

# Rethinking Standardization

LEVERAGING YOUR TEAM, CLINICAL PARTNERSHIPS,  
AND DATA TO **DRIVE QUALITY AND PATIENT VALUE**

# The **Big** Picture



Hospitals today are facing greater pressure to deliver high-value services, in conjunction with excellent patient care experiences. Yet, decreasing revenues, increasing costs, and growing expectations from patients create a challenging environment. Hospital executives are investigating alternative approaches that drive continuous improvement in an environment that is changing more rapidly than ever.

A recent study by The Advisory Board showed that hospital CFOs view reduction in care variation as their single most important cost improvement opportunity. How much are the savings?

THE TYPICAL PROVIDER ORGANIZATION HAS THE POTENTIAL TO

SAVE | **\$20-30 Million** | per | **\$1 Billion** | IN REVENUE

FROM ACTIONABLE CARE VARIATION REDUCTION OPPORTUNITIES.<sup>1</sup>

Despite the opportunity, truly successful and sustainable strategies that improve standardization of care are still elusive to health systems and their leadership teams. A primary reason most approaches have failed is that the unique contributions and perceptions of key stakeholder groups were not acknowledged or well-balanced.

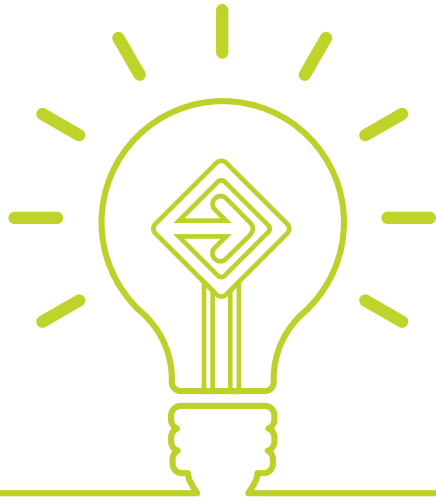
Successfully creating material improvements in value through standardization means leveraging the skills, experience, data, and leadership from all members of the care team, including the key stakeholders who impact patient care.

<sup>1</sup> Source: The Advisory Board, Health Care IT Advisor, "Unwarranted Variations in Care: Origins and approaches to reduction," May 24, 2017; Theresa Breen, "Accelerating your care variation reduction strategy," Physician Executive Council Webinar, May 2017



## In this white paper, you'll find:

- ④ The most common challenges to standardization initiatives
- ④ A new framework for engaging five stakeholders
- ④ Recommendations for an effective approach to leveraging data and feedback systems
- ④ The key role of clinical partnership in the quest for effective standardization
- ④ Examples of success in two of the most critical elements of hospital-based care: Emergency Departments and Hospital Medicine programs.



## Foundations and Fundamentals

Let's start with the fundamentals of highly effective clinical programs.

We know that a thoughtful, **forward-thinking** quality program has **four basic objectives**:

- 1 Meet or exceed performance targets
- 2 Reduce unwarranted variability in care through standardization
- 3 Trend positively
- 4 Increasingly deliver value to key stakeholders

While all four are important for a robust delivery system, this paper focuses on the **critical objective of championing standardization in patient care**, thereby reducing variability. Achieving standardization is the objective that unifies and empowers the other three. Defining and achieving excellence in standardization requires the foundations of teamwork, data, systems, and partnerships, all of which are also required for the other three objectives.



## The Opportunity

In recent years, there has been a dramatic increase in treatment and diagnostic options for patients. (The range of options for diagnostic workups and new pharmaceutical options are common examples.) This increase in clinical options, combined with evolving standards of care, means that standardization efforts now have a proportionately larger impact on overall cost, outcomes, and value. Studies show that appropriate clinical standardization allows clinicians to spend more time with their patients – which improves both patient and provider satisfaction,<sup>2</sup> and powerful evidence shows that, as medical care has continued to advance, there is a need for more focus than ever on **setting, communicating, and managing quality standards**, especially in an environment of shrinking revenue and rising costs. Whatever role standardization played in our past, it will play a greater role in our future.

