

MMS Annual Leadership Program

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Agenda

- My role – set the stage
- Current Reality & Critical Role of Leadership in HC
- Thoughts on 'How'
- 3 Questions to think about as you listen...



Harvard Vanguard Medical Associates/Atrius Health

- Non-profit, multi-specialty group practice
- Over 700 physicians, 1,000 other medical professionals and 5,000 employees
- Serving 700,000 adult and pediatric patients
- Rank as one of highest quality providers in MA (MHQP)



Major Points

Unsustainably high cost HC delivery

**Isn't meeting the needs of patients & communities
(also highly stressful for clinicians & staff)**

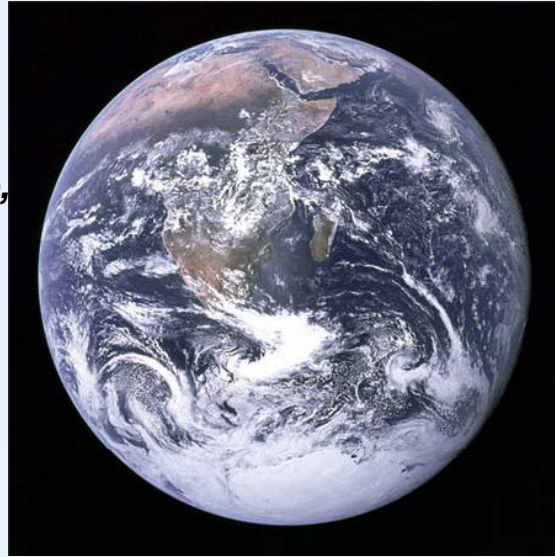
**Not a stagnant situation - Legislative action being taken
already prompting response and preparation**

**Opportunities exist; but we need to align, act &
transform to be ahead of the change, not behind it.**



***“It is not the
strongest of the
species that survive,
nor the most
intelligent,
but the ones most
responsive to
change.”***

Charles Darwin

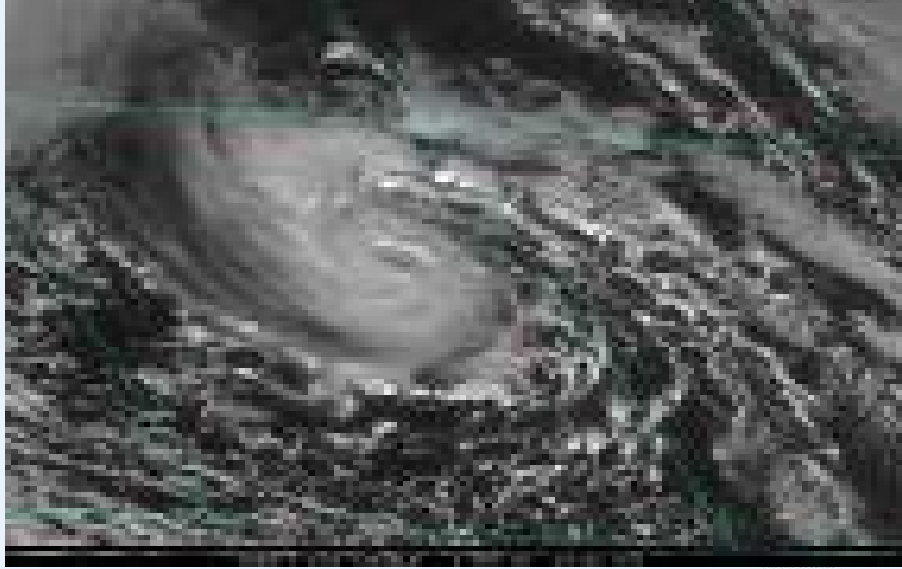


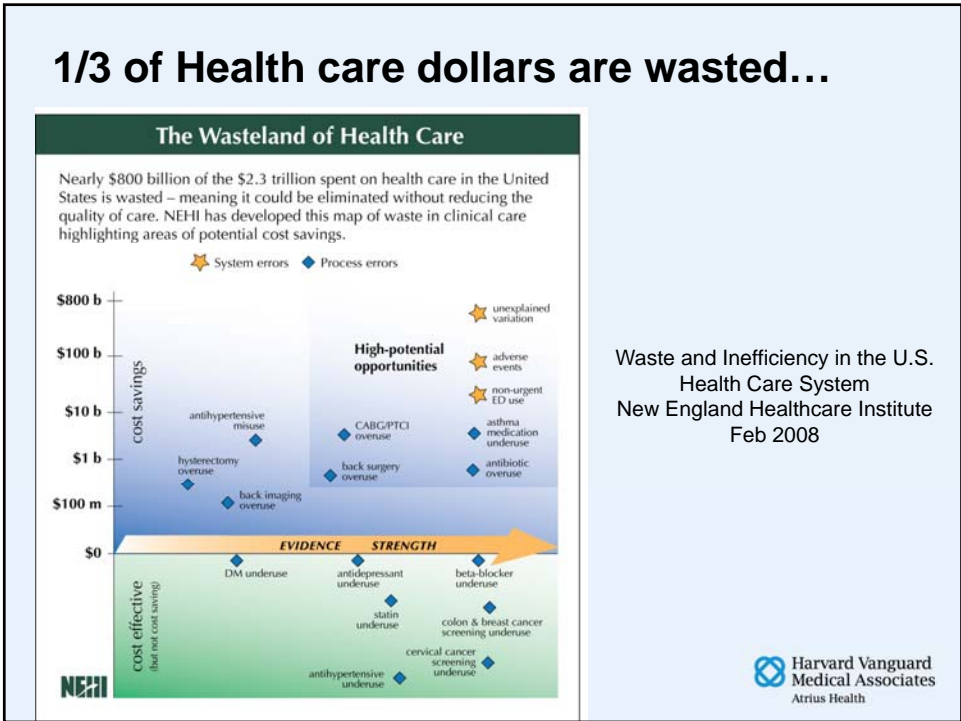
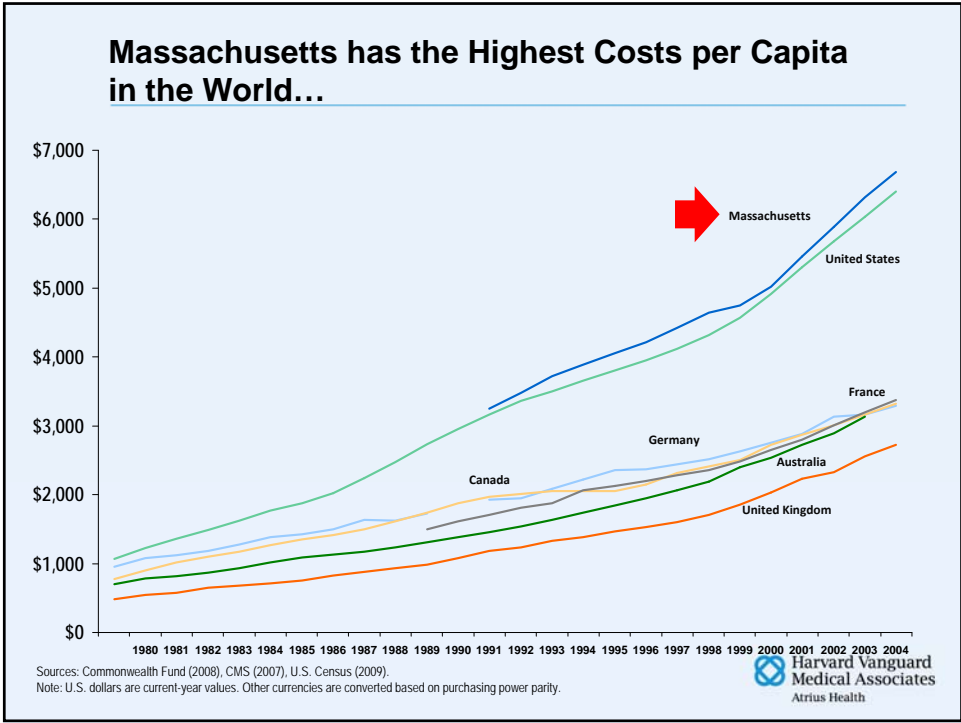
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Current Reality & Critical Role of Leadership

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Current Situation is Unsustainable



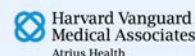


Waste and Inefficiency in the U.S.
Health Care System
New England Healthcare Institute
Feb 2008

11 Country Survey: U.S. adults most likely to forgo care due to cost, have trouble paying medical bills; U.S. stands out for highest out-of-pocket costs and most complex health insurance

- 33% of U.S. adults went without recommended care, did not see a doctor when sick, or failed to fill prescriptions because of costs, compared to 5% in the Netherlands or U.K.
- 20% of U.S. adults had major problems paying medical bills compared to 2% in the U.K.
- Only 57% of U.S. adults were able to be seen same day or next day compared to 70% of adults in U.K. and 93% in Switzerland.

