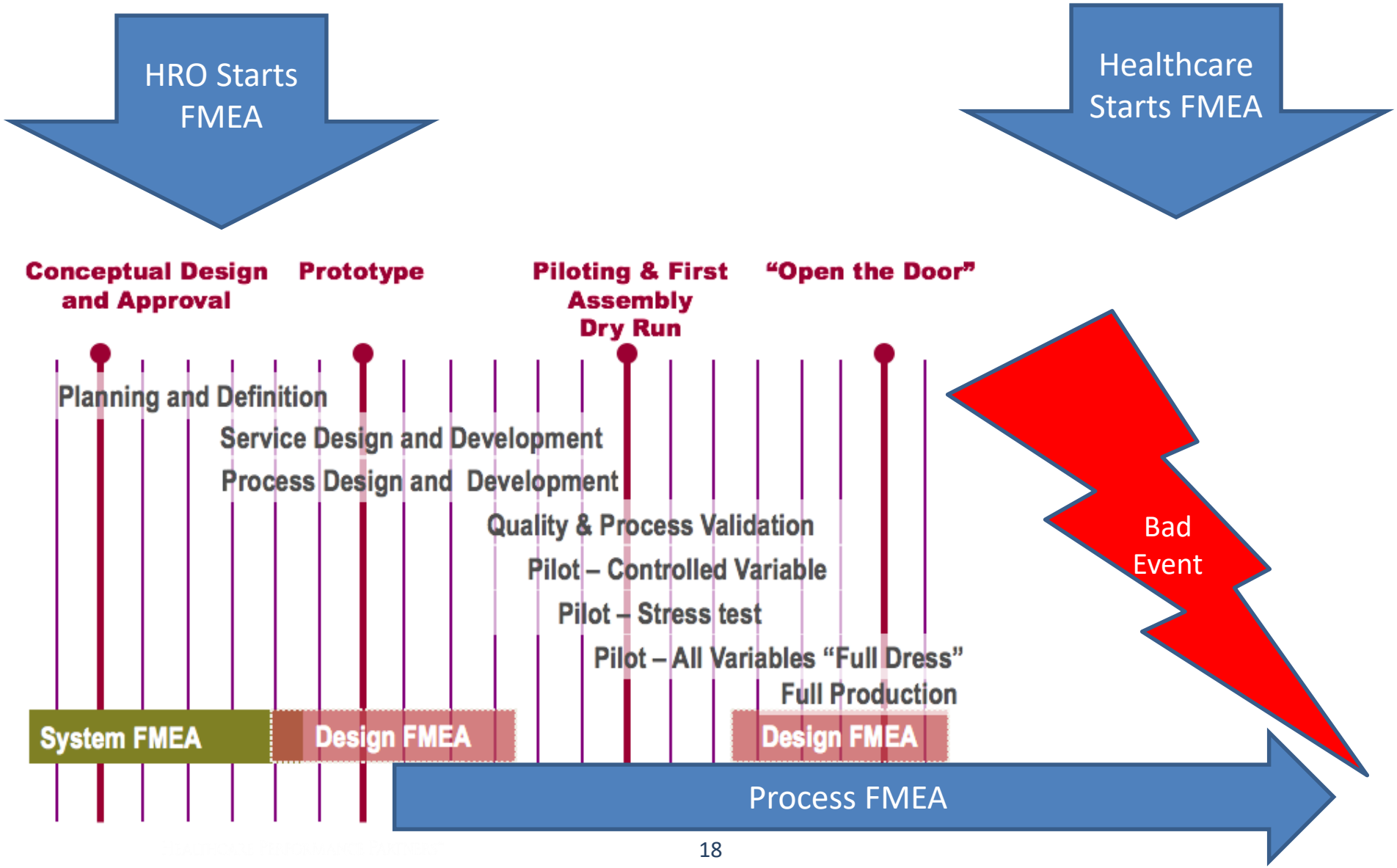
3. Make it easy to do the right thing

Utilize the 3Ms of Performance Reliability

1. Measure the Process - Daily



Failure Mode and Effects Analysis the Right Way & the Healthcare Way



