

GETTING IT RIGHT



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DURING TURBULENT TIMES

Tough economic times. As a leadership team, for Denver Health Medical Center, what options should be considered?

- * Raise prices?
- * Limit services?
- * Change the mission?
- * Sell more to current customers?
- * Go after new customers?
- * Cut costs?
- * Focus on improving internal efficiencies?



But wait! New patients are swarming. Unfortunately, many cannot pay for services provided. However, because of the corporate mission, these patients must be serviced. Those who can pay usually do not have to pay the full amount. Costs continue to go up, so raising prices won't help. This is the current operating environment that the nonprofit healthcare system faces. And it's getting worse. As the population ages, an increased number and variety of services are required. Concurrently, a higher percentage of people are trying to weather the economic downturn. Many, who may have previously had health insurance, either no longer do or are now eligible for Medicare or Medicaid, which pays only a portion of what is charged by the healthcare provider. Many times, conditions are more severe because patients wait too long to access care. For those hospital systems which are a city's safety net, patients cannot be turned away. So, on an annual basis, the level of "charity" work continues to climb.



And looming in the background are the legislative changes that will impact the who, what, when, where, and how of healthcare delivery.

This is the scenario in which the CEO of Denver Health, Dr. Patricia A. Gabow, and her executive team recently found themselves. Waiting and continuing on as usual was not an option. Instead, they chose to work on the organization's infrastructure. By doing so, Denver Health has positioned itself to leverage its streamlined and innovative service offerings as well as its increased focus on the patient, as healthcare reform is figured out and the economy begins to turn around. Although the end is not yet in sight, the journey has begun and benefits are being realized.

"Getting It Right: Perfecting the Patient Experience," a new healthcare initiative, was formally introduced to Denver Health in May, 2004. Recognizing that healthcare delivery in hospitals had not changed substantially in decades, this new program was aimed at changing the culture by focusing on workforce development, customer service, patient safety and quality, the physical environment, and internal efficiencies by using information technology as the "glue" to support all of these initiatives. "We have been doing things the same way in hospitals since I was in medical school many years ago," Gabow said.

**"IN THIS REDESIGN PROCESS WE REMOVE REDUNDANCIES,
USE TECHNOLOGY WISELY, AND SAVE MONEY THROUGH
INCREASED EFFICIENCIES."**

As a result, Denver Health has been able to create a culture that is committed to reducing waste in order to achieve a perfect patient experience and to be a model for the nation.

But, where does a leadership team start? Changing the culture requires major changes in the strategy of its executive team. So, Denver Health, with its almost 5,000 employees, focused on the critical elements

needed to impact the culture of its organization.

Fast forward to 2010, and Denver Health is one of the leading institutions in the country on several fronts. Ranked nationally, they are one of the leading hospitals in the country implementing lean thinking and health information technology to optimize the flow of services and products through the entire service chain. Besides that, Denver Health was ranked first in the country for its Neonatal Intensive Care Unit in 2006 by the Pavilion for Women & Children. In 2007, the Wellington E. Webb Center for Primary Care ranked Denver Health as the #1 community health center immediately adjacent to an acute medical care center in the country. And, the organization received the first Leed Certified Green designation for a public safety net project, and was the first emergency department in the region to provide emergency and urgent care under the same roof with their Adult Urgent Care Clinic, Pediatric Urgent Care and Emergency Department, Adult Emergency Department and Level I Trauma Center. So what did the Denver Health Executive Team do? They developed a five-pronged plan to focus on the “right” issues: people, process, communication, reward, and physical environment.

RIGHT PEOPLE

The right people were needed to nurture a new culture, and current employees had to adjust their attitudes in order to accept, endorse, and thrive in a new work environment. To do this, expectations, incentives, and support were put in place. For potential employees, a robust candidate selection process was established. Denver Health began using Talent Plus, a tool that identifies the key factors to enable top performers to reach success. It was implemented to screen potential employees for the innate characteristics that will help them function at their highest level. This program has also been used by the Ritz Carlton.

RIGHT PROCESS

Most process improvement initiatives produce optimal results when coupled with a system improvement effort. Denver Health is no exception and has taken on a massive technological overhaul resulting in improved patient care and cost avoidance by eliminating waste. In addition, its formalized Lean Initiative, which has received international recognition, has netted more than \$60 million in savings by reducing costs and/or generating additional revenue, in just five years.