The Commonwealth Fund
Health Affairs
Nov 2010



SPECIAL REPORT

Runaway health costs are rocking municipal budgets

By Sean P. Murphy, Globe Staff | Feb 28, 2010

- cost of municipal health care more than doubled from 2001 to 2008
- more than \$1 billion added to city & town budgets
- HC makes up 14% budgets - up from 8% a decade ago
- Somerville spends \$20 million more annually than it did 10 years ago, (devoting almost 20 percent of its budget to health care)
- Lawrence is \$4 million in the red for health care costs
- Feb 1st - children trapped in a burning apartment building, down the street from a fire station. Lawrence had recently shuttered the station, to help close a \$24 million budget gap, and firefighters had to race from another location. The children escaped, [this time]...



Health costs sap state aid for schools

Michael Levenson, Globe Staff | Dec 9, 2010

- “Hundreds of millions of dollars the state has provided to local school districts to improve classroom education has instead been gobbled up by soaring health care costs for school employees...”
- “From 2000 to 2007, annual health care costs in school budgets grew by \$1 billion, while state aid for schools grew by only \$700 million...”
- “Controlling the cost of health care in Massachusetts is now the ultimate education issue...”
- “Largely because of health care costs, school districts have been forced to make painful spending cuts, in books, teachers, and teacher training...”
- “These cost increases are huge, and they’re affecting kids...”



Low Quality of Care in our HC delivery system

• **NEJM (Dec 2010) Study:**

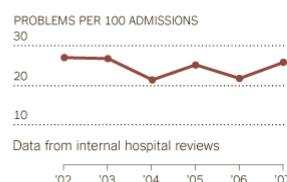
- 2,341 patients admitted
- 10 hosp's in North Carolina
- between 2002 – 2007
- conducted chart evaluations

• **Found:**

- 25 injuries per 100 admissions
- 18% of patients harmed by med care
- 63% of these were preventable
- 8% life threatening injuries
- 2.9% permanent injuries
- 2.4% caused/contributed to death

Little Change in Patient Safety

The rate of patients suffering harm during hospital stays — from errors or inadvertent problems — showed no improvement over six years, according to a study of 10 North Carolina hospitals.



INFECTIONS: MOSTLY PREVENTABLE Here is a tally of infections from 2002 to 2007 that patients acquired during their hospital stays. About 75 percent of all infections were preventable (■).

	PREVENTABLE/TOTAL:
Urinary tract infections	24 out of 31
Surgical site infections	10 out of 17
Pneumonia not related to ventilator	9 out of 11
Sepsis or bacteremia unrelated to catheter	8 out of 10
Catheters in arteries/veins	8 out of 9
Ventilator-associated pneumonia	6 out of 8

Source: The New England Journal of Medicine

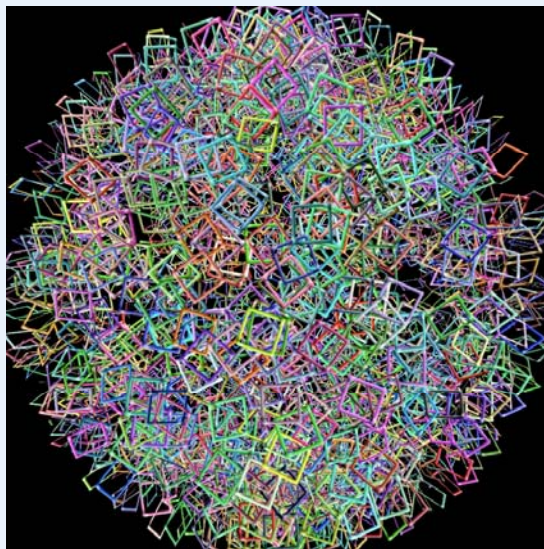
THE NEW YORK TIMES

VUCA World

- Volatile
- Uncertain
- Complex
- Ambiguous



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Leadership is about
accepting Change,
Paradox, Chaos
& Complexity

Marshall Ganz, PhD

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Managers promote stability while
leaders press for change, as only
organizations that embrace both sides
of that contradiction can thrive in
turbulent times...

John Kotter
What Leaders Really Do
HBR Dec 2001

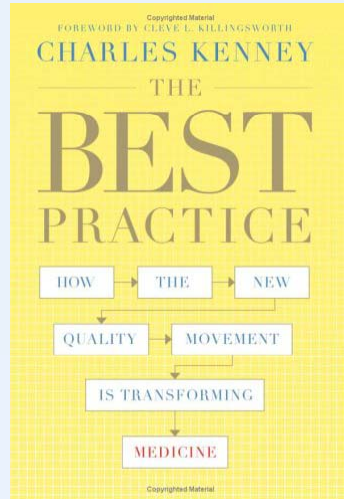


Real leaders ask hard questions and
knock people out of their comfort
zones.

John Kotter
What Leaders Really Do
HBR Dec 2001



Why is Leadership & Leadership Development Important?



*"The Sine Qua Non
of Quality Improvement
in Health Care is
Leadership."*

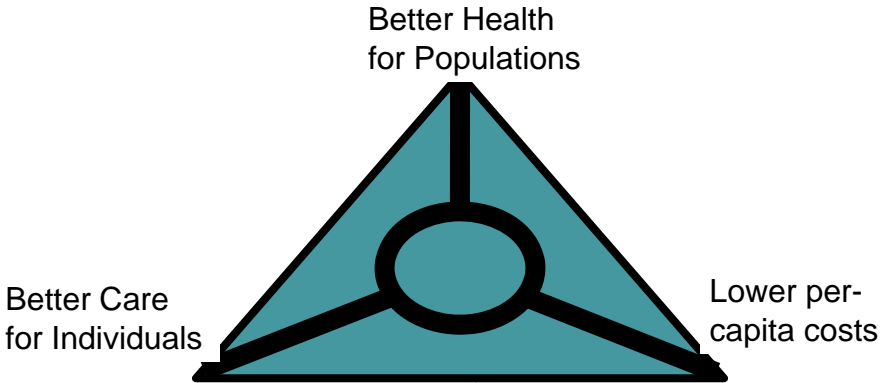
Charles Kenney
The Best Practice

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How?

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Achieving the Triple Aim

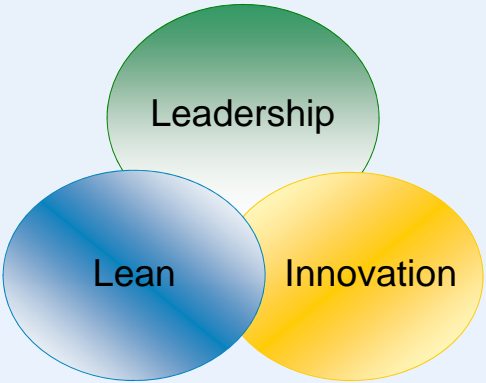


The root of the problem in health care is that the business models of almost all US health care organizations depend on keeping these aims separate. Society on the other hand needs these three aims optimized (given appropriate weightings on the components) simultaneously. Tom Nolan, PhD.

Source: IHI.org

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What's needed?

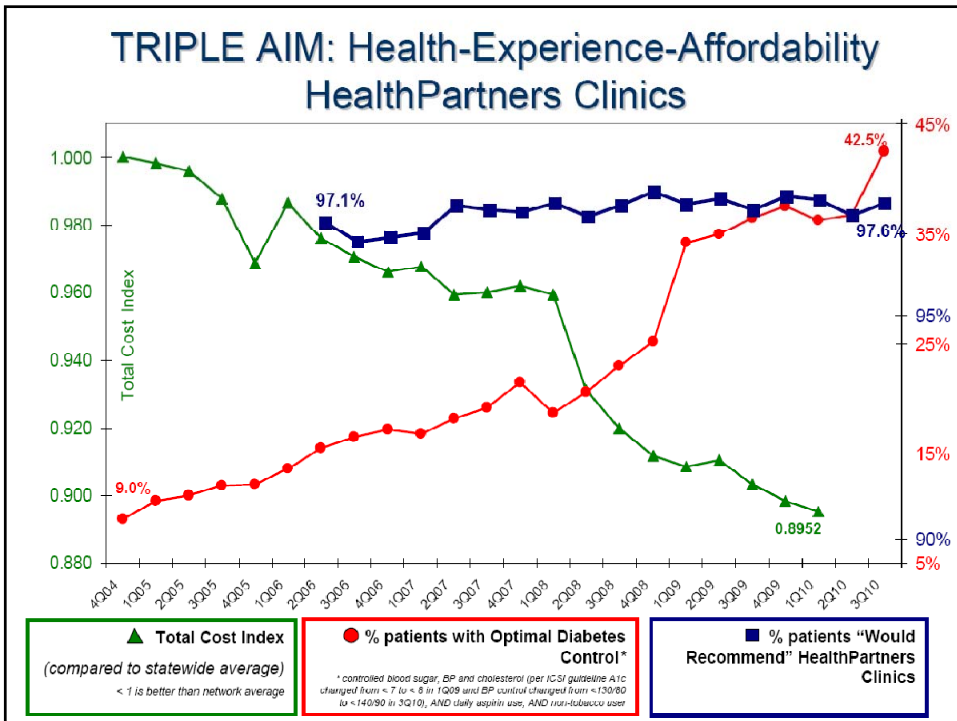


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Why is Leadership & Leadership Development Important?

