"The care I received from Schneck is more than what medicine alone could provide."

-Robert Furst, Patient and Member of the Patient Advisory Council

SCHNECK 100
A LEGACY OF EXCELLENCE

Baldrige Performance Excellence Program
2011 Healthcare Application

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A

AACVPR: American Association of Cardiovascular and Pulmonary Rehabilitation

AB: Advisory Board

ACLS: Advanced Coronary Life Support

ACoS: American College of Surgeons

ACPS: American Chest Pain Society

ACR: American College of Radiology

ACS: American Cancer Society

ADT: Admission, Discharge, and Transfer

AEC: Administrative Executive Council – President & CEO and Vice Presidents

AHA: American Hospital Association

AIDET: Acknowledge, **I**ntroduce, **D**uration, **E**xplanation, **T**hank you – The five fundamentals used by staff to shape positive customer service experiences

AIES: Automated Indicator Extraction System

AJIC: American Journal of Infection Control

AMI: Acute Myocardial Infarction

ANCC: American Nurse Credentialing Center

ANP: Adult Nurse Practitioner

AOB: Adjusted Occupied Bed

AOS: Available on Site

APP: Annual Planning Process

AR: Accounts Receivable

ARB: Acetylcholine Receptor Binding Antibody

ASHHRA: American Society for Healthcare Human Resources Administration

ASMBS: American Society of Medical and Bariatric Surgery

AVR: Accelerated Ventricular Rhythm

B

BMV: Bedside Medication Verification

BOD: Board of Directors

BOT: Board of Trustees

BPM: Business Process Management

BPP: Business Planning Process

BPTWH: Best Places to Work in Healthcare

C

CAP: Community Acquired Pneumonia

CBC: Complete Blood Count

CBL: Computer Based Learning

CC: Convenient Care

CCWC: Convenient Care Washington County

CDC: Center for Disease Control

CEO: Chief Executive Officer

CFO: Chief Financial Officer

CHF: Congestive Heart Failure

CHOPR: Centers for Health Outcomes & Policy Research

CMH: Clark Memorial Hospital

CMI: Case Mix Index – Average diagnosis-related group weight for all of hospital's Medicare volume.

CMS: Centers for Medicare & Medicaid Services

CNA: Community Needs Assessment

CNO: Chief Nursing Officer

CNS: Clinical Nurse Specialist

COE: Culture of Excellence – a commitment for advancing performance excellence that focuses the organization's energy on what matters most…its mission, vision, and strategic goals.

COPD: Chronic Obstructive Pulmonary Disease

CPR: Cardio Pulmonary Resuscitation

CRH: Columbus Regional Hospital

CRMS: Customer Relationship Management System

CS: Customer Services

CSD: Central Services Department

CT: Computed Tomography

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D

DCOH: Days Cash on Hand

DD: Department Director

DI: Diagnostic Imaging

DMAIC: Define, Measure, Analyze, Improve, Control – Performance improvement roadmap

DOH: Department of Health

DOL: Department of Labor

DRG: Diagnosis Related Group

E

E3: Excellence Every Person, Every Time

E3 Champion: Employee, physician, or volunteer who is recognized for providing excellent customer service

EAC: Employee Advisory Committee

ED: Emergency Department

EDI: Electronic Data Interchange

EEOC: Equal Employment Opportunity Commission

EKG: Electrocardiogram

EMA: Emergency Management Association

EMR: Electronic Medical Record

EMS: Emergency Medical Services

EOS: Employee Opinion Survey

EPiC: Employees Partnered Invested in Caring

EPM: Enterprise Process Model

F

FISH: Customer Service concept that inspires staff to create a more interesting, playful, and energetic workplace.

FM: Feedback Manager

FMEA: Failure Mode Effects Analysis

FT: Full Time

FTE: Full Time Equivalent

G

GAAP: Generally Accepted Accounting Principles

GERD: Gastro Esophageal Reflux Disease

GPO: Group Purchasing Organization

H

H1N1: Influenza A virus (swine flu)

HA-UTI: Hospital Acquired Urinary Tract Infection

HCAHPS: Hospital Consumer Assessment of Healthcare Providers and Systems

HCE: Health Care Excel

HDC: Health Development Corporation

HF: Heart Failure

HFE: Hiring for Excellence

HHS: Health and Human Services

HICS: Hospital Incident Command System

HIPAA: Health Information Portability & Accountability Act

HL7: Health Level Seven – Framework for exchange, integration, sharing, and retrieval of electronic health information.

HR: Human Resources

HSA: Health Savings Account

I

ICU: Intensive Care Unit

IHA: Indiana Hospital Association

IHHA: Indiana Health & Hospital Association

IHI: Institute for Healthcare Improvement

IHS: Integrated Healthcare Strategies

IM: Information Management

IMPACT: **I**dentify Education Needs, **M**ap the Approach, **P**roduce Learning Tools, **A**pply Adult Learning Concepts, **C**alculate/Evaluate/Measure Results, **T**rack/Follow Through

INCC: Infusion Nurses Certification Corporation

IPPS: Inpatient Prospective Payment System

IRRRG: Indiana Reciprocal Risk Retention Group

IRS: Internal Revenue Service

ISDH: Indiana State Department of Health

ISNA: Indiana State Nurses Association

ISSC: Information Systems Steering Committee

IT: Information Technology

IUPUI: Indiana University Purdue University Indianapolis

K

K+: Potassium

KM: Knowledge Management

KMS: Knowledge Management System

KPM: Key Process Management

KPO: Key Process Owners

L

LBSAT: Leadership Benchmarking Skills Assessment Tool

LEARN: Customer Service Recovery plan for employees: **L**isten, **E**mpathize, **A**pologize, **R**eact, and **N**otify

LEPC: Local Emergency Planning Committee

LJC: Leadership Jackson County

LLC: Limited Liability Corporation

LLM: Listening & Learning Methods

LNS: Left Not Seen

LOS: Length of Stay

LRC: Learning Resource Center

LT: Leadership Team – Administrative Executive Council (AEC) and Department Directors (DD)

LVF: Left Ventricular Function

LVSD: Left Ventricular Systolic Dysfunction

M

MBNQP: Malcolm Baldrige National Quality Program

MD: Doctor of Medicine

MEC: Medical Executive Committee

MIS: Management Information Systems

MQSA: Mammography Quality Standards Act

MRI: Magnetic Resonance Imaging

MRSA: Methicillin Resistant Staphylococcus Aureus

MSA: Management Science Associates

MVV: Mission, Vision, & