PRESS GANEY SPECIAL REPORT

2017 STRATEGIC INSIGHTS

# ACHIEVING EXCELLENCE

## THE CONVERGENCE OF SAFETY, QUALITY, EXPERIENCE AND CAREGIVER ENGAGEMENT

PRESS GANEY®

## EXECUTIVE SUMMARY

The quest for excellence in health care is a continuous journey. It starts with the understanding that, in our shared mission to reduce suffering, every patient should be assured safe, high-quality, coordinated care that is delivered with empathy and compassion. To achieve this goal, we must also nurture an engaged workforce with an unyielding commitment to improving safety, quality and the overall experience of care.

In this report, we are proud to present new cross-domain analyses that demonstrate the important relationships between safety, quality, patient experience and caregiver engagement. We have found that organizations with top-quartile performance on safety and quality measures have higher patient experience scores than those with bottom-quartile safety and quality performance. Similarly, organizations with a highly engaged workforce perform better on safety, quality and patient experience measures than those with low engagement. And high performance in all of these areas influences financial outcomes.

The common denominator in all of these considerations is the caregiver workforce and the underlying organizational culture that supports physicians, nurses and employees in the delivery of care. Organizations that put the patient and family first and nurture a high-performance, supportive culture defined by meaningful work, engaged employees, strong leadership and accountability are best positioned to achieve success in today's consumer-driven marketplace.

I am proud to partner with you and your team to deliver these integrated insights as you move forward on the path to health care excellence. There is no greater need and no higher calling.

Sincerely,

Patrick T. Ryan,
CEO

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## Summary

Value-based, patient-centered care is the ideal to which today's hospitals and health systems aspire. Such care is not only essential to meeting patients' needs and expectations, it is also the key to competitive success in the new, consumer-driven health care marketplace.

To make meaningful progress on this journey, health care leaders must recognize patient-centered care as a dynamic, multifaceted concept that reflects the safety, quality and experience of care and the engagement of the physicians, nurses and employees who are responsible for its delivery.

Research has consistently demonstrated that each of these elements—safety, quality, experience of care and caregiver engagement—contributes to the patient centeredness of care. The findings from new cross-domain analyses suggest that these elements also are highly interrelated with one another and with financial outcomes, and that the most successful organizations are those that are able to achieve optimal performance across all of them. Specifically, the research indicates the following:

- The safety and quality of care influence patients' perceptions of their care experience.
- Patient experience of care and the safety and quality of care are associated with the engagement level of the health care workforce.
- Both workforce engagement and patient experience of care influence organizations' financial performance.

Excellence across these domains requires a robust, high-performing organizational culture defined by aligned leadership, a capable and competent workforce, a supportive and positive work environment, an unrelenting focus on eliminating patient harm, a shared commitment to reducing suffering, and accountability and transparency at all levels.

Achieving this objective requires investing the time, energy and resources needed to nurture a healthy organizational culture. To that end, leaders must embrace, define and clearly communicate goals for performance on indicators of care safety, quality and experience; provide caregivers with the tools, guidance and support they need to reach those goals; and continually measure and monitor progress toward the goals in order to drive and sustain improvement.

## The Quest for Quality: Driving to Zero

Patient safety is fundamental to high-quality health care. If patients are at risk for being harmed by care that is intended to help them, other high-quality aspects of that care have little meaning.

In health care, Zero Harm is often cited as an aspirational goal, whereas in other highly complex industries such as aviation and nuclear power, it is an unbending operational principle. The difference is more than semantic. It's life or death. Yet, despite the establishment of a clear mandate by the Institute of Medicine to address medical errors and widespread efforts to improve the quality of health care in its 1999 report *To Err Is Human: Building a Safer Health System*, progress on the health care safety front has been unacceptably slow.

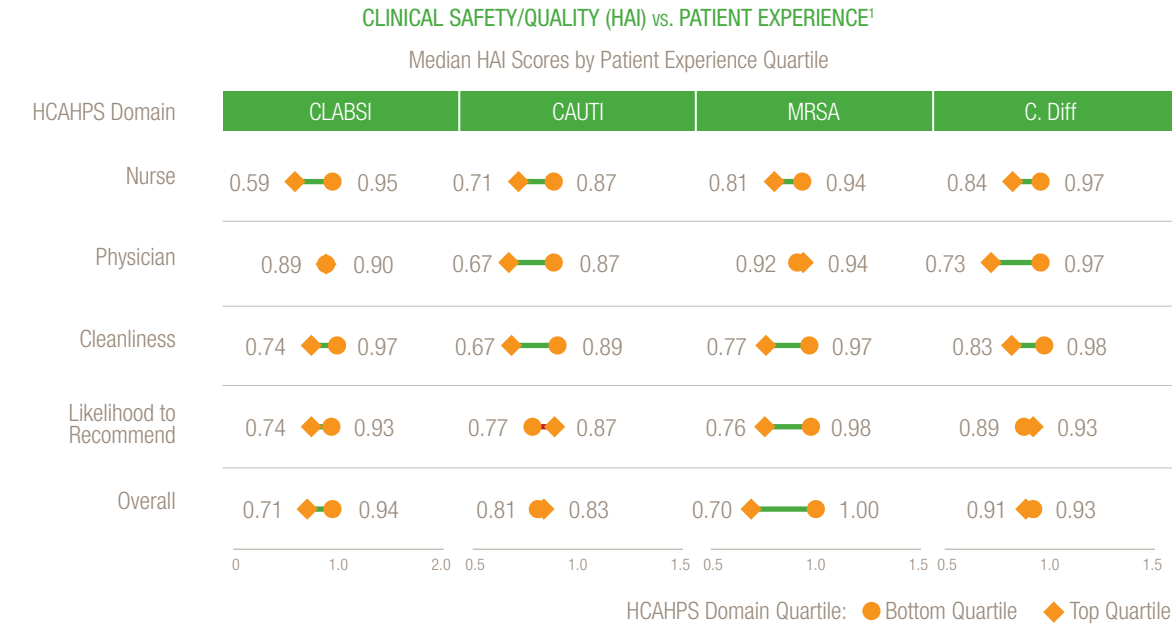
In a study released by the Office of Inspector General (OIG) of the U.S. Department of Health & Human Services (HHS) more than 13 years after publication of the IOM report, investigators determined that hospital employees report only 14% of all medical errors and usually don't change their practices to prevent future harm to patients. Further, in a 2016 analysis,[1] Johns Hopkins researchers estimated that more than 250,000 Americans die each year from medical errors, just behind heart disease and cancer. When considering the number of events each year that go unreported—ranging from missed surgical complications to medication mix-ups—experts suspect the actual number of errors leading to patient harm or death is considerably higher.[2,3]