## The Challenge

However, standardization programs are challenging to define and implement. Standardization of care is frequently misunderstood. Multiple perceptions and perspectives blur the meaning and diffuse focus. Implementation attempts are often shortsighted or limited in scope, resulting in unsustainable results, provider disengagement, administrative frustration, and over-reaching, reactionary policies from payors.

In addition, initial standardization efforts are often under-resourced. The systems required for supplying actionable, point-of-care data can be elusive, incomplete, expensive, misaligned with other stakeholders, or too delayed to be meaningful. Even if some actionable data exists, the underlying systems may not be scalable. All of these issues limit the breadth and depth of attempts at standardization efforts. Initial efforts could wither on the vine and the promise that standardization of care presents never occurs.

<sup>2</sup> Source: Zarzuela, S., Ruttan-Sims, N., Nagatakiya, L., and DeMerchant, K. (October 30, 2013) Defining Standardization in Healthcare



## New Framework for **Success**

As noted above, many health care executives believe that reduced variation in care is a critical performance imperative for their organization. Many systems have already addressed other “low-hanging fruit” including gaining efficiencies from supply chain management, staffing optimization, and economies of scale from overhead and G&A costs. The harder part is truly changing the variations in care delivered at the bedside, which can erode value for patients and for the health care delivery system. The continued evolution toward value-based care demands that health care leaders find a way to address the heavy lifting required to succeed.

So, what now? Building a new framework for success requires that you consider three core concepts.





## Core Concept **1** Create Value

According to the well-renowned economist Michael Porter<sup>3</sup>,

**High-Value Care = Patient Health Outcomes ÷ Total Cost of Care**

As we will discuss in our bullseye view, there are many ways in which we can increase value – by improving any number of patient outcomes; by reducing the cost of care; or an infinite combination of both. As the team defines the goals of standardization, specific outcomes should be defined, measured, targeted, and implemented by members of the team, leveraging their unique skills and contributions. In the end, success means that they must enhance **value**.


## Core Concept **2** Leverage Five Key Stakeholders

While standardizing care is intuitively attractive, the perceptions of standardization are different for **five key stakeholders: patients, providers, hospital executives, nurses, and payors**. Each stakeholder sees a different meaning, focus, and set of implications for standardizing care. These differences must be well understood, and the positive attributes of each perspective must be respected and put to work, while the negative implications and drawbacks should be minimized.

For example, using one hospital administrator's perspective on standardization (**predictability**) and imposing it on a provider without any filter or modification will result in inevitable conflict, disengagement, power struggles, and failure. The same is true if we used a typical practitioner's primary focus (**practice autonomy and personalization of care**) and imposed it entirely upon a payor. This may result in wide variations in care and untenable cost, without acceptable benefit either individually or in aggregate. Moreover, a payor may think, "Standardization means low cost for the current instance of care" versus a provider's perspective that, "If I deliver appropriate and personalized care now, I can reduce overall cost over time."

Many failed attempts at standardization result from the failure to embrace, accommodate, and integrate the unique perspectives of these five key stakeholders.

<sup>3</sup> Source: Porter, M.E. and Teisberg, E. O. (May 25, 2006) Redefining Health Care: Creating Value-Based Competition on Results



Those who have succeeded at sustainably standardizing care recognize it's a team sport, and account for important perceptions and expectations from each audience. They unify them under a common vision and produce and manage practical, data-driven practices. Sustainable value is therefore created.

### Core Concept **3** Balance Art and Science

From the time of Hippocrates until today, clinical practice has constantly involved some balance of the art and science inherent in medicine. The “art” involves recognizing unique patient presentations, individual characteristics, and all the elements that make each patient encounter distinctive. This requires well-founded clinical judgment and an appreciation for each patient’s experience of his or her care. Since no two people are identical, medical care cannot be entirely identical either. The “science” involves recognized, standard, or evidence-based approaches common to almost all patients with the same clinical conditions and presentations. Standards of care can be supported by diagnostic, treatment, utilization, and outcomes data. Over time and with enough patient encounters, the variability of care for similar conditions and presentations should become narrow. Wide variation patterns typically produce lower overall value. There are exceptions, but the general rule certainly applies.

