Leading Change: Progression to the Future at Hospital Sisters Health System

Stephanie McCutcheon, FACHE

Summary • This article is about leadership, particularly how leaders of Hospital Sisters Health System (HSHS) led the system through a transformation to Care Integration. It explains the importance of the Principles of the Future of HSHS delineated by the sponsors, the Hospital Sisters of St. Francis. It further describes how the leadership team engaged physicians as partners and participants in the change and ensured the information systems needed to support the change were available. Changes in leadership and management are also explained.

Stephanie McCutcheon, FACHE, is president and chief executive officer of Hospital Sisters Health System, headquartered in Springfield, Illinois.
Leading in Challenging Times

Leading change in a challenging healthcare environment may be more difficult than leading change during good economic times, but it does offer certain opportunities. For example, we chose to become a lean organization, reducing waste and redundancy while designing care that is cost effective, high quality, and focuses on the patient. During tough times, choosing to be highly efficient is easy.

The Hospital Sisters of Saint Francis, through the 13 Local System hospitals of HSHS, have taken on the challenge to be leaders in healthcare by serving the communities with 9,450 colleagues in Illinois and 6,270 colleagues in Wisconsin. Understanding that leadership today is more than having a vision and charisma, we assessed the situation and began to plan strategically for the future. We considered our assets building blocks for the future. We also considered our problems, the barriers to success, and the nature of our challenge to be leaders in reforming the healthcare system.

Readiness for Change

One of our most important assets is the Sisters legacy of healing and caring. We realized that to continue this legacy HSHS would have to embark on a journey to change. There was a sense of urgency to this mission, which we felt would propel us as we planned the future. We recognized that this sense of urgency had to be real, rather than contrived, and that our journey toward the future had no room for complacency. Our goal was to create an environment in which the mission of the Hospital Sisters could be demonstrated in the way we care for patients, their families, and communities.

Another important asset is the people here, including the clinicians, managers, and support colleagues. Our leaders represent all of demographic groups in our area, including those of different age groups, genders, and cultures. To be successful in leading change, the HSHS team purposefully set out to involve all of these leaders in the progression to the future. Valuing the special attributes of each of our communities, we recognized that we wanted to strengthen the system while also retaining the attributes that make each of our organizations effective in their respective communities. The mission and values of the Hospital Sisters of St. Francis are the glue that unites people in our organization. Leading change in healthcare provides the motivation to become leaders of the future (see Figure 1).

Change Drivers

Engaging in healthcare reform can be a slippery slope. While challenging and overwhelming at times, we began the journey knowing that financially HSHS is sound, that we had a strong legacy, that we had talented leaders.

We faced a lot of issues as we planned our future. Some of these were:

- Advancing technology to make it possible to provide care in different ways, in a variety of settings.
- Creating contemporary information systems, which are a necessary component of managing organizations and providing care.
- Acknowledging shortages of competent health professionals, which is a major concern in some communities, especially when consumer expectations for care are escalating.
Figure 1

Our Journey

2007-2008
Hospitals

Physicians

Sisters Establish Principles Guiding The Future of HSHS

Physicians Prepare for Health Care Reform

2008-2009
Care Integration-Hospitals, Medical Groups, & Points of Entry

Health Care Reform

2009-2010
Accountable Care Organizations/Comparative Effectiveness

Consumer Expectations
Respecting the international effort to improve healthcare quality with attendant rules, regulations, policies, and attention to outcomes consumes resources.

Evaluating healthcare financing, insurance issues, and the economics of providing care, which are long term challenges in the best of times.

Recognizing these and other issues we embarked on our journey toward the future.

**Physician Involvement—Setting the Theme for Change**

In order to lead this change effort, we knew we had to get the physicians involved. We scheduled a meeting to discuss the future, and invited 18 physician leaders representing every community served by the system. Included were primary care physicians and sub specialty and specialty physicians, many with university affiliations.

