Joint Commission Resources

Deriving Measureable Value from Standardization

Deriving Measurable Value from Standardization

More than 400,000 Americans die every year from incidents that are preventable: medical errors.[1]

That mortality number surpasses the population of major U.S. cities like Cleveland and Minneapolis. Some experts call out preventable harm as the third-leading cause of death in the United States,[2] a devastating "black mark" that hurts patients, destroys provider morale, and heightens organizational risk.

C-suite leaders understand that variable practices significantly contribute to preventable medical errors and impede patient safety. Value-based reimbursement demands even more emphasis on evidence-based practices that deliver quality care with repeatable outcomes. The Centers for Medicare & Medicaid Services (CMS) has set a goal of tying 90 percent of traditional Medicare payments to quality or value by 2018 through programs such as Hospital Value-Based Purchasing and the Hospital Readmissions Reduction Programs.[3]

In a series of interviews with health care leaders conducted by Joint Commission Resources (JCR) in 2015, one respondent said simply, "Quality is strategy." This pithy statement encapsulates why a standardized approach to quality makes sense in the face of today's fierce pressures for performance.

The high-value returns of standardization

As defined by researchers cited in the American Journal of Medical Quality, standardization aims to reduce errors and improve quality by eliminating unwarranted deviation and improving the reliability of outcomes through reproducibility of processes.[4]

"Standardization improves quality, reduces variation, and controls cost in a variety of areas, from patient care to supply chain to revenue management cycle," explains Ann Scott Blouin,

RN, PhD, FACHE, Executive Vice President of Customer Relations, The Joint Commission. For example, Mayo Clinic Health System was able to standardize clinical operations across 22 emergency departments. Within a year, Mayo saw reduced transfer rates, dropped service line write-offs, improved billing and coding, rising Hospital Consumer Assessment of Healthcare Providers and Systems scores, and increased success with hiring and retention.[1]

The adoption of standardization strategies, while demanding in many ways, is paying dividends for health care systems and the patients they serve by reducing costly errors and streamlining operations.

Decrease patient or staff harm: Health care delivery is complex and relies on numerous people and multiple patient touchpoints. Using evidence-base practices consistently can prevent inadvertent harmful events. Hospitals participating in the Preventing Falls With Injury Campaign sponsored by the Joint Commission Center for Transforming Healthcare put standardization techniques into practice and reduced the rate of patient falls by 35 percent and the rate of patients injured in a fall by 62 percent. For a typical 200-bed hospital, the number of patients injured in a fall can be reduced from 117 to 45 and avoid approximately $1 million in costs annually through fall prevention efforts.[5]

Reduce risk of errors: Health care staffers have a long history of doing "work-arounds" and customizing approaches to their work. "They are setting up practices that allow for slipping away from evidence-based practice or standard accepted practice, creating risk points in the care they provide. There is a greater risk for error if you do it your own way," explains Roberta Fruth, RN, MS, PhD, FAAN, CJCP, Senior Consultant (former), JCR. She describes a situation where a well-respected surgeon who performs a large number of procedures decided he was not going to wear hospital scrubs, but would bring his own in direct conflict with accepted infection control practices. "Do infectious organisms know that you are big honcho?" challenges Fruth. Standardized practices help simplify choices, reduce caregiver confusion, and minimize inadvertent errors.

Improve staff productivity: In addition to safety, standardized practices can introduce a new level of efficiency among employees. Consistent processes contribute to accountability. If employees at different sites are doing the same thing, it is easier for them to understand the activity and do it well. JCR consultants point to a standardization success where patient room items are always kept in a supply cabinet so as nursing assistants move from one floor to another, they know exactly where to locate particular products. That practice has reduced errors and improved efficiency over time.

Control costs: "Process variation is probably the largest source of waste within a hospital. Health care providers must be able to afford the care they deliver and still provide the patient with a world-class experience," observes Stephen Anderson, MBA, RN, FACHE, Strategic Account Executive, Vizient, Inc.