RIGHT COMMUNICATION

To ensure that proper information is communicated in a timely manner, Denver Health instituted several forms of structured communications like departmental huddles; scripting; SBAR (Situation, Background, Assessment, Recommendation) which is a communication method used when discussing patient issues; bulletin boards focusing on departmental metrics; and intranet sites with access to current organizational endeavors.

RIGHT REWARD

Recognizing individuals, as well as team accomplishments, is key. The STAR Award is given to an employee for going above and beyond his/her normal duties. A star employee’s name is publicly posted and the recipient receives monetary compensation in his/her next paycheck. STAR Award nominations are submitted by co-workers and patients alike. A Team Award is also provided to groups that implement a project with substantial savings or revenue generation. The team then shares in a portion of

the organization's financial benefit—up to \$500 per team member per project.

RIGHT PHYSICAL ENVIRONMENT

Although not statistically proven, employees who have pride in, and enjoy, a safe physical environment have higher work force satisfaction, which in turn leads to increased customer satisfaction, proving that the right physical environment can make a difference. For many years, Denver Health has continued to upgrade and remodel existing facilities, as well as add new facilities and associated services, with its newest building planned for completion in September, 2011. The Denver Health campus covers 28 acres in downtown Denver. There are also eight neighborhood clinics and 12 school-based clinics throughout the city. Each of its new facilities houses state-of-the-art technology and equipment which helps attract the best physicians and staff in the nation.

As a part of its culture change, and in alignment with its “Right Process,” Denver Health has more than 200 employees trained in Lean principles, and more than 1,500 employees who have participated in 300 Rapid Improvement Events (RIE's). These four-day intense sessions culminate in major and minor changes that are implemented in just one week!

Denver Health defines “Lean” as a systematic approach of continuous improvement. It is based on principles and tools that are used to identify and eliminate waste throughout the organization and has become embedded in the culture and strategies of Denver Health. The organization is committed to deliver value, as defined by the customer, without waste and on demand; standardize and improve the delivery of services; require deep personal experience to achieve transformational learning; and expect mutual respect and shared responsibility to achieve higher performance.

Phil Goodman, manager of Lean Systems Improvement further explains, “Denver Health utilizes a two-pronged approach. One focuses on addressing complex cross-departmental issues (RIEs); the second focuses on leveraging a cadre of Lean Black Belts. These employees are dispersed throughout the organization and either individually or in small teams implement process improvements to address everyday issues.”

As part of their performance appraisals, supervisors and managers are evaluated on their department's improvement efforts, as well as their support in providing professional growth opportunities to their employees. Even the members of the executive team are expected to be champions throughout the organization and participate annually in at least two RIEs.

Usually these events require a collaborative effort between stakeholders, both upstream and downstream, for the process being improved. In some cases this requires bringing in personnel from outside Denver Health. Recently, these activities have expanded to include entire organizations outside of Denver Health. For example, with new legislative guidelines for graduate medical schools set to take place in July, 2011, Denver Health collaborated with three other local teaching institutions—University of Colorado Health Sciences Center, Veterans Affairs Medical Center, and The Children's Hospital—to work on a common goal—zero work hour violations while meeting the new medical education requirements.

It's been more than five years since Denver Health's executive team made a commitment to “Perfecting the Patient Experience” and considerable progress has been made, with all indicators pointing in a favorable direction — improvements in finances, patient outcomes, quality of care, and patient/workforce satisfaction. In fact, Denver Health was recognized by the Colorado Performance Excellence award program as a Timberline level recipient in 2009, for its unwavering commitment to

providing high quality, safe healthcare.

The foundation of the success that Denver Health is experiencing is based on a two-fold effort—a collaborative effort across the executive team members and a shared respect and mutual understanding of the organization’s direction throughout all types and levels of employees—to provide excellent care for all.

This new found culture shift will enable Denver Health to weather the economic conditions and continue to “Get it Right.” “As an industry, health care can no longer afford to do things the same old ways,” said Gabow. “We must overcome the inertia of the status quo in medicine and tackle the problems that stem from reliance on outdated methods.”

Triche Guenin is President of Denver-based Partners Through Change, Inc., a process improvement firm that facilitates organization in becoming more efficient/effective in everyday operations. To learn more, visit www.partnersthroughchange.com.