The bottom line: with too much “art,” there is significant variation in care. With too much “science,” the unique needs of patients are not addressed, and worse outcomes happen. The work of standardization requires the right balance. Clarity, teamwork, and prompt access to actionable data is paramount.

Without a doubt, data is the ingredient that empowers each stakeholder to come to the table with results-driven approaches. Embedding clinically relevant data into a practitioner’s workflow is key, along with prompt feedback on clinical results using pertinent comparisons to peers and similar clinical cohorts. The most important factor that drives the data is the common vision that all parties share – **delivering high-value patient care.**





## The Approach

Fortunately, we've seen:

- There **are** effective ways to succeed in standardizing care.
- There **are** ways to respect the viewpoints of key stakeholders and capitalize on their contributions.
- There **are** ways for each stakeholder to benefit (now and in the future).
- There **are** ways to properly balance the art and science of care for individuals and populations.
- There **are** ways to ensure high quality and cost efficiencies, and...
- There **are** very effective ways to support standardization with well-designed systems, processes, and data.

The key to the “standardization playbook” is finding a unified vision and a common definition of success, supporting it with agreed-upon data, while affirming the unique contributions and perspectives of key stakeholders.

The pathway to success starts with addressing these initiatives as a **Team Sport**, with four simple pillars:

1

### RESPECT

the perspectives of each stakeholder.

3

### READY

each stakeholder by empowering them with data, analyses, feedback, and tools that help them succeed, ideally embedding it within their workflow.

2

### REPOSITION

the view of standardization within their roles, in terms that they relate to and value.

4

### REWARD

success. Identify and celebrate accomplishments (and manage avoidable exceptions).

High-Value Patient Care can only result from unifying key stakeholders, supporting them well, and surrounding them with effective clinical partners.

**PAYORS:**

- Believe standardization promotes cost-effective care and increases value.
- Standardization assists with cost management, benefits design, and addresses costly health issues.

**PATIENTS:**

- Value standard approaches to communication & engagement during their care experience.
- May resist standardization if they prefer alternatives to recommended care.
- Want reassurance they are getting the best care possible.
- Trust it's for their benefit, provided that they are also treated as unique individuals.



**HEALTHCARE EXECS:**

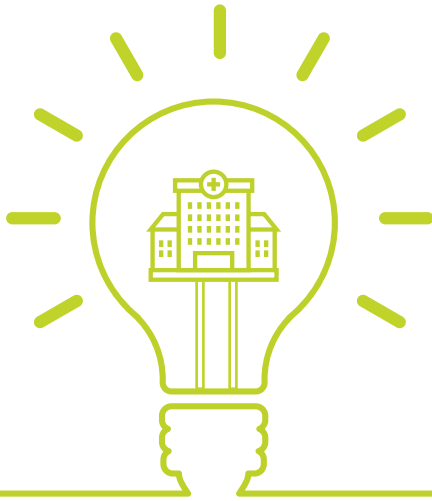
- Believe standardization promotes predictability.
- Predictability allows for efficiencies, supports reimbursement, reduces disparities in care and improves patient safety.

**PHYSICIANS:**

- Often feel standardization represents a loss of autonomy and less personalized care.
- May question how standards are set, or why.
- Believe evidence-based standards, if fairly applied, can provide higher quality and better outcomes over time.

**NURSES:**

- Recognize that standardization helps establish consistent approaches to patient care and important processes.
- This allows for more time with patients, leading to increased job satisfaction and improved performance over time.