Preventable errors pose an unacceptable risk to patients, and every instance of unsafe care also threatens the viability of health care systems in today's value-driven and increasingly competitive marketplace. Patient safety is a central aim of quality, and quality is the heart of value-based payment models.

In addition to being the right thing to do for patients, creating a safe health care environment is associated with direct and indirect returns on investment, with respect to reimbursement incentives for reducing the incidence of hospital-acquired conditions and adverse patient safety events, and improved patient experience outcomes, which improve health systems' reputations and their ability to increase market share.

For example, as shown in Figures 1 and 2, clinical safety and quality is linked to the patient experience. Health systems in the top quartile for the HCAHPS patient experience domains that assess interactions with nurses and physicians, as well as those evaluating cleanliness, likelihood to recommend and overall hospital rating, have lower rates of hospital-acquired conditions, shorter lengths of stay and fewer readmissions than systems that perform in the bottom patient experience quartile.

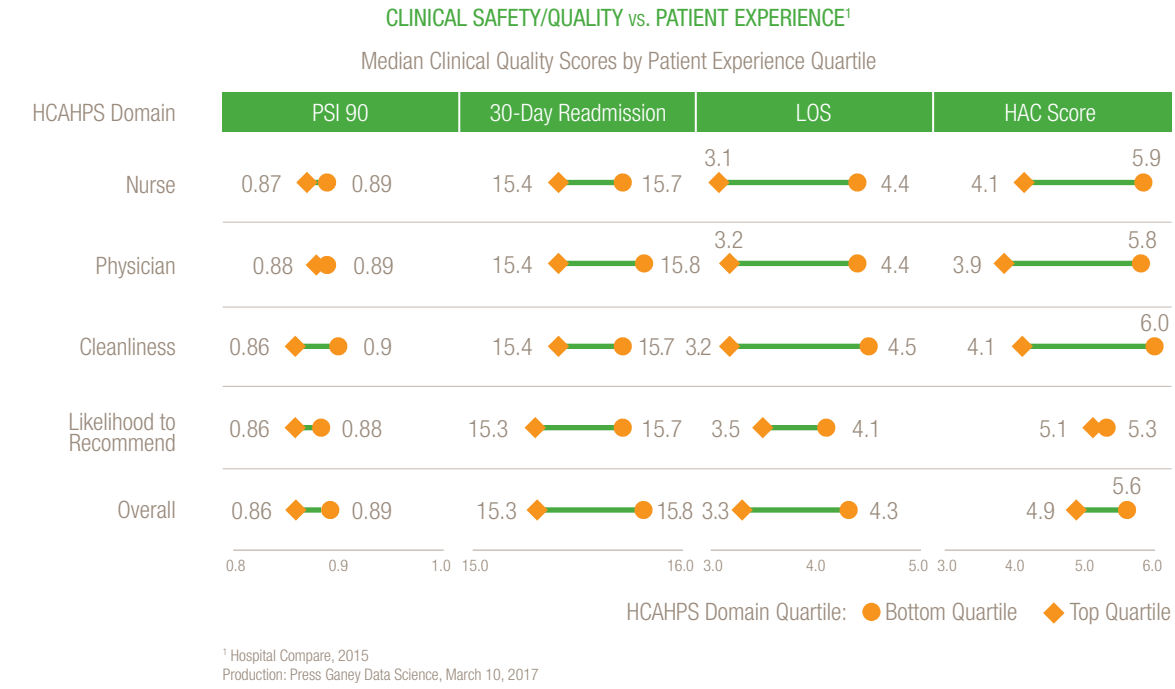
Figure 1




CLABSI (Central Line-Associated Blood Stream Infection); CAUTI (Catheter-Associated Urinary Tract Infection); MRSA (Methicillin-Resistant Staphylococcus Aureus); C. diff (Clostridium difficile colitis)
[1] Hospital Compare, 2015
Production: Press Ganey Data Science, March 10, 2017

[1] Makery, M.A., et al. 2016. "Medical error—the third leading cause of death in the US." *BMJ* 353:i2139.
[2] Barach P., and S.D. Small. 2000. "Reporting and preventing medical mishaps: Lessons from non-medical near miss reporting systems." *BMJ* 320(7237): 759–763.
[3] Kaldjian L.C., E.W. Jones, B.J. Wu, et al. 2008. "Reporting medical errors to improve patient safety: A survey of physicians in teaching hospitals." *Arch Intern Med* 168(1): 40–46.

