

STRATEGIC ALIGNMENT: HARMONIZING TRAUMA PROGRAM PERFORMANCE WITH EXECUTIVE PRIORITIES IN HEALTHCARE

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- No Disclosures

3 OBJECTIVES

- Understand the definition of strategy and strategic alignment
- Discuss how Strategy is created and its importance to the organization
- Understand strategic drivers
- Discuss how PI may be utilized to propel your strategic goals

4 HAVE YOU EVER BEEN ASKED

- Do we really need...?
- Could we consolidate or share call?
- Do we need...in house or can they be on call?
- Are there other options to meet the criteria?
- Should we be a Level...trauma center?

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STRATEGY

6 WHAT IS IT

- Business strategy is the strategic initiatives a company pursues to create value for the organization and its stakeholders and gain a competitive advantage in the market.
 - This strategy is crucial to a company's success and is needed before any goods or services are produced or delivered.
- Competitive strategy is about being different. It means deliberately choosing a different set of activities to deliver a unique mix of value.

<https://online.hbs.edu/blog/post/what-is-business-strategy>
<https://hbr.org/1996/11/what-is-strategy>

7 STRATEGY
DRIVERS

Healthcare Environment

Mission

Governing Board

Executive Team

Operational and Clinical Leaders

8 STRATEGIC PLANS AND PRIORITIES

- Determines what services you will provide
- Who are the customers you want to reach
- Capital equipment purchases
- Investment in technology