## Rethinking Standardization: A real-life example

### HOSPITAL X

#### The Challenge:

- Hospital X is 209-bed acute care hospital in a midsize Florida city. Two years ago, Hospital X, challenged with a baseline sepsis mortality of 35%, set a goal to significantly reduce sepsis mortality by standardizing their approach to identification and treatment for the entire hospital. This involved ensuring a unified practice starting with the emergency department and continuing with inpatient and post-acute care.
- The CEO of the hospital had a vested interest – not only because of the national focus on sepsis but because he personally knew several families impacted by it. The culprits were variable recognition and non-standardized approaches, resulting in increasing sepsis mortality, and decreasing treatment compliance.
- The CEO articulated a new vision for his senior management group and tasked them with identifying a clear plan for decreasing sepsis mortality rates. He asked that the plan deliver not only near-term results, but also have the necessary elements for long-term success.

#### Overcoming Obstacles – The Approach:

The group recognized that to make this effort successful, they would need a core team of senior leaders and clinical partners – to meet regularly; assess current status; build and empower solutions; solve issues, and nurture success. They turned to the emergency department and hospital medicine management teams to lead a monthly **Joint Operating Committee (JOC)**, including hospital executives, Emergency Medicine and Hospital Medicine medical directors, nursing leadership, IT leadership, finance, and revenue cycle staff.



**The JOC is a collaborative meeting to facilitate communication and teamwork. The JOC model fosters collaborative communication in a way that gets a “multidisciplinary perspective” on the challenges faced by the patients. The primary purpose is to optimize patient care by identifying opportunities for improvement, implementing patient-care protocols and facilitating rapid-cycle changes through an iterative approach. By getting input from nursing, quality, and case-management points of view, the clinical leaders help develop solutions that fit the needs of everyone on the team.**

The JOC at Hospital X reviewed issues and obstacles, and proposed solutions. Their recommendations were a combination of tactics, processes, data, and management. Their observations included the following:

- **Criteria and standards:** The group elected to use existing criteria and standards to identify and treat patients with sepsis.
  - With upwards of two dozen physicians and nearly 50 nurses and ancillary staff, the alignment of the entire group in training, education, and engagement was a considerable challenge.
- **Data and systems:** Few internal systems (EMR, dashboards, provider feedback) identified the standard elements required for success.
  - Even when they did, they were buried in other information and not readily identifiable.
  - Furthermore, data was delayed by up to 2 months, reducing providers' ability to connect actual results with decisions at the point of care.
  - The JOC mapped a pathway to identify gaps and optimize existing systems – most of which involved the interface with providers (point-of-care decision-making and prompt feedback with actionable data).
- **Process of care:** In addition to using standard criteria, the process of care needed standardization, so that wherever the patient was located (emergency department or inpatient units), they got the same care the same way – no matter which physician was caring for them.



### The Results:

- The JOC was instrumental in creating a new process and fostered teamwork and cooperation between EM, HM, nursing, finance, and hospital executives.
- The implementation of the new sepsis process produced excellent results:

