A Guide to Achieving High Performance in Multi-Hospital Health Systems

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Overview

• Commonwealth Fund-supported research to identify and disseminate best practices associated with high-performing health systems

• Information sources
  • Publicly available quality information: HQA core measures, risk-adjusted readmissions, risk-adjusted mortality, patient experience
  • System-level characteristics from AHA database
  • System leadership interviews

• Identified 17 specific best practices associated with high performance

• Lessons transferrable to all hospitals
Multi-Hospital Health Systems

- Multi-hospital health systems are the most common organizational structure in the hospital industry.
- Two or more health systems account for half of all hospitals and hospital admissions in the U.S.
- While many hospitals are parts of larger health care systems, the role of systems in strengthening quality and safety is less understood.
Multi-Hospital Systems: Volume of Care

Figure 1: Percent of Inpatient Stays in System-Affiliated Hospitals

- 47%
- 22%
- 10%
- 9%
- 11%

20 largest systems
21-50 largest systems
51-100 largest systems
101-200 largest systems
Other

Number of Hospitals in 200 largest systems: top 20 (1,218); 21-50 (562); 51-100 (465); 101-200 (569)
National Opportunity for Improvement

**Figure 2: Differences in System Performance**

- **Highest Performer**
- **Average Across Systems**
- **Lowest Performer**

*For each system average: HQA core measures = 276; patient satisfaction = 274; mortality = 261; readmissions = 248.*

**Legend:**

- **Highest Performer**
- **Average Across Systems**
- **Lowest Performer**

**Axes:**

- **Percent**
- **HQA Core Measures**
- **Patient Satisfaction**

**Risk Adjusted Measures:**

- **Readmission Rate (publicly reported)**
- **Mortality Rate (publicly reported)**

*For each system average: mortality = 261; readmissions = 248.*
Common Themes

• No one system type was most associated with high performance
• No one factor was clearly associated with high performance – success depends on a range of actions
• Creating a culture of performance excellence, accountability for results, and leadership execution are the keys to success
Best Practices

• Establish a system-wide strategic plan with measurable goals
• Create alignment across the health system with goals and incentives
• Leverage data and measurement across the organization
• Standardize and spread best practices across the health system
Best Practices

• Establish a System-wide Strategic Plan with Measurable Goals
  • Set both measurable short and long-term goals
  • Set goals for quality and safety based on the pursuit of perfection rather than improvement – many set threshold, stretch, and high stretch goals and track progress with performance dashboards
  • Link the system’s quality goals with its operational and financial goals
Best Practices

- Create Alignment Across the Health System with Goals and Incentives
  - Establish system-level quality steering/oversight committees to provide direction to system leaders in setting system-wide goals and aligning them with all hospitals
  - Embed health system goals into hospital leaders’ goals
  - Link annual bonuses for system and hospital leaders to performance targets in the system’s key strategic areas
  - Align incentive pay and/or accountability for achieving system-level quality and patient safety targets into contracts with physicians
  - Align emphasis on culture with efforts to understand and improve it
Best Practices

• Leverage Data and Measurement Across the Organization
  • Use an “all or none” or “perfect care” approach to set targets
  • Consider setting targets based upon event counts
  • Share dashboards with hospital leaders and staff frequently to identify opportunities and take action
  • Post dashboard information on the system’s intranet
  • Engage in national benchmarking initiatives to achieve greater transparency and healthy competition between hospitals
  • Utilize corporate support through data mining of existing information systems, frequent analyses, and reporting of measures for hospital-level improvement
Best Practices

• Standardize and Spread Best Practices Across the Health System
  • Establish a process to identify and select practices for standardization
  • Use ongoing education and skills development to spread best practices
  • Effectively disseminate best practices across the system
Concluding Comments

• Multi-hospital health system leaders can employ a variety of practices to improve care across the system.
• Keys to success are not the specific practices themselves, but the execution of those practices and the creation of a culture that supports performance improvement.