

# CAH Finance and Operations Webinars

March 30, 2023

## PIEC 101: Transitioning to a Performance Improvement Executive Committee

*The mission of the Oregon Office of Rural Health is to improve the quality, availability and accessibility of health care for rural Oregonians.*

*The Oregon Office of Rural Health's vision statement is to serve as a state leader in providing resources, developing innovative strategies and cultivating collaborative partnerships to support Oregon rural communities in achieving optimal health and well-being*



## Webinar Logistics

- Audio muted and video off for all attendees.
- Select to populate the  to populate the chat feature on the bottom right of your screen. Please use either the chat function or raise your hand  on the bottom of your screen to ask your question live.
- Presentation slides and recordings will be posted shortly after the session at: <https://www.ohsu.edu/oregon-office-of-rural-health/resources-and-technical-assistance-cahs>.





## Upcoming CAH Operation and Finance Webinars

**Apr. 20, 12 p.m. - 1:00 p.m.**

*Ensuring Long-Term Success Today: 2023 Revenue Cycle Strategies*

**May 11, 12 p.m. - 1:00 p.m.**

*CAH Reimbursement Heuristic: Using Medicare Cost Report to Reveal Opportunities*

**June 8, 12 p.m. - 1:00 p.m.**

*10 CAH Revenue Cycle Priorities: What to Review Immediately*

**July 13, 12 p.m. - 1:00 p.m.**

*The Post-Acute Care Lever: Hospital Swing Beds*

**Aug. 3, 12 p.m. - 1:00 p.m.**

*How to Build Revenue: Front-End Competencies*

**Aug. 31, 12 p.m. - 1:00 p.m.**

*The No Surprises Act: Revenue Protections and Transactional Compliance*

**Sept. 14, 12 p.m. - 1:00 p.m.**

*Fund Your Mission: Practice Steps to Move from Volume to Value*



Jonathan Pantenburg is a Principal at Wintergreen. He is an accomplished, results-driven senior executive with nearly 20 years of progressively responsible experience advising profit, nonprofit, and governmental entities. Over the past six years, Jonathan has worked with entities ranging from independent practices to multi-state health care systems on how to leverage rural opportunities to improve financial and operational performance. Prior to that, Jonathan served as chief financial officer and chief operating officer for a 21-bed nonprofit critical access hospital.

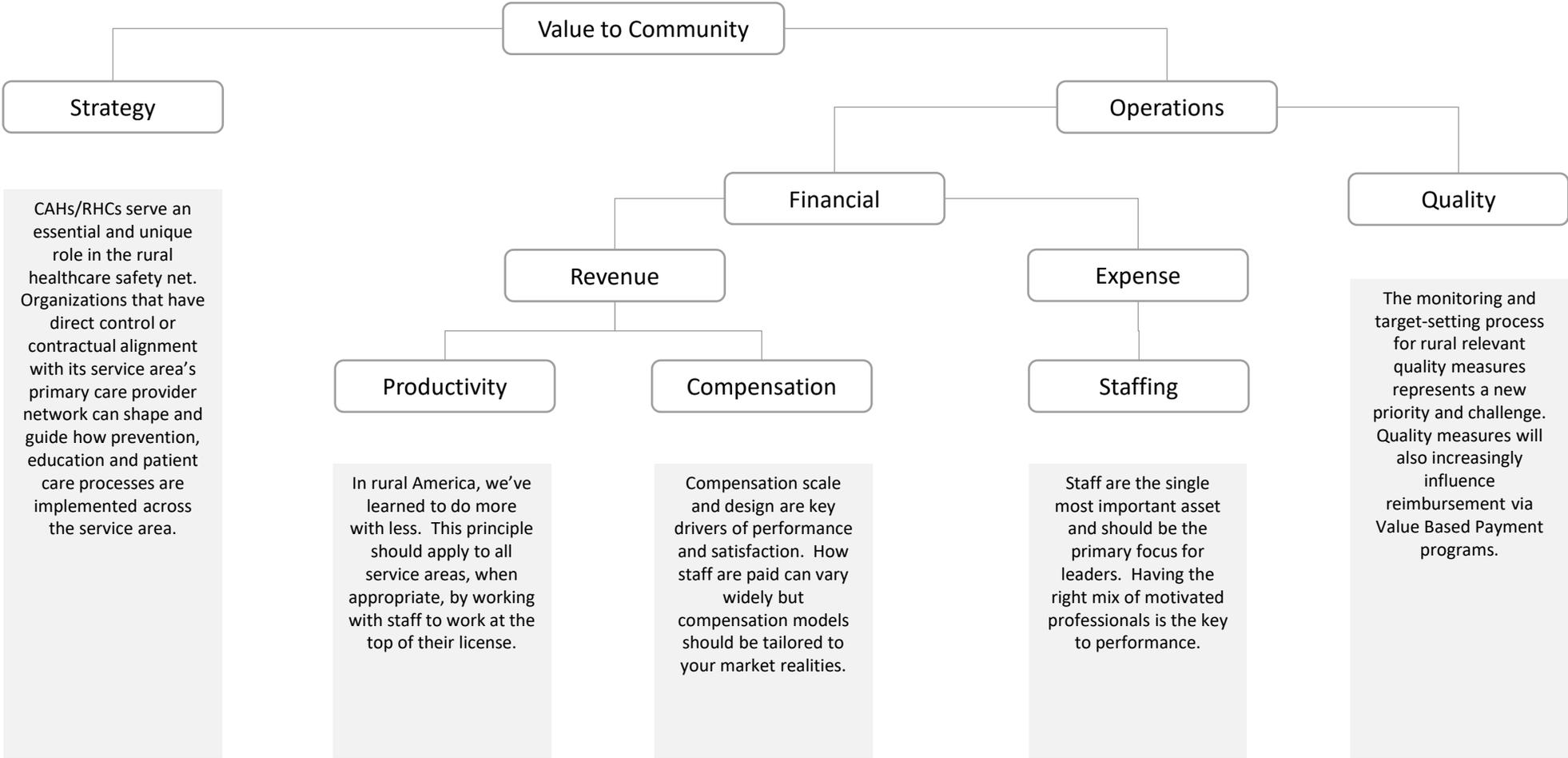
# Performance Improvement

## The Integration of Quality and Finance

March 30, 2023



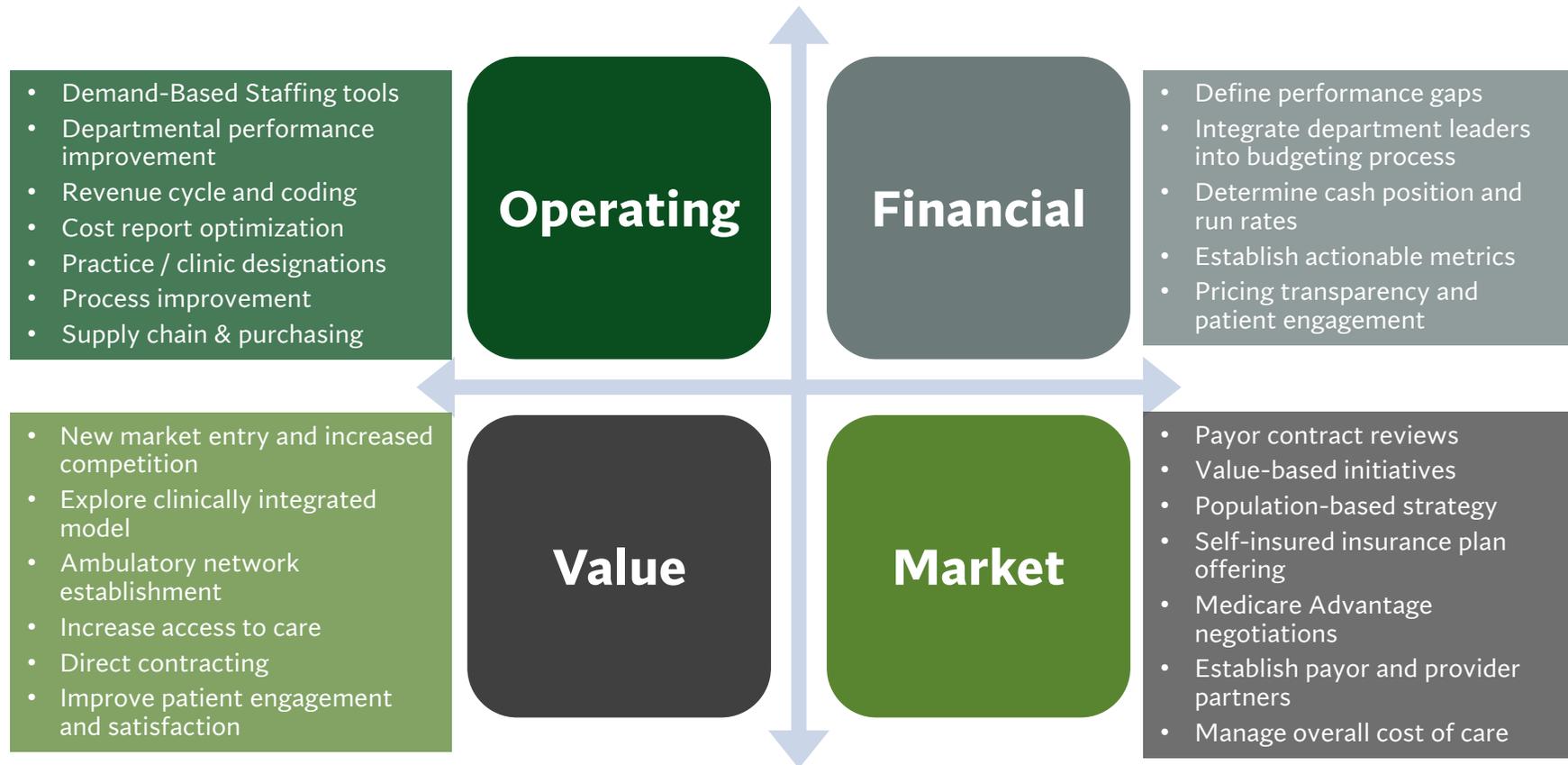
# The Performance Model



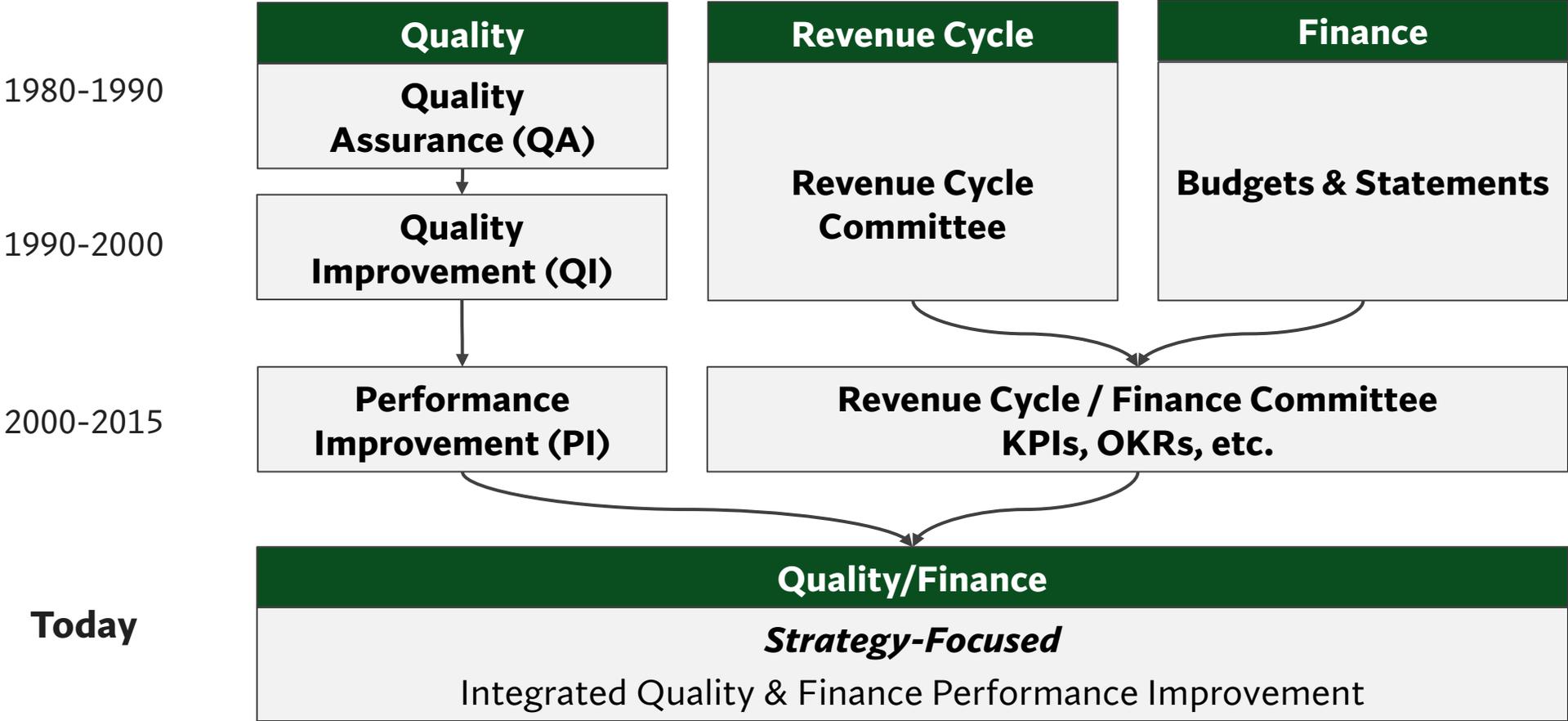
# Performance Improvement Opportunities



Organizations must focus and establish plans for each of the four identified areas to improve the organizational position



# Evolution of Improvement Models



## Five Characteristics of an Improvement Plan

- A systematic process that includes leadership, accountability, and dedicated resources
- Use of data and measurable outcomes in the progress towards evidence-based benchmarks
- Focuses on linkages, efficiencies, and provider and client expectations when improving outcomes
- Continuous process that adapts to change within the organization's quality improvement arena
- Data collected is utilized to assure that the goals of the program are accomplished, and they are concurrent with the improved outcomes

# Improvement Program Structure



- Definition of the term quality for the organization
- Clarify leadership roles
- Create an accountability structure