We expected that only about half of those invited would attend, but the need to engage in change was affirmed when all 18 invitees showed up. The ensuing discussion also affirmed the importance to lead the situation. Those present at the meeting recognized that we had to embark on this journey, starting with plans to reform the traditional hospital/physician relationships. We decided to develop the Care Integration transformational strategy, which is envisioned as patient-centric and emphasizes the continuum of care from birth to natural death. Wellness care is featured prominently, as is care of the chronically ill and elderly. Making the patient the center for all that we do is the key concept in this development (see Figure 2).

**Identifying the Options**

Having decided on the nature of the change, the next step was immersion learning. We sought information from other healthcare systems. We visited four sites where Care Integration was being developed, and examined elements that worked and those that didn't work. We learned that Care Integration in different settings has certain similarities but also many differences. Because of that, the HSHS team made definition of Care Integration essential in the transformation (see Fig. 3).

Among the lessons learned from these visits and our own discussions was the fact that whatever we created would be a moving platform. Change is inevitable, ongoing, and part of daily leadership and management. Formation of leaders with the capacity to engage in constant adaptation, change and transformation means that learning will always be part of this moving platform.

Another insight we developed was the importance of mission. Some things last, others change. One of the lasting strengths of HSHS is the Hospital Sisters mission. We instill this mission into our leaders through Franciscan Formation/Mission Integration sessions.

After studying the other systems, we decided that the Toyota model best matched our preferred leadership and management style. The Hospital Sisters legacy of caring extends to employees. Having discarded the hierarchical organization in favor of a broadened view of leadership, the leadership accepted the fact that outcomes must be clear to all. No longer is it sufficient to enjoy one's earned leadership. In today's world, everyone is constantly accountable. All of our
Mission
To reveal and embody Christ's healing love for all people through a health care ministry.

Values
Guide Our Behavior
Respect
Care
Competence
Joy

Strategies
How Mission is Achieved
- Franciscan Formation/Mission Integration
- Care Integration
- Develop Our People
- Community Benefit/Advocacy
- Stewardship
- Information Technology
- Deliberate Ministry Growth

Catholic Identity
Franciscan
Community
Stewardship

Mission
Integration & Accountability Report
Quality
Employee and Physician Satisfaction
Operators and Franciscal Performance
Community Benefit
Patient Satisfaction
FIGURE 3

Care Integration

Care Integration Charge:
- Define the Model for Integrated Patient Care Services
- Develop Partnership Model(s) to Align Physicians and Delivery Systems across Illinois and Wisconsin

Care Integration Goals:
- Define integrated patient care model to meet the needs of those we serve
  - Build on Mission and Values of the Hospital Sisters Health System
  - Identify relationship principles
  - Determine baseline quality, service and satisfaction measures
- Design physician/nursing/clinician relationship model(s)
  - Identify relationship principles – shared needs & expectations
  - Determine level of standardization
  - Determine latitude for customization
  - Develop legal, governance and management structure(s)
- Develop implementation requirements & assistance “package(s)”
  - Focus on “lean” structures to eliminate waste
  - Define infrastructure requirements – IT, MSO and others
  - Determine sources of implementation support

Care Integration Operating Principles:
- Create lifetime value for patients and families
  - Provide timely, convenient access to healthcare services
  - Offer service excellence to assure happy patients and families (“retail” mindset “coupled with strong Mission orientation”)
  - Sustain valued position in local communities
- Develop “partnership” mentality and relationship with clinical care providers
  - Build on the Mission and Values of the Hospital Sisters Health System
  - May not be “partnership” legal structure
- Degree of standardization
  - Model from Prevea
- Develop quality expectations
  - Place premium on quality and service excellence
  - Design quality and value metrics
  - Design incentive and compensation systems
- Build on existing relationships/structures
- Affirm holism
- Physician/Care model
  - Includes physicians, CRNP’s and PA’s
  - Primary care
  - Core specialists and sub-specialty groups
  - Multi-specialty groups
  - Key relationships with medical and nursing schools
- Deliver integrated care delivery model
  - Provide “single signature” contracting capability
  - HMO, PPO or other structure considerations
  - Offer cost-effective, affordable healthcare services
  - Eliminate waste and unnecessary duplication
actions are planned to ensure adequate resources, appropriate timeframes, and clear outcomes.