Figure 2




[1] Hospital Compare, 2015
Production: Press Ganey Data Science, March 10, 2017

## Pursuing Zero Harm

The direct, positive relationships between patient experience measures and quality outcomes related to safety support the strategic importance of safety improvement efforts. Health care must follow the lead of other highly complex, high-risk industries in the pursuit of zero defects by implementing systems that prioritize safety, adopting proven safety behaviors, and measuring and monitoring serious safety events.

Health care organizations that have been most successful in this regard are those that approach safety from a cultural standpoint first. Organizations with effective safety cultures do the following:

- Share a constant commitment to safety as a top-level priority, which permeates the entire organization.
- Support an environment in which individuals at all levels of the organization are able to report errors or close calls without fear of blame, and are encouraged to do so.
- Promote collaboration across ranks to seek solutions to vulnerabilities.
- Direct resources to address safety concerns.

Tennessee-based Community Health Systems is an example. In 2012, the 150-hospital system embarked on an aggressive safety improvement journey. The organization sought and earned certification as a Patient Safety Organization (PSO) from the Agency for Healthcare Research and Quality, and subsequently formed CHS PSO, LLC, a component PSO of CHS that would be able to provide a secure and

confidential environment in which safety data from all of CHS's affiliated hospitals could be collected, aggregated and analyzed to identify and reduce or eliminate the risks and hazards associated with patient care. At the same time, the organization began working with HPI/Press Ganey to build a High Reliability culture using evidence-based tools for improving safety and engaging leaders and employees in the effort.

By consistently practicing proven safety behaviors and measuring serious safety events in a highly reliable way, determining their causes, and changing procedures to prevent their recurrence, the health system has reduced its serious safety event rate by nearly 80%.

## Patient Experience: Bringing It All Together

Patients' perceptions of their care experience can be considered a surrogate for the degree to which an organization delivers on its promise to provide safe, quality, patient-centered care, as evidenced through the relationships identified in the preceding analyses. These data tell us that patients know safe, quality care when they see it, and that when they receive it their overall care experience is better.

Safety and quality outcomes are not the only drivers of the patient experience. Other determinants include confidence in the care provider, how well providers work together to deliver care, the concern that providers show for patients' questions and worries, the ability of providers to clearly and effectively communicate information in a way that patients understand, how well providers listen, and whether they are courteous, respectful and compassionate. In fact, many of these humanistic considerations are key drivers of patient loyalty. Low performance on one or more of these items may increase the risk that patients will switch providers.[4]

Integrated analytics enable organizations to understand where they may be falling short in terms of meeting patients' needs and where they should focus their resources at the system level. For example, effective coordination of care, particularly as it relates to transitions across care settings or at discharge, is a complex challenge for many organizations. Considering the direct and indirect costs associated with poor transitions—poorly coordinated care transitions from the hospital to other care settings cost an estimated $12 billion to $44 billion per year,[5] and poor transitions also often result in poor health outcomes[6]—patient experience scores indicating a defect on this measure should be considered prescriptive, and patients' comments should be mined for insight.

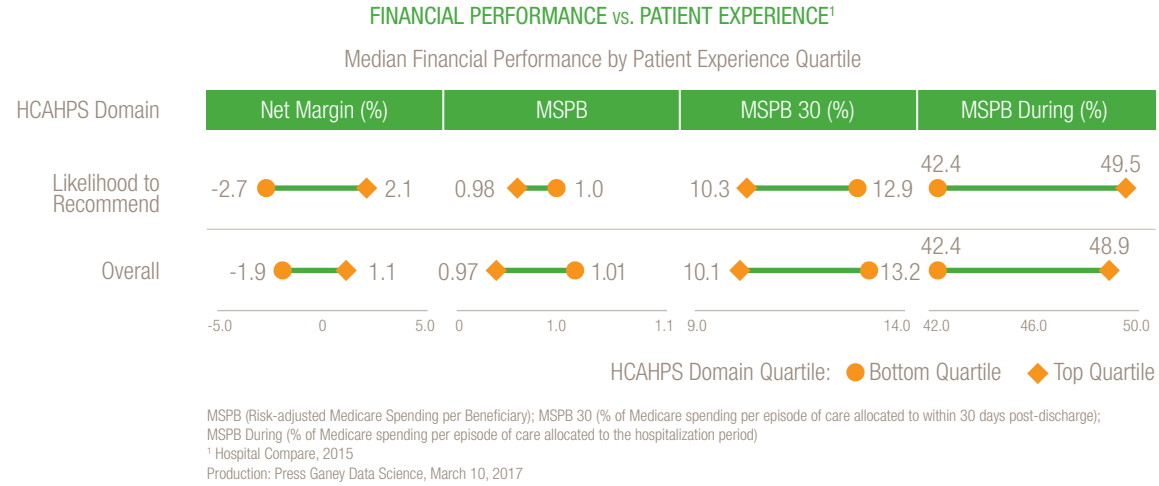
An example of such an approach can be seen in the work of an inpatient unit at NewYork-Presbyterian Weill Cornell Medical Center. To address low patient experience scores with respect to the transition from the emergency department to inpatient care, the Neuroscience Stepdown unit initiated a bridge program to help expedite the admission process and ease the transition for patients. As part of the program, an inpatient nurse from the unit visits the patient in the ED, explains the admission process and sets the patient's expectations for the inpatient environment, including the various sounds and alarms the patient might hear as well as the frequency of nurse visits. Since its implementation in 2013, the program has improved patient experience scores and reduced the number of medical errors or omissions related to the handoff process. Due to its success, the bridging practice has been adopted by other units in the hospital.

[4] "Consumerism: Earning Patient Loyalty and Market Share." 2015, Press Ganey Associates, Inc.
[5] Hansen, L.O., R.S. Young, K. Hinami, et al. 2011. "Interventions to Reduce 30-Day Rehospitalization: A Systematic Review." *Ann Intern Med* 155: 520–528.
[6] Kim, C.S., and S.A. Flanders. 2013. "Transitions of Care." *Ann Intern Med* 58(5 Part 1): ITC3-1.

Patient experience data can also provide insight at a more micro level. For example, the ability to segment patient experience data by age, condition, type of care or any number of other variables allows organizations to investigate how a patient subpopulation fares across a set of key issues that matter the most to those patients. This level of insight can help health care organizations improve performance across safety, quality, experience and engagement measures, and in doing so, gain a sustainable, competitive advantage.[7]

As indicated by the integrated analyses shown previously, performance across patient experience measures is closely associated with care safety and quality. It also influences financial performance. As shown in Figure 3, health systems with higher overall patient experience performance on the HCAHPS Likelihood to Recommend and Overall rating domains have higher net margins, have lower spending in the first 30 days post-discharge, and receive higher reimbursement per beneficiary during the episode of care than those in the bottom quartile of patient experience performance.

Figure 3




MSPB (Risk-adjusted Medicare Spending per Beneficiary); MSPB 30 (% of Medicare spending per episode of care allocated to within 30 days post-discharge); MSPB During (% of Medicare spending per episode of care allocated to the hospitalization period)
[1] Hospital Compare, 2015
Production: Press Ganey Data Science, March 10, 2017

In today's increasingly consumer-driven health care industry, patient experience performance can also contribute to an organization's competitive positioning. For this reason, health care systems have begun partnering with patients in innovative ways to deliver the information they need to make care decisions, including providing them with online access to physicians' patient experience ratings. Such transparency is increasingly recognized as a major enabler of the health care value agenda.[8]

## Workforce Engagement: Rising to the Patient-Centered Challenge

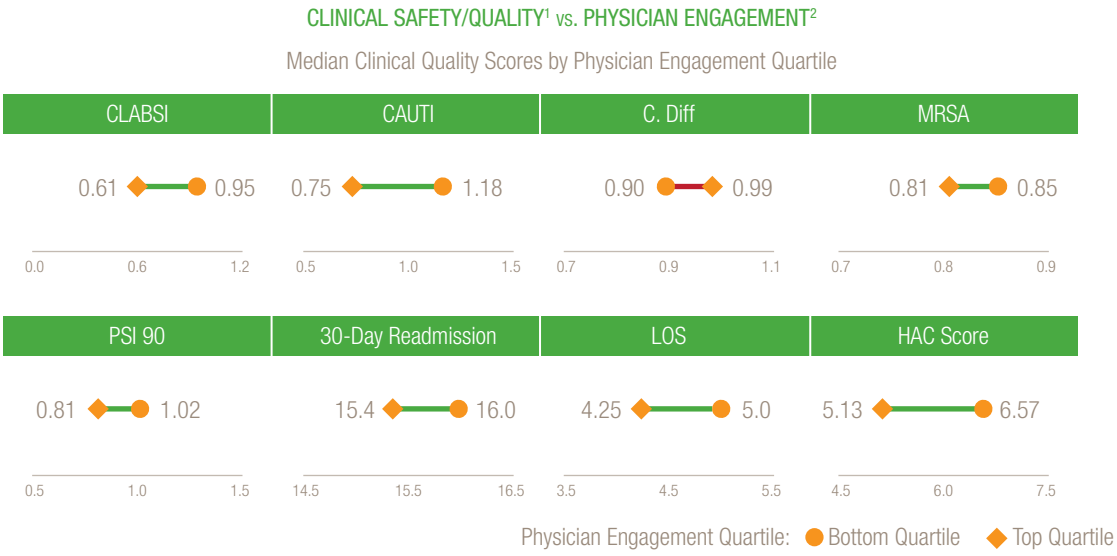
Excellence in clinical safety and quality outcomes clearly drives patients' experience of care, as does the perceived manner in which the care is delivered, but what drives safety and quality excellence and the perception of compassionate, connected care? The health care workforce.

The availability of a stable, competent health care workforce has repeatedly been shown to be critical to the efficient and effective delivery of health services. The findings presented in this report demonstrate that moving the needle in any one area—safety, quality, experience—influences performance directly or indirectly in all of them, and the common denominator is the care workforce.

[7] "Segmentation: The Power of Data to Reduce Patient Suffering." 2016, Press Ganey Associates, Inc.
[8] "Online Physician Reviews: Adopting Transparency Standards Protects Your Brand." *Improving Health Care* Blog. 2016, Press Ganey Associates, Inc.