Health care leaders are reaping significant financial returns from successful standardization. In 2012, JCR's Hospital Engagement Network (HEN) was launched as part of the federal Partnership for Patients campaign to reduce harm and improve the quality and safety of health care. The 46 participating HEN hospitals in 18 states and other stakeholders achieved $121.3 million in savings (averaging $5.71 million per hospital annually) from identifying and standardizing improvements in 11 targeted events. Clinical improvements included reductions in pressure ulcers (86%), ventilator-associated pneumonia (67%), and surgical-site infections (18%), all conditions that can negatively impact length of stay, readmissions, and reimbursement.[6]

Protect reputation: Benjamin Franklin summed up reputation management: "It takes many good deeds to build a good reputation, but only one bad one to lose it." A sentinel event that leads to negative media coverage can severely damage a system's reputation. Leaders fear how the lightning-fast influence of social media can imprint negative messages and destroy an organization's carefully tended image.

Lessons from high-reliability industries

According to the Patient Safety Network sponsored by the Agency for Healthcare Research and Quality, "In health care, as in other industries, most errors are caused by slips rather than mistakes, and checklists represent a simple, elegant method to reduce the risk of slips. Flight preparation in aviation is a well-known example, as pilots and air-traffic controllers follow pre-takeoff checklists regardless of how many times they have carried out the tasks involved." [7]

Checklists represent only a small fraction of ideas borrowed from high- reliability industries where failure is not an option. Health care leaders can learn valuable lessons from the nuclear power industry, information technology within banking and finance, and the military. For example, a large system rolled out daily patient safety huddles in every organization, borrowing a technique used by nuclear power plants. Their rigorously implemented morning huddles helped lower patient risks through effective and timely communication.

"The opportunity to standardize processes is a step toward achieving higher reliability, producing better outcomes, and reducing risk," notes Mike Gulley, MD, Corporate Director of Clinical Integration, OSF Healthcare. Researchers Weick and Sutcliffe provide a compelling depiction of how high-reliability organizations stay safe. They describe an environment of "collective mindfulness" in which all workers look for and report small problems or unsafe conditions before they pose a substantial risk to the organization and when they are easy to fix.[8] Such mindfulness should be encouraged and rewarded by leaders seeking to push their organizations to meet and exceed quality benchmarks.

Overcoming barriers to standardization

While standardization can reduce variances and risk, adopting consistent processes faces major roadblocks to success.

Merger mania: Health care mergers and acquisitions continue to rise, with 2015 hospital transactions exceeding 2014 deals by 18 percent, according to Kaufman, Hall & Associates.9 Merger strategy encourages "interoperability" where systems aim for standardization and accountability across campuses: shared services, shared data, and shared staff.

Yet this goal can remain elusive in the face of day-to-day operations. Observes Dana McGrath, RN, MSN, Client Relations Manager, JCR: "Mergers are happening so fast, and the sheer growth of the system can inadvertently introduce dissimilar processes that threaten quality and safety standards. What the main hospitals are doing may not filter out to all sites. Often smaller organizations don't have the resources to implement standardization."

Maureen D'Agostino, Senior Vice President, Quality, Service, and Performance Excellence, Beaumont Health, urges leaders to put discussions about quality initiatives on the table at the earliest stages of the merger discussion. "If you wait until the deal is inked, it makes it more difficult. Bring best practices to the table, and then roll them out across the system to obtain better buy-in. If employees aren't communicated with from the beginning, they feel they've been lied to," she explains.

As leaders coalesce to build a single, accountable system, they must carefully consider the needs of each facility. Leaders point to the need for collaboration and an open attitude toward adopting best practices from any site, not just the academic medical center. "Keep decisions on policies at a high level to meet the system's base requirements. Then each site or region can come up with a localized procedure to implement the policy. It is important to allow for some level of customization based on different cultures, facility sizes, patient mixes, and providers," advises Melanie Ryan, JD, Administrator of Accreditation and Certification, Mayo Clinic.