These days, leaders must also be managers. Hierarchical organizations, effective in the past, are giving way to a new leadership style. We recognize and build the talents and skills of our leaders involving all of them in decision making and providing space for different choices. The age-old questions of which decisions should be relegated to the system and which should be unique to a given community are being dealt with in this journey. HSHS provides system-wide services for mission integration, human resources, treasury, finance, and information systems. These standardized services enable leaders in the various communities to concentrate on leading and managing patient-centric care in their environments.

As we became more immersed in learning how to implement future strategies, we realized that a sense of urgency did not need to be contrived, but is real. All of the ongoing changes—selecting and installing a new information system, gaining support of physicians and care givers to use new communication technology, and focusing on quality of care delivery and patient outcomes—are challenging. Finding ways to integrate these developments into a broader change strategy compounds the challenges.

**Implementing Care Integration**

The first step we took in implementing Care Integration was an inventory of our resources. Much of this focused on physicians and physician practices, since they are so essential to Care Integration. This analysis of physicians indicated areas where action was needed.

Outreach to define physician leadership in the transformation was combined with locating and developing partnerships with physicians. We partnered with physicians on a continuum from full integration to “modest affiliation.” Physicians are now leaders of Care Integration, playing a major role in its definition and charting the course of the journey. Collaborative practice with private practice, medical school practice plans, multispecialty groups, and others is an attribute of the new healthcare system that requires integration.

Four month checkups have become part of our communication, essential to nurture the give and take necessary in this change. People are energized, they are smart, and they are taking thoughtful risks.

**Improving Information Systems**

Increasing efficiency is one success factor that Rhodes and Stelter (2009) describe in their article, *Seizing the Advantage in a Downturn*. To this end, extensive assessments were made of the system-wide information systems to plan strategically for the platforms, software, and features that would best support Care Integration.

The Information Systems Strategic Plan established priorities and guiding principles for development and outlines the scope of HSHS Information System. The Planning Model encompasses support, organization, decision making, applications and infrastructure. The goal of the Information Technology is to provide seamlessly integrated healthcare services for patients throughout life by using the latest technologic advances.

We selected three information systems products, MEDITECH, EPIC in Eastern
Wisconsin, and Medicity, and formed the Kiara Clinical Integration Network. We also are expanding the Information Services Center.

The advantages of MEDITECH for our system include on-line documentation for nurses and physicians; clinical documentation of past medical history allergies and care events; drug and food interactions and allergy checking; and standardization of most clinical documentation, care plans, and admission and billing files.

The Medicity product communicates information seamlessly across multiple locations. In addition, the software allows users to access information simultaneously to add patients, conduct searches for medical information for specific patients, view laboratory, radiology and other reports, and to access information from multiple settings from anyplace where the internet can be accessed. The system also provides for note taking, and facilitates communication about the details of patient care among caregivers.

**System-Wide Standardization**

Standardization is an essential component of initiatives to improve predictability, quality and efficiency. An important advantage of systems is the capability to adopt standards for all, with input from everyone involved. This standardization applies to almost every function in healthcare, but is especially relevant to improving patient safety and quality.

An outstanding example is development of evidence based practice across the system. Steering Committees lead evidence based care to provide the program direction and to focus on order set standardization. Meetings include system-wide representatives from the 13 Local System hospitals who concentrate on program goals, metrics to evaluate progress and areas for improvement, appropriate standardization, communication, and future plans.

An important challenge is developing methods to move the evidence based content to physician offices, Emergency Rooms, Nursing, and other care settings. Adapting local systems to a standardized order set that uses common formularies, item masters, and evidence based content across the continuum of care in every setting involves leadership and education.

**Evidence Based Practice**

Evidence based practice is not a panacea for improving healthcare. However, it holds the promise of providing patients with the best care based on knowledge and proven results. In some care situations, the evidence is tested, reliable and trustworthy. In others, health professionals rely on literature reviews, discussion of outcomes, and cost effectiveness to determine the best practices.