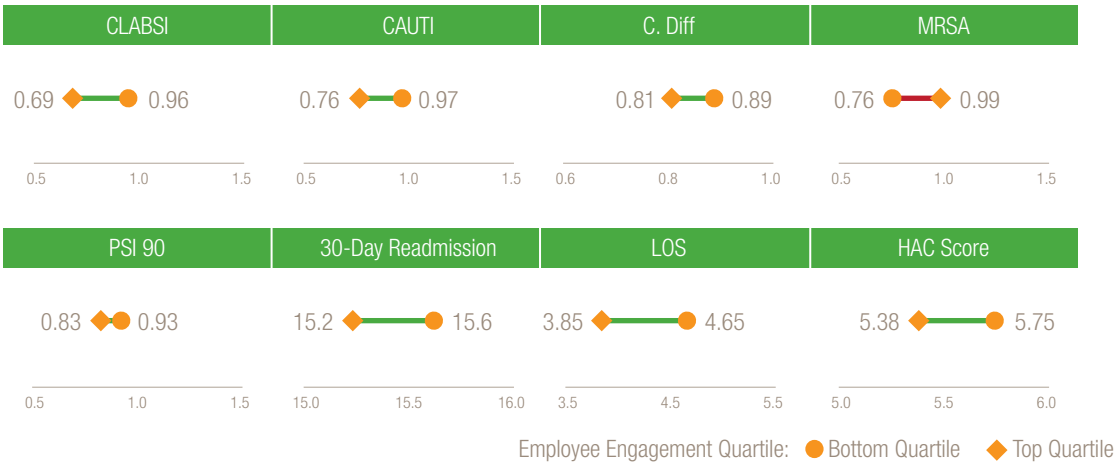
With respect to care safety and quality, the data in Figure 4 show that health care systems in the top quartile for physician engagement in 2014–2015 had lower rates for most hospital-acquired infections than those in the bottom quartile. They also had shorter lengths of stay, fewer readmissions, better hospital-acquired condition (HAC) scores and lower Patient Safety and Adverse Events Composite (PSI 90) scores. Similar relationships were observed in a comparison of clinical outcomes for top and bottom quartiles of employee engagement, as shown in Figure 5.

Figure 4




[1] Hospital Compare, 2015
[2] Press Ganey Database of Physician Engagement Scores, 2014–2015
Production: Press Ganey Data Science, March 14, 2017

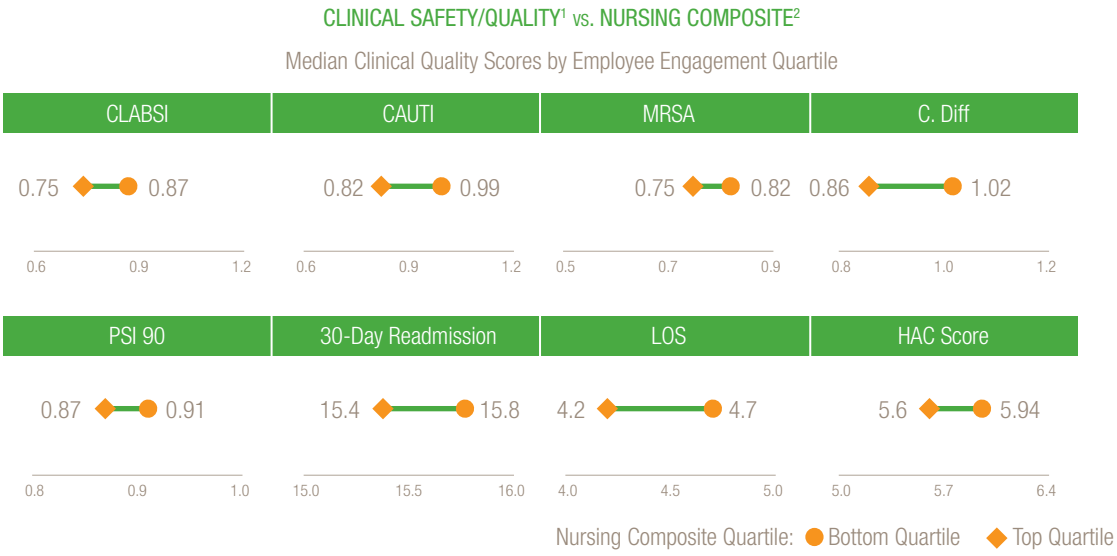
Figure 5




[1] Hospital Compare, 2015
[2] Press Ganey Database of Employee Engagement Scores, 2014–2015
Production: Press Ganey Data Science, March 14, 2017

Attributes related specifically to nurse engagement and the nurse work environment influence safety and quality outcomes as well. Figure 6 demonstrates that organizations with top-quartile performance on an NDNQI© nursing composite measure derived from subscales of the Practice Environment Scale–Nursing Work Index (PES–NWI) perform better across safety and composite measures than those with low median composite scores.

