

“How to Win in the Arena of Value-Based Purchasing”

By David Howe

NE SORH Contracted Rural Writer

Most healthcare managers and administrators have no illusions about the implications associated with their organizations being cast into a public arena of performance standards under healthcare reform.

The big question is, will they come out of the arena victorious or defeated? How do they make sure that their organizations excel in meeting performance standards for quality of care and patient satisfaction against cost—aka value-based purchasing, in which healthcare consumers can click through Internet websites to choose winners and losers?

One could hardly come away from the Nebraska Rural Health Association’s annual conference in Kearney without recognizing the challenge hospitals and other provider organizations face. It amounts to building—and maintaining—employee dedication and focus up and down the line, from housekeeping to management, to excel at the aforementioned standards established by the Centers for Medicare and Medicaid (CMS).

So, how do you address that challenge in which patient survey results are posted for everyone to see in such public arenas as Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS)? It’s the same place where healthcare consumers can then turn to for comparisons of nationally standardized measures of healthcare quality, patient satisfaction, and cost among providers.

Well, one answer to that question came in the form of the Nebraska Rural Health Association Conference keynote address titled “The Magic of Engagement,” by Brian Lee, a nationally recognized expert in improving the patient experience and staff engagement. The title describes an approach that has led to regional and national patient and employee satisfaction awards earned by 27 of the healthcare clients among those served by Lee’s company, Custom Learning Systems, which he founded in 1984. His company provides services to help healthcare organizations achieve excellence in patient satisfaction, including webinars. “We are big on webinars,” he told the conference.

“Everything works better when people are engaged,” he told the Rural Health Conference audience in Kearney, as he laid out a series of guidelines for achieving the vision he holds up for clients to follow: “To Become an Employer and Provider of Choice.” He told conference attendees, “You want to be the provider of choice, not of last resort.” There’s no place for “adequate” or “average,” he said.

He cautioned against relying too much on in-house surveys, as opposed to scientifically-sanctioned surveys of patient satisfaction. He highlighted HCAHPS, the website that compares hospitals for hospital quality of care, patient satisfaction and cost. The site states that it provides CMS-based standardized survey and data collection methodology on measuring patients’ perspectives for “apples to apples” comparisons among all hospitals to help consumers choose a provider.

Awareness of HCAHPS and other websites with similar information is growing fast among healthcare consumers. That's because so many people are completing the surveys, Lee noted in a phone interview following his Kearney address. The younger, more Internet savvy consumers are especially likely to be aware of those sites, he said. "Of the top ten issues that keep hospital CEOs awake at night, this is one of them," he added. Consumers know where to go to make a choice.

Critical Access Hospitals are currently exempted from being required to report patient survey results to HCAHPS. But they may soon be next. "Most people expect it within the next year, and so do I," Lee said in the post-conference phone interview.

"It looks bad if your hospital shows up with an asterisk (non-reporting hospital), he said at the conference. "Value-based purchasing is a venue in which your hospital needs to outrun other hospitals, not just (be at) the national average." Finishing at the top is critical.

Patient survey reporting to CAHPS is required not only for hospitals but several other categories of providers, including home health, dialysis, and clinics with 50 or more providers, according to Lee. Additional categories are scheduled to come under the reporting requirements, including hospice care in 2015 and nursing homes in two years, he said.

His conference address was about a strategy for engagement of all employees with each other, top to bottom in an organization—and all employees engaging patients, exhibiting a strong commitment to their care. Lee underscored that, saying a 1 percent change in employee morale equals a 2 percent change in patient satisfaction, a two-fold effect.

He boiled down the imperatives of his engagement strategy in an acronym: "KEEP" – K=Key is culture, E=Empowerment is the way, E=Education and Engagement, P=Play and make it fun.

In applying the imperatives of KEEP, he cautioned about the five employee categories, what he calls the "Five Attitudes of Engagement." 3 percent (super stars); 20 percent (winners) who want to contribute, progress or get ahead and make a difference; 50 percent (grinners), who just get by or sit on the fence; 25 percent (whiners) who do as little as possible, want something for nothing, and influence their peers with an attitude of negativity; and 2 percent (slugs), who are counterproductive. Beware of the "slugs," he told the conference. They may be the ones "caring for our mothers or somebody else's mother."

He offered this aphorism in conjunction with the aforementioned categories: "The problem may not be the ones who quit and leave for more pay. It's the ones who quit and stay."

For the "K" in KEEP, his recommendations included focus groups with staff to clarify and share current culture with everyone. Utilize input from everyone to identify what your actual culture is and what is preferred. Lee, a devotee of feedback, offered early in his presentation this quotation from American author, speaker, and management consultant Ken Blanchard: "Feedback is the breakfast of champions."

Among his recommendations for the first “E,” Empowerment, was to “fess up and dress up” if you mess up. Apologize if things go wrong. “It means a lot to people to have an apology,” Lee said. Empowerment comes down to such things as answering call lights. An unwritten rule—call it culture—is that when a call light comes on, it’s answered by someone in a timely manner.

Lee’s second “E” for Education and Engagement includes identifying non-management “frontline” staff members with a terrific attitude and who have already demonstrated their commitment. He suggested empowering them as trainers in a train-the-trainers approach in a ratio of 1 to 12 or at most 1 to 20. Lee suggested such roles as teaching an annual “Service Excellence Workshop” to their peers and facilitating a monthly 1-hour “DO IT” (Daily Ongoing Improvement Tactics) meeting.

And the last letter in KEEP, the “P,” signifies “Play and Make it Fun.” Lee calls it “creating ‘sticky’ relationships. “Do not underestimate the significant role personal friendships play in employee loyalty.”

Asked about employee “burnout” in the phone interview after the conference, Lee acknowledged that continual reduction in hospital reimbursement over the past 15 years has put more pressure on hospital staff productivity. And, productivity drives hospitals financially. “Working hard doesn’t lead to burnout and stress,” he said. “The antidote for burnout is management that knows how to lead and make their people feel valued and appreciated, as noted in Maya Angelou’s famous quote: ‘I’ve learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel.’”

In his presentation, Lee used a triangle illustration to emphasize the three major points around which improved patient and family experience come about: The apex being “Engage—total management engagement and accountability,” the lower left point being “Empower—empowered, enthusiastic front line associates,” and the lower right point being “Transform—for execution excellence.”

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