2. Manage to the Measure – Every Day

Don’t accept failure

The movie, “Lincoln,” Directed by Steven Spielberg

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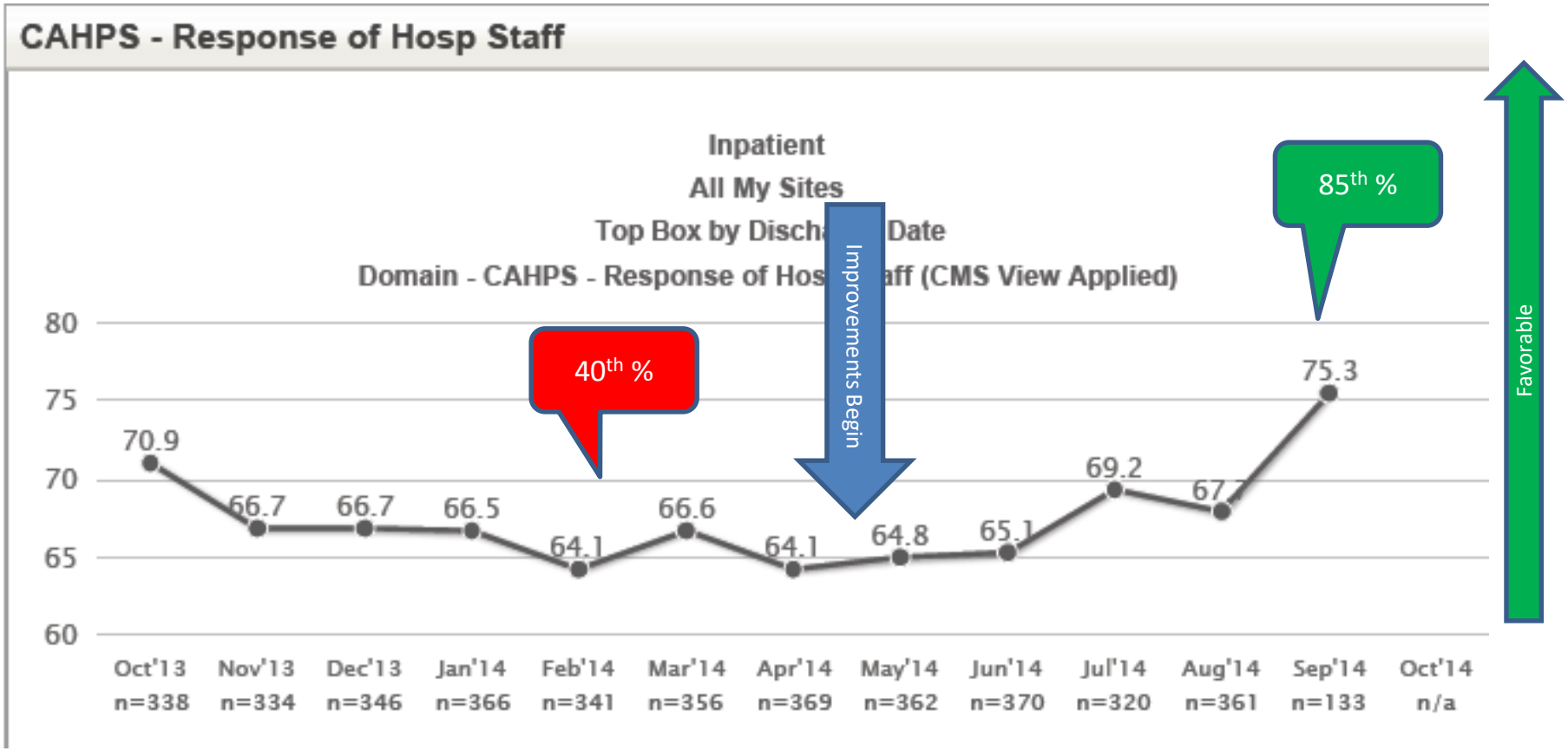
3. Make it easier for teams to solve problems

“Circulate among followers consistently,”

Abraham Lincoln

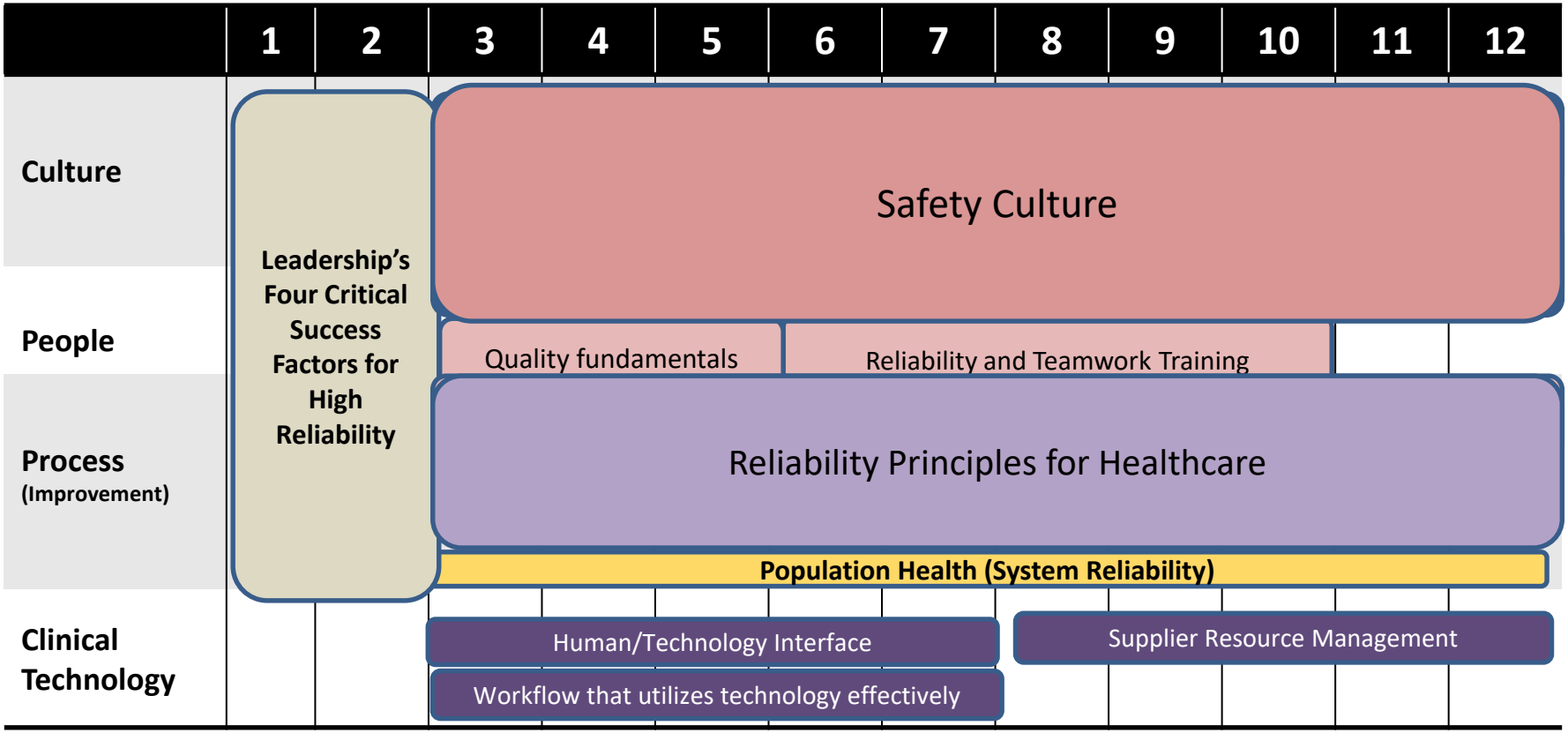
The movie, “Lincoln,” Directed by Steven Spielberg