Figure 6

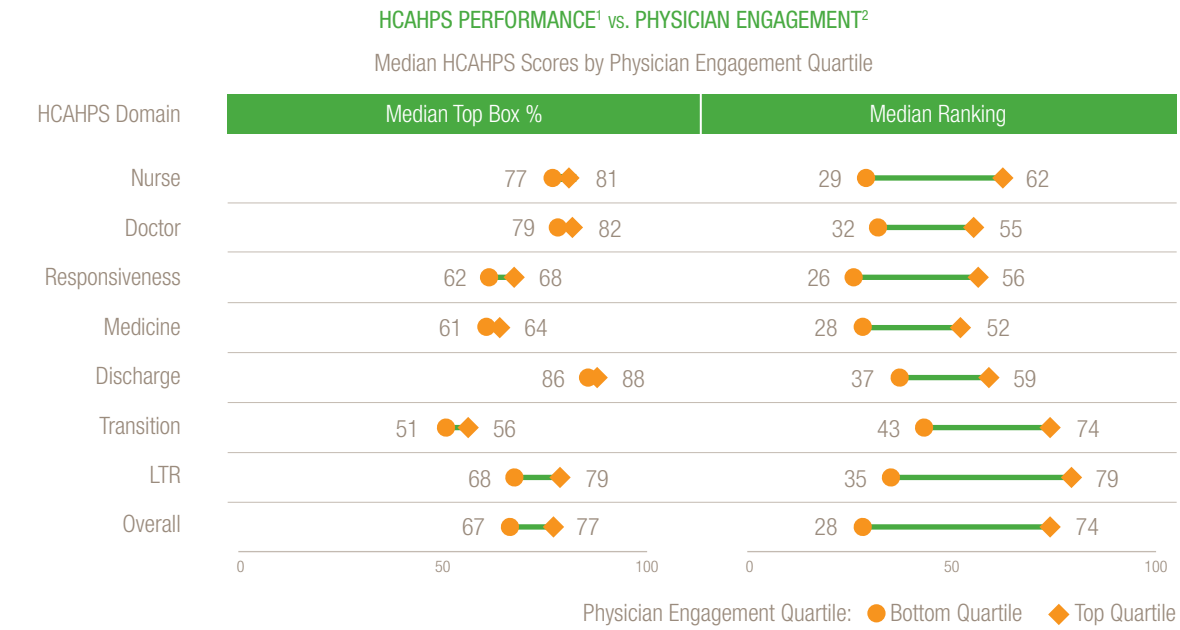



[1] NDNQI Clinical Measures, 2016
[2] NDNQI RN Survey, 2016
Production: Press Ganey Data Science, March 14, 2017

Workforce engagement is also consistently associated with patients' perceptions of their care experience. As Figures 7 and 8 illustrate, organizations with top-quartile physician and employee engagement have better scores across HCAHPS domains than those with bottom-quartile engagement. Depending on the domain, the gap in median percentile ranking can span more than 50 points.

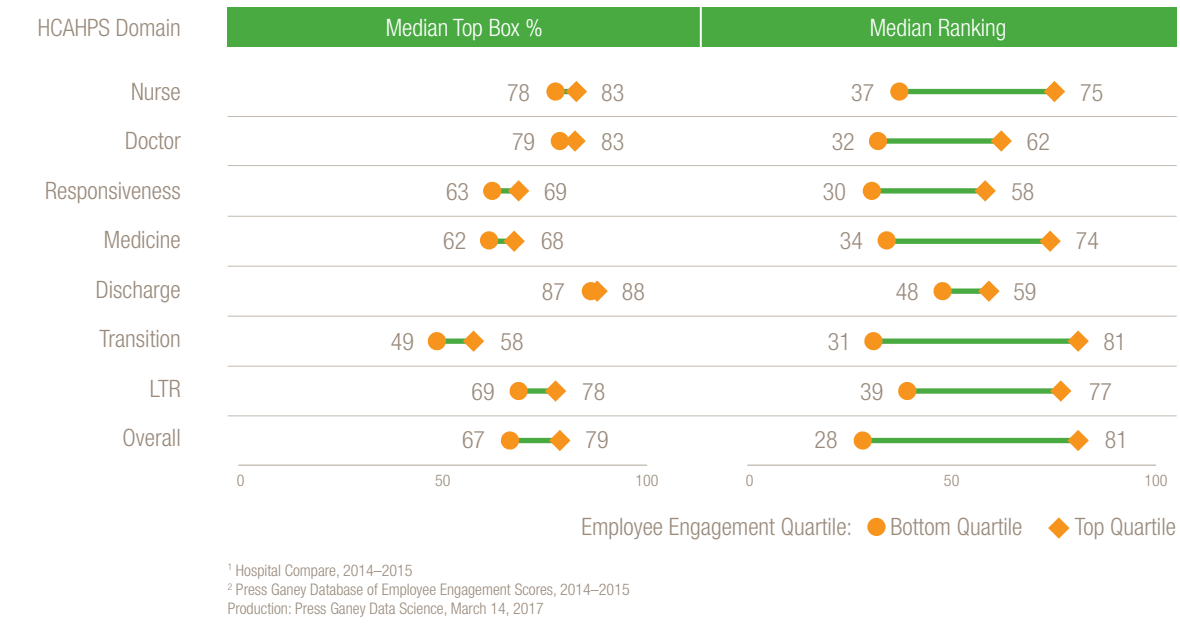
For example, for the HCAHPS Overall rating, organizations with top-quartile employee engagement rank in the 81st percentile, compared with the 28th percentile for those in the bottom quartile. Looking at the Likelihood to Recommend (LTR) item, which is considered a marker for patient loyalty, the median ranking of systems with highly engaged physicians is 79—which is 44 points higher than those with low levels of physician engagement.