- Determine what the name of your program will be (i.e., quality or performance improvement)
- Identify the important functions of the organization
- Identify approaches to process improvement framework
- Develop an information flow chart
- Establish reporting routines
- Integrate quality principles into organization's policies and procedures
- Identify educational needs

# Influences on Program Effectiveness



- Organizational culture, ethics, priorities, and degree of leadership commitment to mission, vision, and values
- Governing body support and involvement
- Administrative and management leadership support and involvement
- Medical/professional staff or medical group/IPA support and involvement, as applicable
- Organizational, team, and committee structures
- Scope of services and programs
- Important organization wide functions
- Strategic quality initiatives
- Care and service delivery functions, systems, and processes
- Information system resources
- Financial budget and resources
- Political environment

## Current Structure Advantages

- Easier for staff to learn
- Does not require staff to focus on areas outside their core functions
- Core group can granular into specific areas as they arise
- Leads to several metrics and performance improvement initiatives due to the limited focus of each group

# Pros and Cons of Current Structures



## Current Structure Disadvantages

- Too many meetings
- Quality, Revenue Cycle, and Finance in Silos
- Different meetings involve the same people
- Strategy disconnected from actions
- Variation in expectations
- Compliance supersedes Improvement
- Lack of transparency
- Too much reporting, not enough Improvement
- Limited involvement across organization

# Laying the Foundation

# Roles and Responsibilities



<b>Board of Directors</b>	<b>Accountability</b>
<b>Executive Management Team</b>	<b>Coordination</b>
<b>Medical Executive Committee</b>	<b>Guidance</b>
<b>PIEC</b>	<b>Effectiveness Monitoring</b>
<b>Reporting Entities</b>	<b>Improvement</b>
<b>Committees</b>	<b>Organization &amp; Compliance</b>

# Governance and Management Committees



## **Board of Directors**

Acceptance and oversight of Balanced Scorecard framework and Performance Improvement progress

## **Executive Management Team**

Review and interpretation of Strategy-level dashboard reports and Performance Improvement progress