Resistance: Standardization faces prevailing winds, especially in the form of physician and staff resistance. Many hospitals still espouse a culture of independent practitioners, where clinicians cling to self-rule and what they call "the art of medicine." Resistance produces emotional responses

("My way works fine. Why do I have to change?") as well as behavioral responses ("This is all part of cost reduction.") While standardization can help reduce costs, some employees perceive it as a Trojan horse leading to layoffs. Emotional and behavioral resistance can be countered by sharing data on leading practices and inviting people to brainstorm

about solutions. If individuals do not feel included, it slows down the change process.

Limited resources: Designing and implementing standardization initiatives involves time, resources, and dollars. "For example, standardizing an IV process or policy may require an investment in 'smart' IV pumps as well as house-wide staff training," says Beth Glassford, RN, BSN, MS, MSHA, FACHE, CJCP, Principal Consultant, JCR. Standardization may be expensive in the short run, but less costly in the long run because it reduces risk.

Metrics: Performance improvement demands accurate, real-time data to track progress, yet standardization teams often struggle with a lack of data or mismatched or outdated metrics. Many organizations are turning to electronic health records (EHRs) to help them measure at a system level as well as detect nuances at the site and provider level.

Avoid "mindless standardization"

Experts caution against mindless standardization, pointing out that some systems suffer from too many priorities that are not strategically aligned. These teams suffer from project fatigue and insufficient bandwidth to deal with meaningful changes.

"If you impose standardization without understanding the environment, you often don't get the intended results," observes Gulley (OSF Healthcare). He proposes a thoughtful understanding of what can be standardized that relies on high-level principles and allows for local variation. Most important are practical feedback mechanisms so that systems can adjust when unintended consequences arise.

Flexibility is crucial in implementing a standardization initiative. "You have to decide what the corporate goal is, but it needs to be flexible enough to work within the framework of their community where the work is being done. For example, the corporate level decides what type of disinfectant should be standard, but local teams may have options within that standard to facilitate effective implementation," advises Anderson (Vizient).

Benefits of a strategic approach to standardization

To achieve their patient care and business goals, experienced C-suite leaders pursue quality grounded in strategy. "Standardization needs to roll up to your corporate strategy. It falls within your 'big Q' quality plan designed to deliver the best care to the communities you serve. Those leaders who really understand and embrace quality principles do the best for their organizations," notes

Erin DuPree, MD, FACOG, Chief Medical Officer and Vice President (former), Joint Commission Center for Transforming Healthcare.

This strategic approach to standardization involves enterprise-level risk management to improve care and cost control across all sites. Ana Pujols McKee, MD, Executive Vice President and Chief Medical Officer, The Joint Commission,

says it all begins with enlightened leadership. She tells the story of a CEO who learned that one facility in a 12-hospital system was experiencing dramatic success with improved handwashing hygiene; the staff had improved compliance to 88-90 percent. The CEO and board pledged that all 12 hospitals would use the Center for Transforming Healthcare's hand hygiene tool and deploy its Six Sigma logic. Today the system has been using the tool for five years, distinguishing itself by having one of the lowest infection rates in the country.

Among clinicians and administrators, there is heightened awareness that waste can be eliminated by strategically standardizing processes and equipment. Risk reduction and substantial savings often result from a smaller number of product choices. For example, a health system was using eight different knee implants to meet the preferences of different surgeons. This situation was costly due to inventory and vendor contracts and the staff (beyond the surgeons) needed to be familiar with the different implants. Errors were made, in part, because there were too many product choices. Through standardizing certain processes, the system has now reduced the number of implants by more than half.[1]

Strategic standardization can even impact the charter and structure of the accreditation team. At Mayo, Ryan's position as administrator of accreditation and certification was created at the system level to enhance enterprise-wide accreditation readiness and implementation. Previously individuals worked on accreditation at an individualized level, but never connected as a team.

Now 20 individuals work full-time in accreditation and collaborate with physician partners and other stakeholders on key initiatives. "We moved from siloed activity without a lot of resources and depth to a broad-based network with significant depth and lots of information sharing," explains Ryan.