Figure 7




[1] Hospital Compare, 2014–2015
[2] Press Ganey Database of Physician Engagement Scores, 2014–2015
Production: Press Ganey Data Science, March 14, 2017

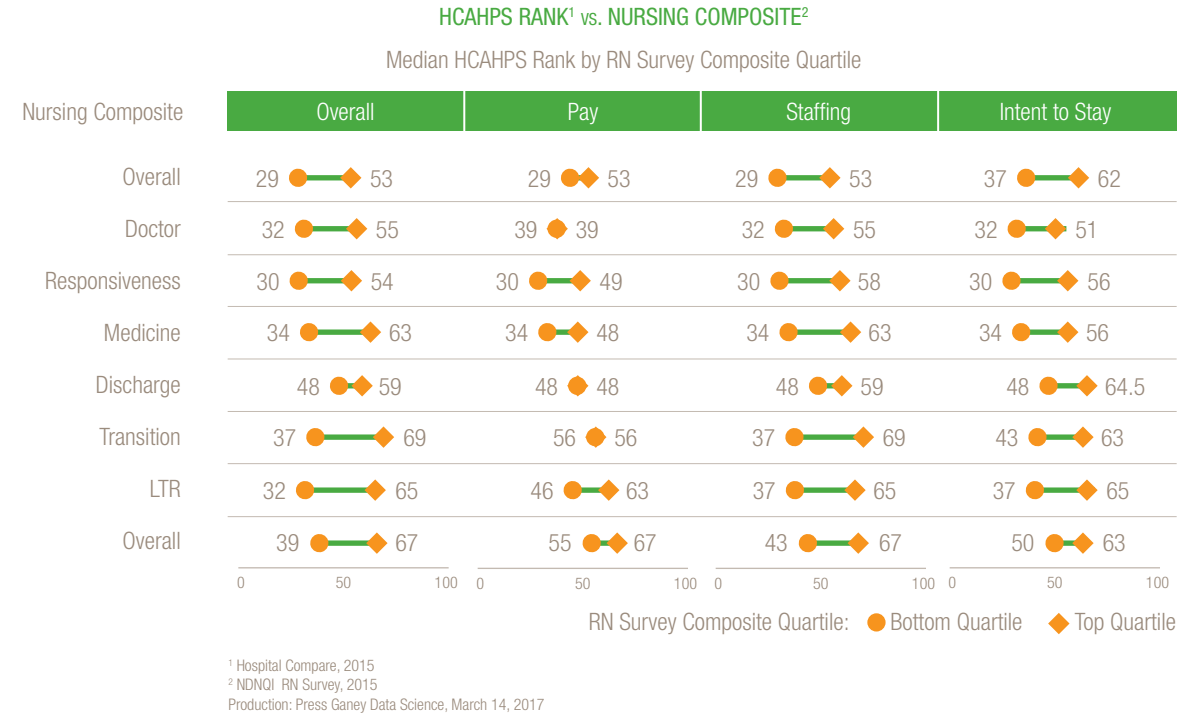
Figure 8




[1] Hospital Compare, 2014–2015
[2] Press Ganey Database of Employee Engagement Scores, 2014–2015
Production: Press Ganey Data Science, March 14, 2017

Similar performance gaps can be seen between organizations with top- and bottom-quartile nursing composite scores, as shown in Figure 9. The median rankings for the Likelihood to Recommend and Overall ratings are higher by 33 points and 28 points, respectively, in organizations with top-quartile composite scores.

Figure 9

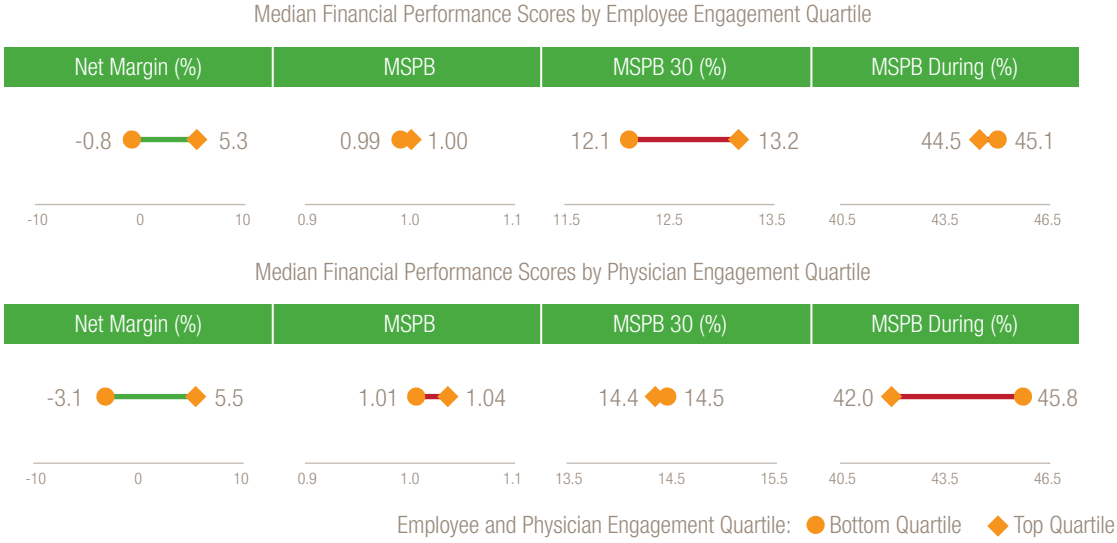



[1] Hospital Compare, 2015
[2] NDNQI RN Survey, 2015
Production: Press Ganey Data Science, March 14, 2017

Not surprisingly, given the associations between caregiver engagement and quality and experience outcomes, health systems with high workforce engagement perform better financially than those with low engagement, as indicated in Figures 10 and 11. The data show that organizations in the top performance quartile for physician engagement, employee engagement and nursing composite scores have higher net margins and lower per-patient spending for readmissions than bottom-quartile performers.