## **Medical Executive Committee**

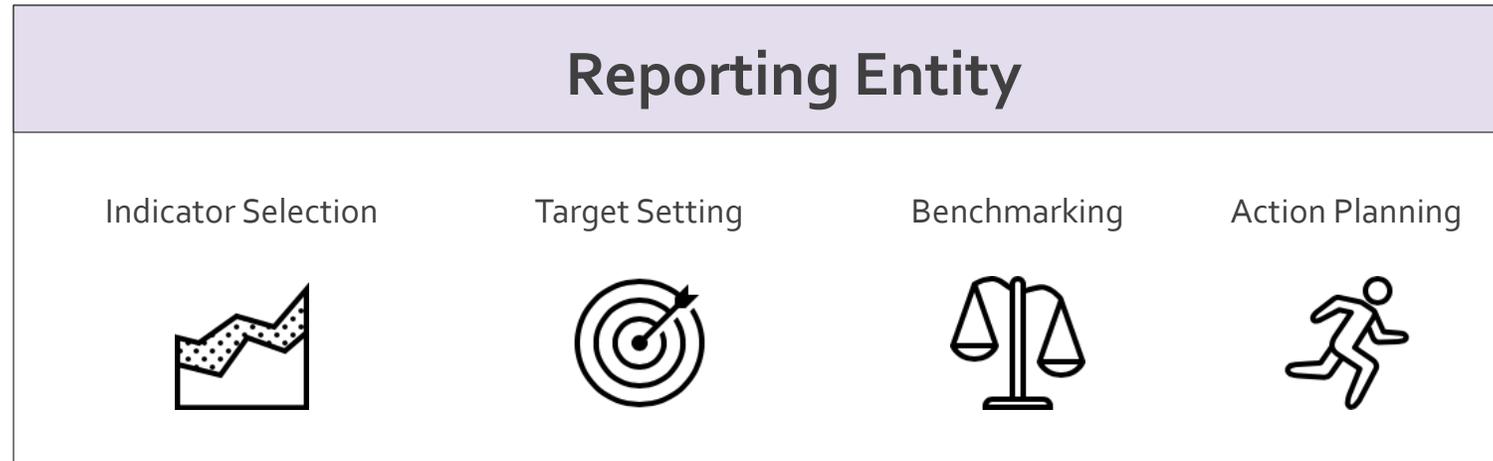
Review and evaluate clinical processes, outcomes and clinical Performance Improvement opportunities

# Performance Improvement Council



- PIEC members typically include the COO/CNO and CFO as co-directors, the CEO, CMO, ED Director, Revenue Cycle Director, QI/PI Director, Board Member, Security/Privacy Officer, and representatives from 2-3 key Departments
  - The Executive Council meets monthly to receive reports from hospital Departments (“Reporting Entities”) and Committees
  - The PIEC assumes final responsibility for all Performance Improvement activities, including data collection, reporting, and Action Planning development

# Reporting Entities



- Clinical and Non-Clinical Departments serve as Reporting Entities
- Reporting Entities are responsible for reporting **to** the PIEC
- Reporting Entities are divided into two categories:
  - **Major** Physician Focus such as Nursing and Emergency Department
  - **Non-Major** Physician Focus such as Imaging and Rehabilitation

# Recognition of Improvement Opportunities



- Fundamental to performance improvement is recognition of current performance and identification of opportunities for improvement, which have greatest impact on patient outcome
  - Factors that influence selection of processes to be measured include:

High volume



High risk



Risk of sentinel event



Problem prone processes



Potential for improvement per case



Market competition



Employee opinions



Patient Satisfaction



Negative trends/patterns



Strategic Priorities



# Reporting Entity Responsibilities



**Indicator Selection:** The process through which reporting entities identify specific clinical, financial and operational indicators to support performance improvement activities.



**Target Setting:** The process through which reporting entities set performance targets for all relevant indicators (target setting encompasses lower and upper bounds as well as actual targets).