How to strategically standardize

Strategy-inspired standardization can lower the risk of harm, strengthen collaboration, and improve regulatory compliance. What are the essential building blocks to achieve that success?

Active C-suite involvement: A culture that promotes safety, openness, and transparency begins at the top. If the quality directive comes from the board and C-suite, then chances for success improve because physicians and staff see commitment and resources being applied to the goal.

"If the organization doesn't see the CEO spending a lot of time on it, it's a loud message. Then employees won't see it as important," warns Anderson (Vizient). He tells a story of a hospital CEO who presented a lecture and then sat down in the front row for the day-long workshops and took notes. The result? The hospital completed its Joint Commission survey with absolutely no recommendations. Anderson's advice to the C-suite: Ask the critical questions and reward implementation.

Equally important is the involvement of medical and nursing leaders who often are most directly affected by required changes. If these leaders are engaged in the process of identifying areas for standardization, they can be powerful champions of change. Conversely, a failure to engage senior medical and nursing staff can hamper or even threaten success. "Within our system, the CNO and CMO do rounds and identify and reward people for 'good catches.' It's like gold to the staff. They believe that leaders are listening and that they can make a difference,"

notes Gulley (OSF Healthcare).

Build support from day one: "The change needs to come from people who are changing," says Patricia Smith, President and CEO, Alliance of Community Health Plans (retired). This simple maxim points to the essential need to involve all stakeholders — from physicians to support staff — to develop best-practice solutions and then sustain new behaviors over time.

"Our own employees have a pretty good idea of where the risk is. Empower people to think differently about their work and they will spot solutions," advises Anderson (Vizient). Effective change demands accountability by all participants. Staff members need to understand how success will be measured and their role in ensuring that the new process is being done correctly.

High-performing organizations encourage leading physicians to become very involved in the improvement process. They understand that their clinical colleagues crave data, so standardization initiatives begin with evidence-based practices gleaned from the literature and peer institutions. Yet data alone does not drive change; collaboration does. "All change is social," observes Gulley (OSF Healthcare), who advocates spending time with physicians, understanding their work, and building relationships that can lead to productive changes. "Be at their side and create social/intellectual capital that lasts for years. Those relationships really matter."

Enhancing value through strategy-driven standardization
– Better patient outcomes
– Reduced risks and associated costs
– Improved reimbursement Stronger staff cohesion
– Sustained compliance with regulations

Target priority areas, not every area: Every organization must prioritize its standardization goals based on their strategy, workforce, patient populations, and other drivers. While patient safety target areas are diverse (see sidebar), conversations with industry leaders spotlighted these high-priority concerns: infections, medication management, handoffs, and privileging and credentialing.

On any given day, about one out of every 20 hospitalized patients has a hospital-acquired infection, costing up to $33 billion annually, according to the CDC.[10] Experts advocate for more proactive infection control in order to prevent incidents, such as risk assessment screening and disinfection techniques.

Moving beyond the hospital walls, the fear of pandemics (e.g., flu) and epidemics (e.g., Zika virus) places added pressures on health systems to standardize their readiness for outbreaks. The CDC estimates that more than 216 million traveler-visits are made to the United States each year from Zika-hit countries.[11] In a swiftly moving environment, the need for fully trained staff and just-in-time resources is paramount.

Medication management is a pivotal area, particularly with high-risk drugs and the need to monitor practices at compounding pharmacies. Sometimes a simple standardization — such as using the same weight unit (kilos or pounds) for all dosages — can reduce the risk of overdose. "Medication management is improving with computerized physician order entry. However, the process is only as good as the person delivering the meds. All of our hospitals use bar code administration. However, a tracer showed that a nurse preparing the syringe actually scanned an empty bottle of heparin. She thought she was saving a step, but she still needs to touch another heparin bottle to draw up the syringe," explains D'Agostino (Beaumont Health).

