The Board’s Evolving Role in Quality Oversight

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Why Boards Should Care about Quality

“I ask boards to please examine the myth that American healthcare is the best in the world. It isn’t. And that your healthcare organization is approximately as good as it could be, because it isn’t.”

—Donald Berwick, MD, Former Administrator
Centers for Medicare & Medicaid Services

Why Measure Quality?

✓ Measures drive improvement
✓ Measures inform consumers
✓ Measures influence payment

Taken from National Quality Forum’s The ABCs of Measurement®
Quality and Safety Oversight

Be the driver – quality is ultimately the board’s responsibility*:

- Ensure effective mechanisms are in place to measure, monitor, maintain, and improve quality, safety, and service excellence.
- Approve quality improvement plans and goals, monitor performance in relation to those goals, and exercise accountability in seeing the goals become a reality.
- Approve recommendations for physician appointments, reappointments, and clinical privileges, based on well-documented recommendations resulting from an effective credentialing process.

* Darling vs. Charleston Memorial Hospital, 1965

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Healthcare Quality Defined

- **Safe**—avoiding injuries to patients from the care that is intended to help them.
- **Effective**—providing services based on scientific knowledge to all who could benefit and refraining from providing services to those not likely to benefit (avoiding underuse and overuse, respectively).
- **Patient-centered**—providing care that is respectful of and responsive to individual patient preferences, needs, and values and ensuring that patient values guide all clinical decisions.
- **Timely**—reducing waits and sometimes harmful delays for both those who receive and those who give care.
- **Efficient**—avoiding waste, including waste of equipment, supplies, ideas, and energy.
- **Equitable**—providing care that does not vary in quality because of personal characteristics such as gender, ethnicity, geographic location, and socioeconomic status.

Source: *Crossing the Quality Chasm: A New Health System for the 21st Century*, Institute of Medicine, National Academy Press, 2001
What’s the Board Supposed to Do about Quality? – Start Simply

• Formally establish strategic goals for quality improvement for the organization
• Monitor quality indicators
• Require progress reports on corrective action on quality/safety problems
• Approve investments in new technologies aimed at quality improvement
• Consider forming a board quality committee

Ensuring an Effective Board Quality Committee

- Responsibilities include overseeing and monitoring: Quality/safety/service policies and standards; coordination of all quality and safety improvement initiatives; appointing, credentialing and privileging; accreditation and licensing; medical staff bylaws; patient satisfaction assessment; physician satisfaction; risk management; quality-related performance dashboards
- Membership: 7 – 9: at least 3 members of the board; at least 3 physicians (need not be board members); some nurse executives; some non-board members from the community with expertise in quality improvement processes from other industries

Meeting frequency: Monthly
Requirements: Knowledgeable, passionate people who can commit to meeting attendance and continuing education

Adapted from “Best Practices for Board Quality Committees” by Barry Bader, available at www.GreatBoards.org
Involving the Medical Staff

- Joint educational and social sessions with Board, physicians, and administration to increase understanding of “what it’s really like” for clinicians
- Board members, executives, and physicians work together to craft policies related to quality and safety
- Board participates with medical staff in developing and/or approving explicit criteria to guide credentialing and privileging
- Board members and physicians play a strong role in establishing the agenda for the board’s discussion on quality
- Carefully select physicians from the medical staff to serve on the board or board committees

Credentialing

Credentialing is a process to determine whether a clinician and/or physician can meet/is meeting the organization’s high standards of knowledge and clinical skill.

- A number of the licensed clinical staff must be credentialed: MDs, PAs, APRNs, CRNAs, and nurse midwives, for example
- Which clinicians may practice in our organization?
- Privileging:
  - Which procedures may each perform?
  - Which conditions may they treat?
What Is It and Who Does It?

Four Steps to Credentialing

1. **Establish Policies and Rules**
   Management, Clinical Leaders and Board

2. **Collect and Summarize Information**
   Management, Clinical Leaders

3. **Evaluate and Recommend Membership and Privileges**
   Management, Clinical Leaders

4. **Review, Grant, Deny, or Approve Privileges**
   Board

Remember the 5 Ps: Our Policy is to follow our Policy. In the absence of a Policy, our Policy is to create a Policy.

What to Look for in Benchmarks and Dashboards

- Benchmarks are useful – to a point. Beware ‘Cream of the Crap’.

- Dashboards generally 1-page, color-coded, trended with comparative measures, summarize the ‘big picture’.