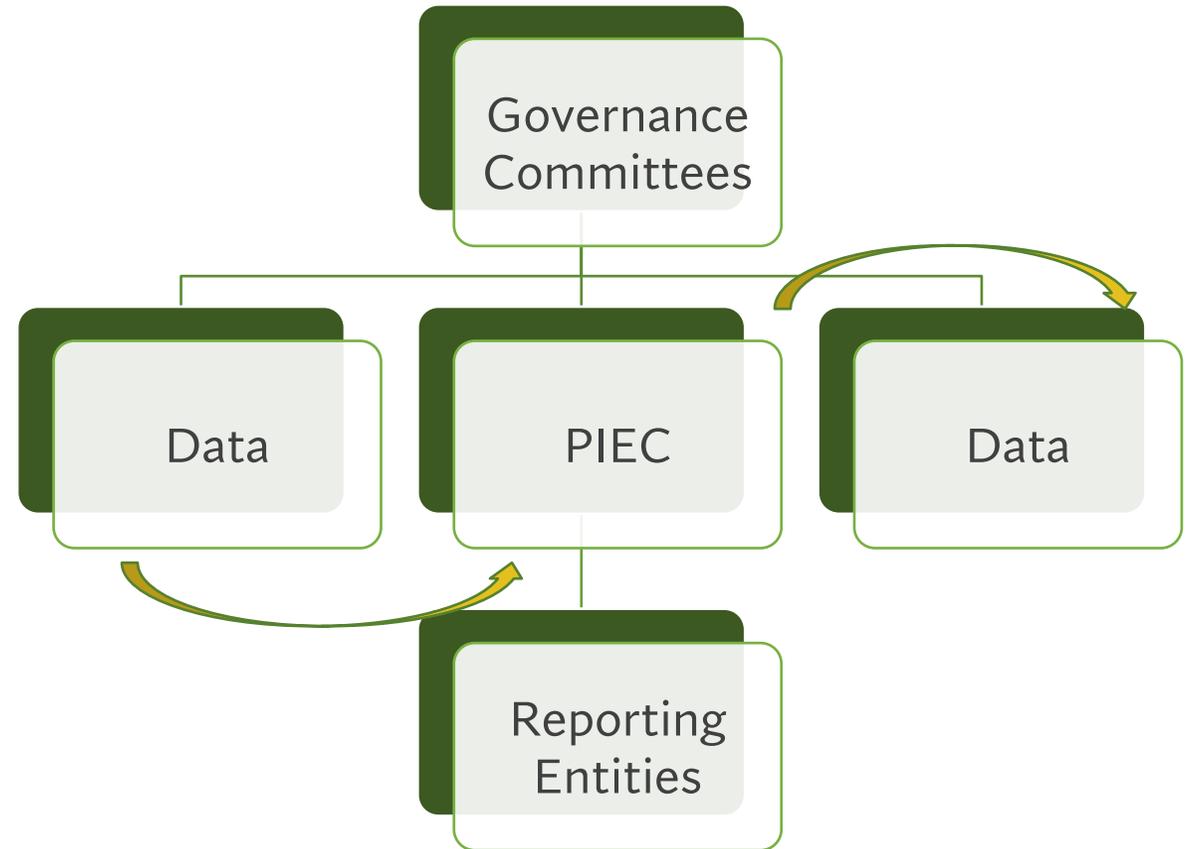
**Benchmarking:** The process through which reporting entities use external and internal data to establish “best practices” and opportunities for process improvement.



**Action Planning:** The process through which reporting entities assemble department-specific task forces that are responsible for developing and executing a set of concrete action steps.

# Information and Data Flow

- Data flows into and out of the PIEC to drive initiatives
- Reporting Entities report **to** the PIEC
- The PIEC reports **to** the Governance Committees



# Sample Quarterly Reporting Calendar



**Month 1:** Imaging; Laboratory; Emergency Department; EMS; Pharmacy; Patient Safety Committee; HIPAA Compliance



**Month 2:** Rehabilitation; Respiratory Therapy; Dietary; Maintenance; Housekeeping; EOC Committee; Administration; Business Office; Medical Review Committee



**Month 3:** Nursing; Physician Practices; Medical Review Committee; Surgery/Anesthesia; Medical Records; Utilization Management Committee



**Quarterly:** Review of Strategic Plan priorities, Enterprise-wide Action Plans and dashboards



## TASK FORCE DEVELOPMENT

A Task Force is a group of people assigned to complete a specific task or set of tasks. Often, task forces are assembled to respond to a critical need and meet the following criteria:

- Dedicated set of hospital staff
- Finite time period
- Budget commensurate with the project
- Clear accountabilities and expectations
- Task is directly linked to hospital strategy

# Questions



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# ORH Announcements

- [2023 Forum on Aging in Rural Oregon](#): May 15-17 in Seaside, Ore.  
\*Registration is open\*
- [2023 Oregon CAH Quality Workshop](#): May 16-17, 2023 in Seaside, Ore.  
\*Registration is open\*  
Questions? Contact Stacie Rothwell | [rothwels@ohsu.edu](mailto:rothwels@ohsu.edu)
- **Ensuring Long-Term Success Today: 2023 Revenue Cycle Strategies** ([register here](#))  
April 20, 2023  
The health care industry's pace of change quickens daily and presents new challenges to patient access, service delivery and long-term success. This ongoing transformation creates limitless opportunities with revenue cycle management to advance performance, compliance, quality, satisfaction and retention. This presentation will focus on fundamentals to maximize opportunities in staffing, financial management and partnerships. SEP SEP

# Thank you!

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