

Transformation & Innovation in Focus at the AHA Leadership Summit

This year's American Hospital Association (AHA) Leadership Summit theme "Leading Transformation and Innovation" signaled from the outset that the industry must not only navigate today's rapid changes but also proactively drive them. Speakers offered valuable insights toward this end. B. E. Smith attended the conference and highlights five especially timely themes in this executive brief.

Transformation is not a Choice

Futurist Ian Morrison stressed the absolute urgency of innovation. With surveys projecting two-thirds of payments based on value models by 2020¹, the issue is critical. Morrison sees healthcare facing an "innovation imperative" in which success will accrue to those who understand the changes demanded by the new consumer-driven landscape.

Morrison noted the collateral issue of "improvement fatigue," particularly among first-line employees and caregivers who face a seemingly endless array of checklists, alerts and safety requirements. His prescription: steady communication of the rationale for these mandates and strong physician leadership on the issue.

Pursue a Strategic Agenda

Leading strategy expert Michael Porter, Professor at Harvard Business School, delivered a well-received keynote that also built on the premise that transformation is the "only path forward." The objective must be delivering value for the patient. Porter set out a strategic agenda that succinctly captured the critical success factors in value creation:

- Organize care around patient conditions, not specialties. Refine customer segmentation and create "Integrated Practice Units" to direct team-based care at specific conditions.
- Measure outcomes and costs for every patient. Most organizations track indicators rather than measure outcomes, and for a limited population. Measurement for all patients drives improvement.
- Integrate multi-site care delivery systems.
- Move to bundled payments. Real care expenses get measured and physicians are encouraged to find creative solutions.
- Expand geographic reach to drive excellence. Partnering regionally exposes organizations to new ideas and creates patient value. This notion is consistent with frequent leadership development recommendations by B. E. Smith

to look "beyond the four walls" of the organization to foster innovation and creativity.

- Build an enabling information technology platform.

Porter stressed that the agenda is mutually reinforcing, so executing on all items creates a "virtuous circle" promoting success.

Create a Sponsorship Spine

Perhaps nowhere is value-based care manifested more clearly than in population health management, a topic receiving significant attention. In "Driving to the Sweet Spot – Navigating the Road to Value-Based Care without Going Over the Cliff," James May, Chief Innovation Officer at Heritage Provider Network in California, and Julie Coffman, Partner at Bain & Company, asserted that population health is "not for the faint of heart" and suggest creation of a "sponsorship spine." This innovative concept involves direct linkage of responsible people within the formal role hierarchy and myriad informal networks as detailed in Figure 1. This spine generates strategic strength to "manage the transition all the way to the finish line." Outside advisors are often helpful in creating this backbone.

A Sponsorship Spine can include both formal and informal components:

Formal roles and structures	 Senior leaders who publicly sponsor and champion change
	 Specific individuals or teams tasked and accountable for driving successful realization of change
Informal networks	 Network of influential individuals and high performers "in the know" to create buzz
	 Build "grass roots" support and let excitement grow virally

¹ ORC International, "The 2014 State of Value-Based Reimbursement."

Executive Brief



The Patient as Consumer

David Entwistle, CEO at University of Utah Hospitals, brought top-executive perspective to this recurrent message. He called for healthcare executives to “embrace the patient as a consumer” through expansion of customer-friendly practices including online scheduling, post-partum home visits and extended hours. Entwistle’s crucial recommendation was embedded in his title “Embracing Transparency to Drive Change.” His most compelling reasons for complete transparency: 1) to give patients information for informed decisions and 2) to encourage providers to change behavior.

Commit to Real Team-Based Care

Meeting consumer expectations from the individual to the population level requires commitment to true team-based care. Specific ideas were offered.

One innovative approach was described in “How One of the Nation’s Leading Health Care Systems Optimized Physician, APRN and PA Roles” by Trish Ahnen, Vice President Clinical Services at Metropolitan Chicago Healthcare Council, Donna King, Vice President Clinical Operations at Advocate Health Care, and Pamala Smith, Vice President Nursing at Advocate. Seeking a “standardized, attractive care model focused on patient safety and outcomes,” Advocate faced inconsistencies and role confusion across its vast operations. In response, the organization created Advanced Practice Clinicians, a new team structure around the physician encompassing six roles (Figure 2).



About B. E. Smith

Founded in 1978, B. E. Smith is a full-service leadership solutions firm providing Interim Leadership, Executive Search and Advisory Services. Veteran healthcare recruiters and regional healthcare experts partner with each client to create customized solutions. B. E. Smith’s proven methodology has resulted in the recent placement of more than 900 leaders into healthcare organizations worldwide. The firm utilizes a comprehensive sourcing strategy incorporating the latest marketing techniques, association partnerships, social networking and one of the largest databases of healthcare executives in the industry to deliver immediate results in today’s complex healthcare environment. For more information, visit BESmith.com or call 855-254-8261.

Six criteria had to be addressed to standardize the APC framework:

- Practice scope
- Privileges
- Job description
- Hiring manager/performance review
- Billing
- Documentation training

Barriers to the APC team include medical staff bylaws, confusing reimbursement regulations and lack of recognition for such a role in the EMR or in managed care contracts.

Charles Cowles, M.D., Associate Professor at MD Anderson Cancer Center, asked if “teamwork and team selection” can reduce healthcare’s high error rate relative to risky endeavors such as aviation, racing and firefighting. In “Team Work and Technology to Create a Safer Hospital” he agreed with the Advocate speakers that standardization is crucial and offered these helpful team success criteria:

- Must have a leader
- Clear goal and vision
- Cause greater than themselves
- Constant improvement
- Willing to fight
- Standard of excellence
- Nimble
- Actually like each other

A Special Keynote Address

Always dynamic, Dr. Atul Gawande delivered a popular keynote speech. His thought-provoking talk used palliative care and infection control as examples of powerful ideas that are slow to show benefits, but well worth the sacrifice today. It can be viewed at www.hhnmag.com/Daily/2015/July/atul-gawande-deliver-outcomes-video-summit-weinstock.

The Leadership Summit was alive with strategies and tactics to lead the way in innovation that transforms healthcare providers, the industry and the relationship with customers. For executives, increasing focus on these new strategies will be critical for organizational success in the changing healthcare landscape.