9 FINANCIAL ENVIRONMENT

Percentage change in median hospital margins YTD May 2023-May 2022



Percentage change in median hospital margins YTD 2021-2022



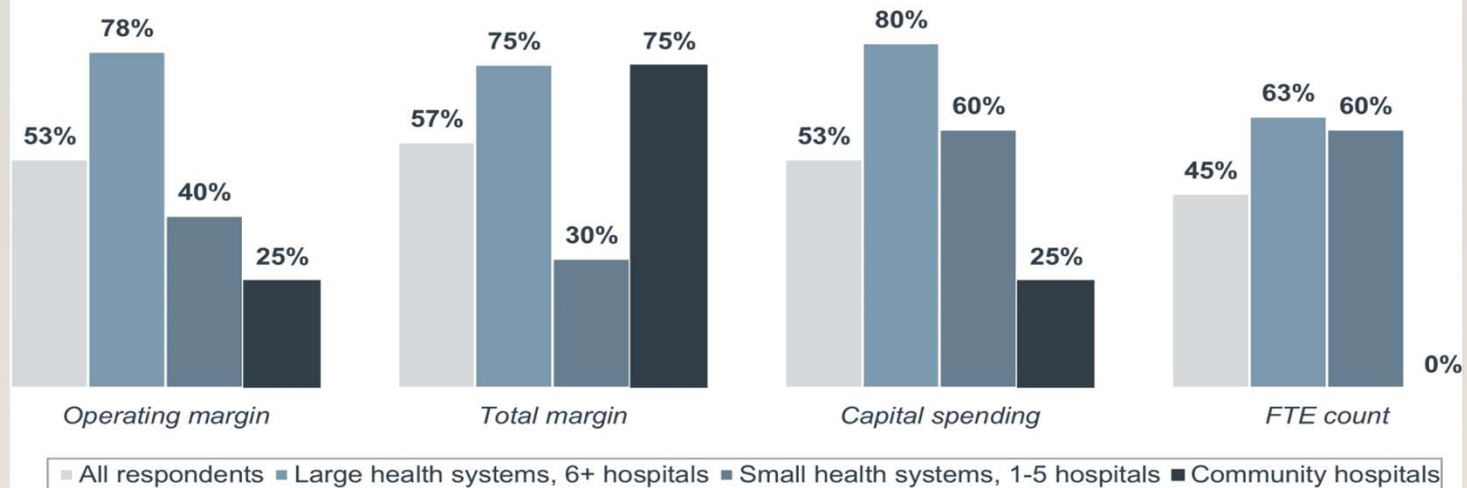
Financial performance in FY 2022

System	Net Income	Operating Income
Ascension	(\$1.8 B)	(\$0.9 B)
Cleveland Clinic	(\$1.2 B)	(\$0.2 B)
CommonSpirit	(\$1.9 B)	(\$1.3 B)
Kaiser	(\$4.5 B)	(\$1.3 B)
Mass General	(\$2.3 B)	(\$0.4 B)
Providence	(\$6.1 B)	(\$1.7 B)
Trinity	(\$1.4 B)	(\$0.2 B)
UPMC	(\$0.9 B)	\$0.2 B

Source: Kaiser Foundation Health Plan and Hospitals Report 2022 Financial Results | Kaiser Permanente; Cleveland Clinic's net losses land at \$1.2B for 2022 (fiercehealthcare.com); 20 health systems reporting losses in 2022 (beckershospitalreview.com); KaufmanHall National Hospital Flash Reports, www.kaufmanhall.com.

10 FINANCIAL ENVIRONMENT

Percentage of respondents with expected positive change from last 2022 to 2023



<https://www.advisory.com/topics/strategic-and-business-planning/2024/01/6-priorities-for-health-system-strategists>



ALIGNMENT

12 DEFINITION

- “Strategic Alignment is a process that senior leaders should implement and monitor throughout the planning lifecycle to link key operational systems and processes to the organization's mission and mission objectives.”
- "what matters most to the organization and then create a road map to achieving the organization's purpose."
- Alignment means you know how trauma fits in your organization and that the program's activities help achieve its goals.

<https://www.opm.gov/policy-data-oversight/human-capital-framework/strategic-planning-alignment/>

<https://www.nist.gov/blogs/blogrife/so-what-strategic-alignment>

13 FOCUS AREAS OF CEO'S

- Workforce challenges
- Financial challenges
- Behavioral health/addiction issues
- Access to care
- Governmental mandates and payments
- Patient safety and quality
- Patient satisfaction
- Technology
- Physician-hospital relations
- Population health management

14 KEY METRICS

- Length of Stay
 - LOS and GMLOS - **Geometric Mean (GM)** is more accurate than the Average Length of Stay (LOS) metric used in the Prospective Payment System for Medicare reimbursement
- Case Mix Index
 - CMI = A hospital's CMI represents the average diagnosis-related group (DRG) relative weight for that hospital. It is a measure of patient complexity.
- Contribution Margin
 - this metric tells us how an organization's costs compare to their revenues and is one, but not the only, indicator of a hospital or health system's financial health.

<https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps/acute-inpatient-files-for-download-items/cms022630>

15 WHAT DOES IT LOOK LIKE

- Understand how you fit
 - Halo effect
 - Financial impact
 - Community reach



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ACTIONS

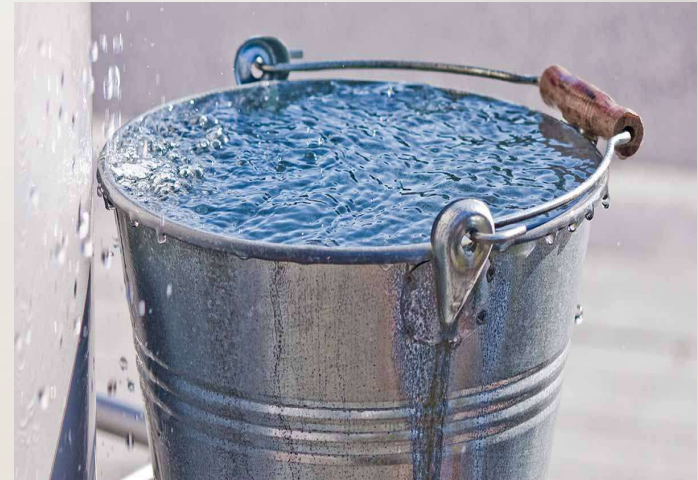
17 DATA – THE ULTIMATE TOOL

- Make sure you understand and trust your data sources
- Are you presenting data in way that reflects focus area of your executive team?
- Partner with your quality and finance team members.