As more care occurs outside the hospital and patient-centered medical care taps into multiple resources, safe transitions of care can become imperiled. One study estimated that 80 percent of serious medical errors involve miscommunication during the hand-off between medical providers.12 To improve handoffs, systems are standardizing transition plans, risk assessments for readmissions, post-discharge communication, and training to avoid miscues and improve continuity of care.

As health systems expand, the need for an aligned, centralized function to review and credential medical staff has never been more important. Ongoing Professional Practice Evaluation and Focused Professional Practice Evaluation processes are major standardization targets for many systems to safeguard consistent performance. Telemedicine and other innovative technologies beget questions about how to evaluate and credential "virtual docs."

Transform the culture: Standardization does not occur in isolation. The strongest initiatives are embedded in a system-wide commitment to performance improvement, involving every executive, physician, staff person, and volunteer. "If you don't change the belief and experience of people engaging in the actions, you don't get the results you want," explains Gulley (OSF Healthcare). Robust Process Improvement® and other change management techniques can transform an organization's culture by providing a common language, methodology, and expectations for quality and improvement.

A robust understanding of the culture begins with new employees at orientation. Clinical staff, particularly nursing, benefits from centralized orientation so all receive the same education regardless of where they work, suggest some leaders. For example, Beaumont Health uses a centralized orientation model and has seen results in their quality metrics and Joint Commission reviews as well as an improved workplace. Their physicians are comfortable working in different hospitals within the system because they understand and expect standardized practices such as surgical time outs.

Looking ahead

Much progress has been made in using standardized processes to improve quality, efficiency, and savings. Yet escalating needs will only intensify. With higher patient volumes, the demands of chronic disease, and a focus on outpatient care and population management, leaders must reduce risks to drive the quality/cost equation.

So what does the future portend for enhancing value? A focus on outcomes and innovative ways to share best practices are leading the way. Outcomes management means that leaders need to know exactly what outcomes they are achieving and the individual employee's role in achieving those outcomes.

Standardization stimulates innovation, advancing ideas about new or more streamlined practices. For example, Mayo has developed an internal tool developed by clinicians called Ask Mayo Expert to share clinical knowledge across the enterprise. "It provides decision support at the bedside for all caregivers. As our system expands and grows more robust, we use this tool to provide a standardized response to almost every clinical issue, and hope

to use similar models to support other areas of standardization," explains Ryan.

Hospital performance is becoming increasingly transparent and consumers are clamoring for comparative data to be made public. "The health care industry has not done enough in terms of identifying metrics and standardizing practices around what consumers actually want. We need to examine how health services deliver value to consumers and make their lives healthier and easier," observes Smith (Alliance of Community Health Plans).

High-performing institutions understand how to connect quality, patient safety, competency, service excellence, and physician alignment. These systems are prepared for the next evolution in using leading practices to strengthen the patient experience. As systems grow and align, even more processes can be standardized for stronger outcomes. Advises D'Agostino (Beaumont Health), "Performance should be the same and seamless. Our patients and employees deserve this type of seamlessness for high-quality care," Paula Wilson, President and CEO, Joint Commission Resources and Joint Commission International, frames strategic standardization as a vital ingredient in what motivates and drives her staff. "Every day our consultants collaborate with health care leaders to help them reduce risk and eliminate errors in their care delivery. Together we seek improvements — large and small — which adhere to leading practices and, most importantly, improve the patient experience."

Keys to successful standardization
- **Include:** Make sure the right individuals are involved. If the appropriate stakeholders and frontline staff are not included, the entire process goes off track.
- **Encourage:** Create an atmosphere where everyone has the freedom to speak up and share ideas without fear.
- **Communicate:** Communicate— even overcommunicate — to make sure everyone is clear about how and why changes are made.
- **Access:** Make sure that an individual or team is available to answer questions.
- **Simplify:** Map out the process and remove anything that does not add value to the process.
- **Pilot:** Use pilots to test and fine-tune ideas before a large rollout occurs.
- **Measure:** Document pre- and post-changes to chart progress and celebrate successes with staff.

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