Figure 10

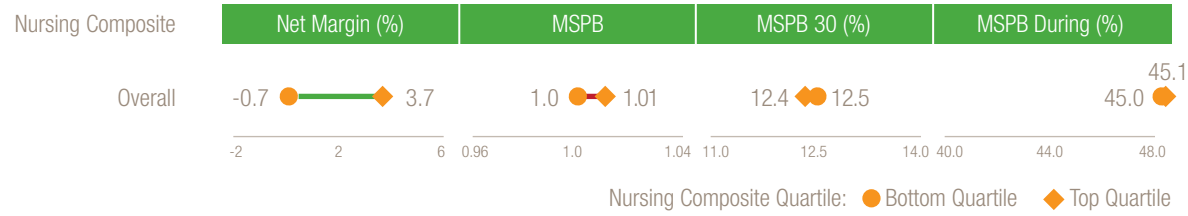
## FINANCIAL PERFORMANCE[1] vs. EMPLOYEE AND PHYSICIAN ENGAGEMENT[2]




[1] Hospital Compare, 2015
[2] Press Ganey Database of Employee and Physician Engagement Scores, 2014–2015
Production: Press Ganey Data Science, March 14, 2017

Figure 11

## FINANCIAL PERFORMANCE[1] vs. NURSING COMPOSITE[2]




[1] Hospital Compare, 2015
[2] NDNQI RN Survey, 2015
Production: Press Ganey Data Science, March 14, 2017

## Engagement Fuels Winning Teams

Workforce engagement is largely determined by workplace relationships. Individuals who feel connected to the mission and vision of the organization, supported by their managers and appreciated by their colleagues tend to be more engaged than those who lack such attachments. And feeling like they are part of a cohesive, aligned team striving toward a shared goal leads to the delivery of safer, higher-quality care.[9]

An example of the value of this level of workforce engagement can be seen in the success of the care team at Duke Women's Cancer Care Raleigh. In 2015, leaders at Duke Raleigh Hospital in North Carolina decided to dedicate one of the system's three cancer centers to the care of women's cancers, placing every service these cancer patients might need under one roof. The transition—during which the clinic remained open—required merging several teams: cancer center staff, breast surgeons in independent practice, hospital radiology staff, radiation oncologists, and support services, such as clinical social workers, dietitians and other specialists.

Despite the challenges of caring for patients on a daily basis throughout months of construction and structural changes, the various team members, who at that point were in multiple locations, demonstrated continuously high levels of engagement, scoring a Tier 1—the highest rating possible—during what was likely the most stressful time frame of the project, just before the new center opened.

The team's performance on clinical and patient experience measures was shared during monthly meetings and consistently indicated that their efforts were paying off. Notably, the team achieved an overall mean score for patient experience of 95.2, which was higher than the mean score of 90.7 for all of the hospital facilities combined, and a mean score for the "Staff worked together to care for you" item of 96.7, which was also higher than the all-facilities mean score of 93.2.

To reap benefits such as these, health care systems must proactively engage their workforce by building a supportive culture, characterized by mutual trust and respect, open and honest communication, aligned leadership, opportunities for professional growth and development, and performance recognition.

Before implementing engagement-building interventions, health system leaders should measure the current level of engagement at the work unit level, as well as each unit's readiness for change, so that improvement strategies can be tailored accordingly.[10] Units that are determined to be ready for change can then embark on action planning, which should include

- Establishing engagement goals
- Evaluating progress toward those goals via regular pulse surveys and full-scale engagement surveys
- Reviewing the engagement data to identify areas in need of improvement
- Developing unit-specific action plans
- Providing coaching and training on leadership competencies
- Measuring and monitoring progress

[9] Weaver, S.J., S.M. Dy, and M.A. Rosen. May 2014. "Team-training in healthcare: a narrative synthesis of the literature." *BMJ Qual Saf* 23(5): 359–372; doi: 10.1136/bmjqs-2013-001848.
[10] "Rules of Engagement: Assessing and Addressing Employee Engagement and Readiness for Change." 2017, Press Ganey Associates, Inc.

## Conclusion

The strong, positive relationships between and among measures of health care safety, quality and experience identified in these cross-domain analyses indicate that high performance across all of these attributes is essential to the delivery of value-based, patient-centered care.

Additionally, the relationships between each of these attributes and caregiver engagement indicate that meaningful progress toward high-quality, harm-free, compassionate, connected health care requires a highly engaged workforce supported by a strong cultural foundation. And the relationship between caregiver engagement and organizations' financial health points to the strategic importance of developing the supportive culture needed to sustain a fully engaged workforce.

Nurturing such a culture requires

- Embracing safety as an organizational priority and promoting it through High Reliability education and training
- Systemwide alignment with organizational core values and goals around meeting patients' needs and reducing suffering
- Strong, committed leadership
- Transparency, accountability, recognition and reward
- Caregiver empowerment and shared decision making
- A robust and continuous performance improvement strategy built on the measurement and analysis of safety, quality, patient experience and caregiver engagement data

The keys to achieving true value-based, patient-centered health care are understanding the interdependencies that exist among all of the drivers of such care, and investing in a culture and practice environment that allows those delivering the care to be successful across all outcomes.

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