“... We need leaders who... bring innovation and new ideas to their work, and who are committed to serving the needs of the patient.”

Denis Cortese, M.D.
President and CEO
Mayo Clinic



Medicare's *Physician Group Practice Demonstration*

Summary Results of the Physician Group Practice Demonstration, Performance Years 1–4.*

Physician Group Practice	Percentage of Quality Goals Attained				Shared Savings Payments (\$)			
	Year 1	Year 2	Year 3	Year 4	Year 1	Year 2	Year 3	Year 4
Billings Clinic, Billings, MT	90.91	97.78	98.11	92.45	0	0	0	0
Dartmouth–Hitchcock Clinic, Lebanon, NH	95.45	97.78	92.45	94.34	0	6,689,879	3,570,173	328,798
Everett Clinic, Everett, WA	86.36	95.56	94.34	94.34	0	129,268	0	0
Forsyth Medical Group, Winston-Salem, NC	100.00	100.00	96.23	96.23	0	0	0	0
Geisinger Clinic, Danville, PA	72.73	100.00	100.00	100.00	0	0	1,950,649	1,788,196
Marshfield Clinic, Marshfield, WI	81.82	100.00	98.11	100.00	4,565,327	5,781,573	13,816,922	16,154,242
Middlesex Health System, Middletown, CT	86.36	95.56	92.45	94.34	0	0	0	0
Park Nicollet Clinic, St. Louis Park, MN	95.45	97.78	100.00	100.00	0	0	0	0
St. John's Clinic, Springfield, MO	100.00	100.00	96.23	98.11	0	0	3,143,044	8,185,757
University of Michigan Faculty Group Practice, Ann Arbor	95.45	100.00	94.34	96.23	2,758,370	1,239,294	2,798,006	5,222,852

* Because the CMS applied different weights to each of the quality measures, the agency calculated the quality goals attained as percentages, rather than absolute numbers of measures. Data are from RTI International.

NEJM Dec 22, 2010



Adjacent Possibilities

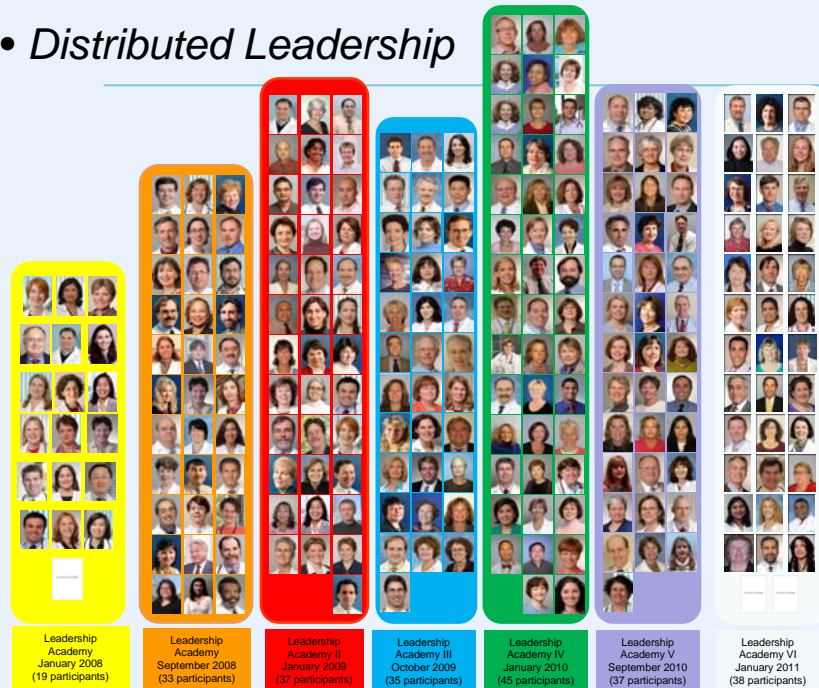


Alignment



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- *Distributed Leadership*




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How?

- *Metrics & Data Transparency*
- *Feedback & Accountability*
- *Simple Rules*
- *Volume to Value*
- *Responsibility across continuum of care*


As you listen, ask 3 questions...

- *How am I/we expressing our leadership responsibility?*
- *What are the adjacent possibilities?*
- *What can I/we begin doing right now to improve HC delivery?*



*This is not the end.
It is not even the
beginning of the end.
But it is, perhaps, the
end of the beginning.*

Sir Winston Churchill
November, 1942

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