- “Big Dots” are the handful of key indicators that really matter, such as
  - Mortality rate
  - Readmission rate
  - Preventable harm/patient safety metrics
  - HCAHPS - the Hospital Consumer Assessment of Healthcare Providers and Systems (patient satisfaction)
  - Value-based purchasing performance
Quality Dashboards Help the Board Stay Focused

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Research Finding from Hospital Boards:
High Organization Performance Correlated with Five Board Quality Practices

- **CEO’s performance evaluation** includes objective measures for the achievement of clinical improvement goals and patient safety goals.

- **The board sets the quality agenda** for the board’s discussion surrounding quality.

- **Patient satisfaction scores are reviewed** at least annually by the board quality committee.

- **Board participation in medical staff appointments**, reappointments and clinical privilege-setting specifically by developing and/or approving of explicit criteria.

- **Focus on patient-centeredness** through the sharing of real patient experiences.
Board Practices to Enhance Quality Oversight

Choose Directors with the “Right Stuff”
- Embrace the board’s responsibility for quality
- A few “quality experts”
- The ability to understand clinical information
- The willingness to raise constructive questions
- The ability to challenge without losing collegiality

Take charge of the board’s quality agenda
- Start with orientation and never stop educating
- Assess your organization’s improvement priorities: Confront the “brutal facts”
  - Involve clinicians and staff
  - “In God we trust, all others bring data”
- Set aside time to talk about quality: Board/committee
- Adopt board goals around quality
- Build an annual board/committee work and education plan
- Spend the time

Board Practices to Enhance Quality Oversight

Make quality a strategic priority
- Make quality a pillar of the strategic plan
- Understand the business case for quality
- Approve measurable, big dot, multi-year and annual goals
- Adopt a powerful improvement framework, e.g., IOM, Baldrige, Six Sigma
- Make quality and client safety an important element of executive evaluation and compensation

Exploit the power of information
- Set the bar high
- Promote transparency
- Design the dashboard around strategic goals
- Monitor all aspects of quality:
  - Clinical outcomes, best practices, client safety, customer service, and employee culture
  - Indicators of the business case
- Exercise accountability for results
Board Recruitment, Orientation, Education

- Help new board members understand their responsibilities, the organization’s programs for performance measurement and improvement, and external quality requirements
- Participate at least annually in education on national trends in quality of care
- Review the organization’s quality performance by comparing current performance to its own historical performance, to standards, and to the competition
- Devote a part of each meeting and retreat to quality education
- Include more physicians and other clinicians on the board and its committees
- Add board and committee members with quality and process improvement expertise from outside healthcare

Case Study: A Free-standing, Community Hospital Board’s Journey

Overall Functioning and the Quality Oversight Responsibilities

- Board is high performing and an actively engages in quality related discussions
- Established Quality committee of the Board responsible for carrying out quality oversight duties
- Explicit about choosing new Board and committee members with ability to understand patient care issues and promote accountability
- While Board members’ comfort level with this responsibility varies by individual – all recognize that it’s part of their role
Case Study: A Free-standing, Community Hospital Board’s Journey

Work to Increase Understanding and Engagement

- Over the past few years there has been a shift in focus – integrating quality, strategic and financial planning
- Organizational dashboard includes metrics for clinical quality, service excellence and cost
- The board meetings include in-person quality presentations with time for questions and discussion
- Presentations are a mix of patient stories, updates on quality improvement initiatives, and educational topics identified by the staff and quality committee

Case Study: A Hospital Within a System’s Journey

Overall Functioning and the Quality Oversight Responsibilities

- Quality oversight is one of the board’s three primary areas of responsibility
- Board’s quality oversight role has been evolving over the last 4-5 years and they’re clearly on a journey
- Active efforts to recruit new Board members with healthcare, quality improvement and customer service skills
- Newly formed quality committee consisting of board members, senior management and clinicians working to come up to speed
- New Board member orientation includes a separate 2-3 hour quality program orientation
A Case Study:
A Hospital Within a System’ Journey

Work to Increase Understanding and Engagement

• A strong partnership between the Board and the CEO
• Annual education plan to ensure an increased focus on “intentional and continuous learning”
• Continued refinement of use and understanding of Hospital Board-level and Quality committee dashboards
• Use of patient stories to tell the quality story and connect patient care to the organizational mission
• Credentialing continues to be an area of focus