What Can Be Achieved

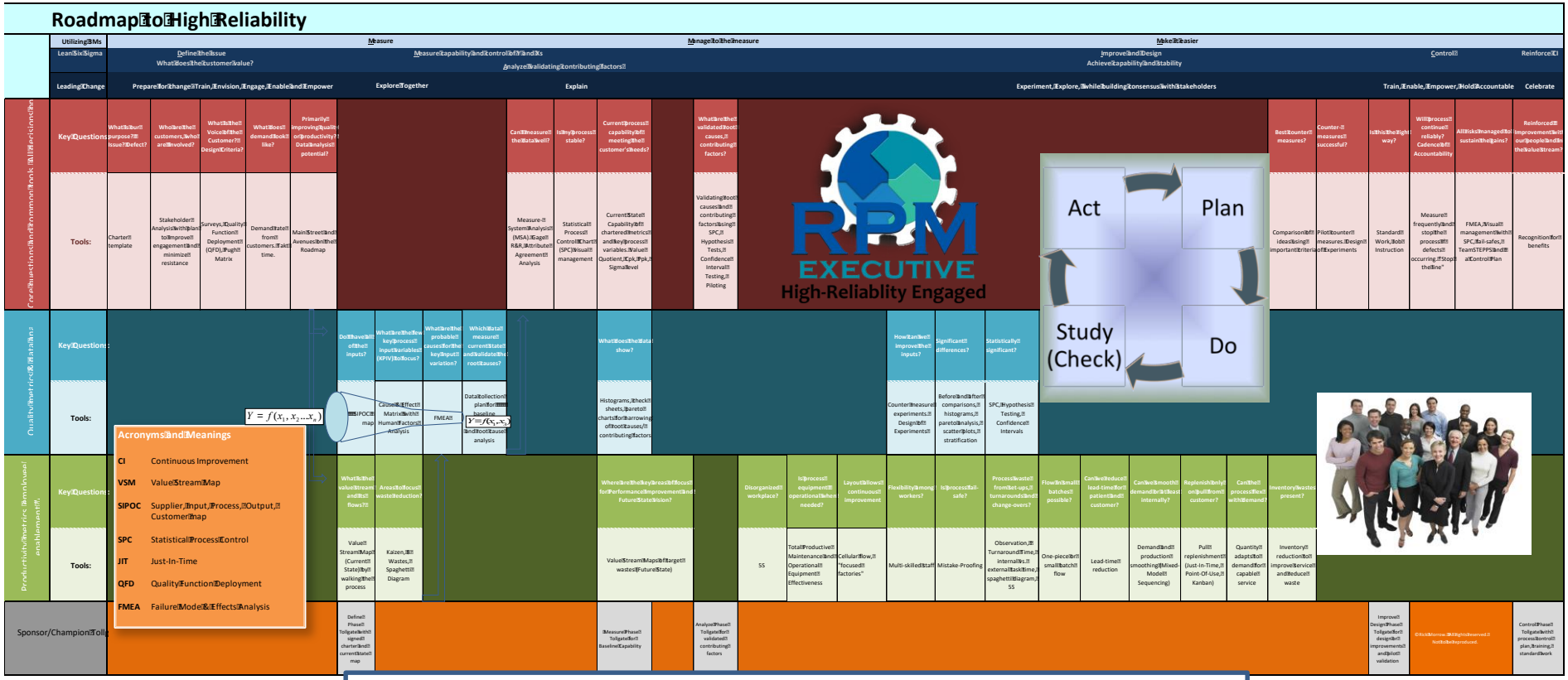


- Benchmark for clinical outcomes – Center of Excellence
- Top 5% in Value-Based Purchasing with Zero Penalties
- Leads the market and wins the margins

How to Build Reliability Skills - Example of a High Reliability Training System



Get a Roadmap to Improve Reliability in Healthcare



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What is your next step to reliability?