Input from involved persons within the system serves multiple purposes. One of these purposes is to review and update the evidence. Another is sharing results, testing the evidence, and adapting evidence based care to local settings. Involving the physicians and other clinicians, many of whom are accustomed to making their personal decisions about care, helps make them more cooperative.

Adopting evidence based practice in synchrony with order sets, care plans, equipment, and supplies also enables reduction of cost by decreasing redundancy, allowing focused support, and decreasing response time in patient care. All of these advantages are associated with improved quality and patient safety.
Factors for Successful Care Integration

HSHS leadership has identified a number of factors that we feel are essential to successful Care Integration:

- Defined relationships among all participants. Principles of relationships guide choices and decisions associated with selecting and aligning with partners. Identifying and clarifying shared goals, needs, and expectations are important.
- Consistent quality, measured by baseline quality standards. Both clinical quality and service quality metrics are being defined for use in evaluating the effectiveness of services. The Satisfaction Surveys—completed by employees, nurses, physicians, patients, and their families—also provide data used to evaluate services.
- A seamless infrastructure. Birth, pediatric care, wellness, diagnosis, treatment and chronic care, special needs care for the disabled and the elderly, support through home care, nursing homes, hospice, and group support for problems encountered in varying life phases are all integrated in a seamless infrastructure.
- Infrastructure that is lean, efficient, and relevant to its purposes. Metrics that align clinical and service outcomes with financial outcomes are viewed as necessary to ensure that the envisioned lean infrastructure is serving its purposes to support care givers in their work to provide quality care in the most efficient manner. The HSHS team explored literature and studies on the financial aspects of healthcare spending. The amount spent on activities now considered “waste” is awesome. PricewaterhouseCoopers (PwC) for example cites that $1.2 trillion dollars can be identified as waste in healthcare spending (Hessler). Lean procedures aim to reduce that waste.
- System-wide standardization when appropriate. Considering the number of individual practitioners with their individual preferences, multiplied by the 13 Local System hospitals and partners, the issue of standardization is challenging.

Managing a Moving Platform

Identifying the right people to craft Care Integration in the varying stages of development is one way to ensure that the talent and knowledge that abounds within HSHS is used to the fullest. At different points in the development, certain skills and competencies are essential. Initially, the visionary, conceptual thinkers led the initiative. Next, engaging leaders such as healthcare organizational leaders, physicians, and individuals from governance became critical to brainstorming and reaching consensus on a theme and a reflection of the mission that would fit all of HSHS communities. To support the Care Integration experts in the field of Information Systems, Human Resources, Finance and others work consistently throughout the project to evaluate and implement the organizational processes and supports appropriate for the given stage of Care Integration development.

Comparative Effectiveness

We have selected comparative effectiveness as a method to monitor our progress. Both quality improvement and cost control are considered in comparative effectiveness. Comparative effectiveness relates
to national health reform initiatives, and the Recovery Act of 2009 provides funding to support comparative effectiveness research at the national level.

A Federal Coordinating Council for comparative effectiveness research has outlined principles for research and development (Heitzman, Hisley, and Keckley 2009). These principles reflect values of transparency and relevance that match what we are trying to achieve. For example, sharing among caregivers and local systems, focusing on communities, especially people in need for wellness care throughout life experiences, managing care events effectively, and supporting decision making with Information Systems.

**Summary**
The Hospital Sisters of St. Francis view the progression toward the future as a way of life in healthcare. HSHS created the new Care Integration transformational strategy as the way to move forward. The Hospital Sisters’ support for change is due in part to 30 years of providing healthcare in the traditional mode, with mounting complacency and eventually frustration. Driven by the need to be leaders in healthcare reform, energized by the strong mission for caring and healing, the Sisters have forged a bond between governance and management to align the mission with the strategic plan and outcomes. Everyone is ready for and seeking change, to create a system that is cost effective, that facilitates consistent high quality care, and that is a rewarding place to use one’s talents and energies to provide patient care.

**References**