STANDARDIZATION EFFORTS IMPROVED COMPLIANCE FROM **50%** DURING THE INITIAL QUARTER

TO **75%** DURING THE SECOND QUARTER

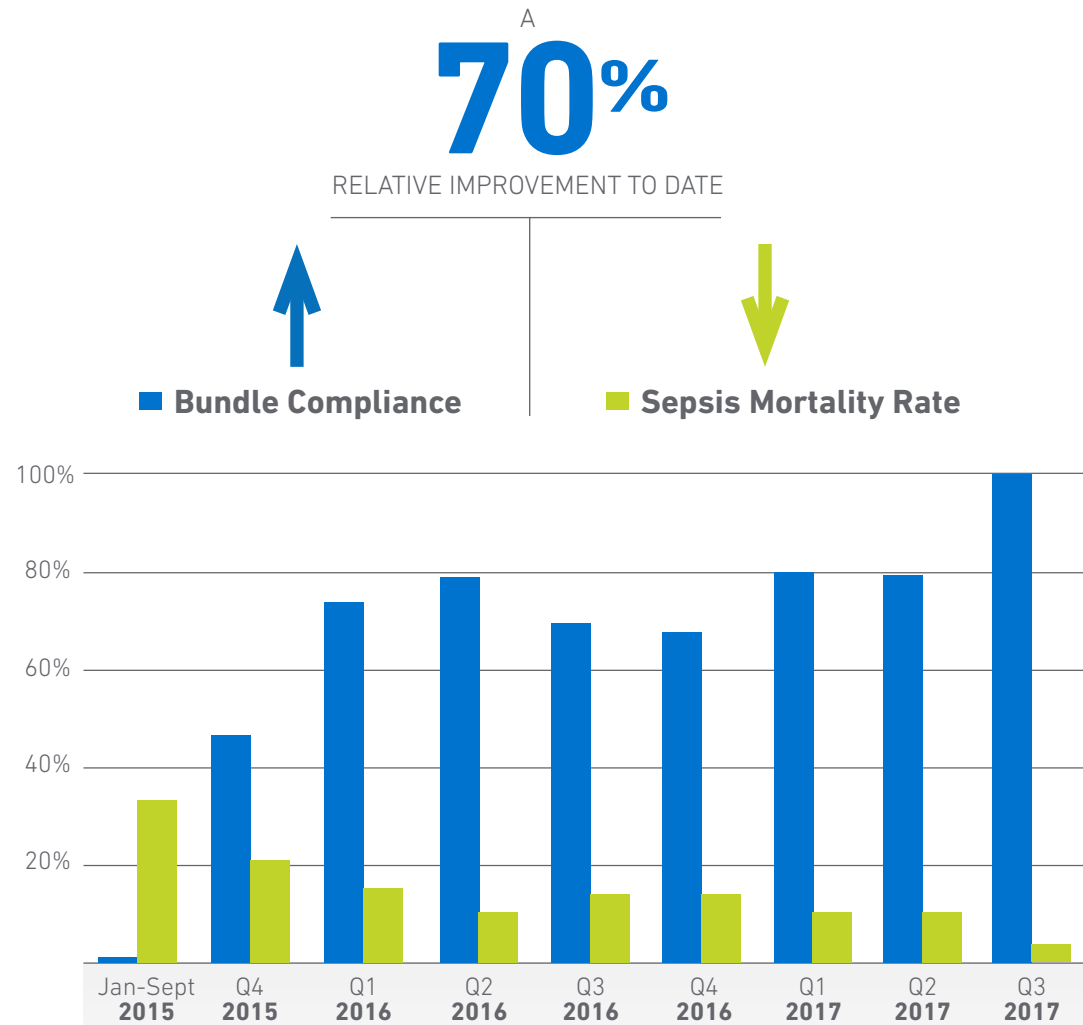
IN THE FIRST YEAR OVERALL

↑ INCREASED COMPLIANCE RATES FROM **50%** TO **90%**

↓ DECREASED MORTALITY RATES FROM **37%** TO **13%**

- In addition, the team saw an improved level of communication and partnership between the ED, hospitalist services, quality, case management and nursing teams.
- This resulted in improved collaboration between patient care departments and provided a pathway for more standardization efforts in many other areas.

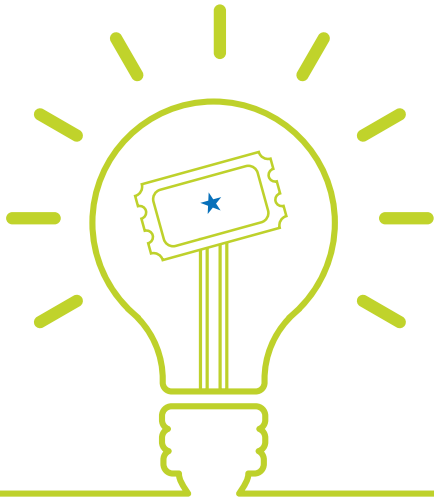
## Focused, team-based standardization methods drove dramatic increases in treatment compliance.