18 CREATING ALIGNMENT

- Meet with your finance staff and get help.
 - Best utilization of limited resources to maximize or minimize
- Care variation reduction
- Translate your activities to the Exec team
 - Time to OR is a LOS initiative
 - CDI is a CMI initiative – Our patients are sicker...
 - Our quality and patient safety initiatives can improve CM



19 UTILIZING PI STRATEGICALLY

- Align with hospital priorities (CEO focus areas)
- Consider alignment in your PI plan
- Care variation reduction
- Partner with organizational initiatives
- Utilization of new technology and AI to mine data.
- Apply resources to support organizational goals when possible.

20 CLINICAL VARIATION REDUCTION

- VTE as an example (I know everyone's favorite)
 - What is the % compliance with guideline
 - What is the event rate or % with the noncompliance population
 - Determine costs among the guideline compliance and noncompliance population –
 - LOS opportunity,
 - Impact on reimbursement (CMI and DRG)
 - Change in Contribution Margin

21 OTHER CONSIDERATIONS

- Capacity
 - Right patient to the right resource (transfers, and admissions)
 - Education and staff training (are your staff aligned with trauma goals)
- Quality
 - Public reporting alignment (AHRQ, CMS, Leapfrog)
 - Hospital Event/Complication reduction
- Operational
 - Equipment
 - automation

22 WHAT CAN WE DO?

- Partnering with our Finance/Decision Support staff to better be able to tell our story.
- We can determine CM for all pts and by certain categories.
- We can identify CMI and GMLOS for our trauma population.
- Next up, is to better get a handle on OR and ICU utilization and what impact does that have on our centers.

23 METRICS AND MORE METRICS

Table of Contents

Updates Monthly on the 10th

Current FYTD Timeframe (7/1/2023 - 5/31/2024)

Prior FYTD Timeframe (7/1/2022 - 6/30/2023)

Summary

- Operational Dashboard FYTD
- Inpatient Overview FYTD
- Observation Overview FYTD
- Quality Overview FYTD
- Hospitalist Summary
- Attending Practitioner Summary
- Launch Rounds Summary

Opportunity LOS/Cost

- Opportunity LOS Summary
- Opportunity LOS
- Avg Opportunity LOS
- CMG - Enctrs w/ Opportunity LOS
- Enctrs w/ Opportunity LOS
- Opportunity LOS Analysis

Volumes

- IP & OP Enctrs
- IP Enctrs
- OBS Svcs Enctrs
- IP Enctrs w/ LOS <=1 Excl OBS Svcs
- IP Enctrs w/ LOS <=2 Excl OBS Svcs
- Equivalent ADC
- OR Svcs Enctrs
- EXR Svcs Enctrs
- ED Svcs Enctrs

Discharge

- Discharge Order to Discharge Timing
- Discharge Order Timing
- Discharge Timing
- % of Discharge Orders before 11 am

Inpatient

- IP Enctrs
- GMLOS Index
- MS-DRG CMI
- ALOS Summary
- Arrival to Discharge Days Summary
- Avoidable Days
- GMLOS vs ALOS

Observation

- OBS Svcs Enctrs
- OBS Svcs Enctrs %
- Avg OBS Svcs Enctrs Hrs
- OBS Svcs to IP Enctrs %
- % of OBS Enctrs w/ OBS Hrs >36 Hrs
- % of Status Exception OBS Svcs Enctrs

Quality

- Crimson 3 Day Readmit %
- Crimson 7 Day Readmit %
- Crimson 30 Day Readmit %
- Crimson Mortality Index
- Crimson Care Complication %
- Serious Safety Events
- Likelihood to Recommend Top Box %
- Doctor's Domain Top Box %
- Patient Relation Events
- Crimson ICU Days
- Crimson ICU Mortalities
- IP SEP-1 Bundle Compliance

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CLOSING

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THANK YOU

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