## Key Success Factors:

- The JOC platform has allowed open communication between the ED Providers, hospitalists, and nursing leaders. Presenting the challenging situations as case reviews that were constructive and considerate of the needs of all team members was especially helpful in refining processes.
- A strong, experienced clinical partner at the table with deep capabilities in best practices, data, systems, and a mechanism for prompt provider feedback was critical in implementing and sustaining change.
- Based on the decline in sepsis mortality rate, the JOC has established itself as the “go-to” forum for problem solving and standardization efforts at Hospital X.
- Initial results were dramatic. But, more importantly, results continue. They are sustained because the hospital made the investment in data, feedback, systems, and clinical partnerships often required for long-term sustainability.
- Hospital X intends to maximize the value of a team-based approach and a clinical partnership. The JOC at Hospital X provided an excellent test case for how emergency medicine and hospital medicine can work together to improve patient care – and use data to engage providers, resulting in life-saving measures for their patients.



## The Winning Ticket: Strong Clinical Partnerships

A strong clinical partnership with your provider groups involves many key characteristics, including clinical leaders who:

- Work with you to understand your goals, the needs of your patients, and your community;
- Are personally aligned with these goals and have well-managed incentives to help you meet them;
- Act as part of the fabric of your medical staff and your organizational culture;
- Have teams, systems, and processes surrounding them to support and empower necessary transformation, capable of driving from within your organization.

Physician leaders don't always possess an adequate range of skills and attributes to consistently succeed in a demanding clinical leadership role. Understandably, their priority is practicing medicine and taking care of patients. Therefore, the key is to identify, recruit, orient, and support physician leaders with certain critical attributes (empathy, emotional intelligence, business acumen, and interpersonal communications skills) and combine that with effective leadership training, team-based support, and performance feedback so they can succeed. Absent a clinical leader and a team that empowers them, many efforts will falter.

**The essential role of effective, prompt, meaningful data cannot be understated. In order to hardwire excellent, standardized performance in day-to-day clinical practice, an engaged physician leader and team must be armed with up-to-date data and performance metrics aligned with your goals and supported by scalable systems. Strong clinical partnerships make this happen. When it does, an incredibly successful platform for today's health care executives results.**



## CONCLUSION

To succeed in health care, problematic variations in patient care must be eliminated. To succeed with our patients, we must deliver personalized care that recognizes individuality and uniqueness. Extremes in either direction risk poor outcomes, the sustainability of the system itself, or both.

Standardization is increasingly fundamental for health care - and isn't going away. Unacceptable variations in care create risk for patients and providers, increase costs, decrease value, and may risk your competitiveness or economic viability. Many articles, publications and seminars have advocated for standardization in recent years. However, hospitals and health systems still struggle to achieve and sustain successful standardization programs.

### **Our approach must change.**

Where prior solutions have failed, new solutions must be employed. Standardization won't work without meaningful data flowing promptly to the right parties. It won't work without the right teamwork and the right partners. It won't last without scalable systems that engage providers. And, it won't work without a balance of contributions from physicians, hospital executives, patients, nurses, and payors. Organizational leaders must develop and communicate a clear, compelling vision that ties standardization to key objectives. **Leaders must ensure that they have the right team, the right partners, the right data, and the right platform to deliver timely feedback and a well-coordinated management process that works.**

Fortunately, new advances and proven applications of technology, data, and analytics deliver provider-friendly opportunities, and can change the approach to standardization in ways that we haven't been able to in the past. Pairing timely provider feedback and effective management with actionable data and incisive analytics gives hospitals a significant head start on both current and long-term performance.

We must re-think standardization if we are to succeed. With the right team, the right vision, and the right partners, **there is significant opportunity for cost-effective, standardized and personalized care.**

This white paper, and the strategies and solutions contained herein, come courtesy of SCP Health, one of the largest providers of physician staffing and management services to healthcare facilities in the United States.

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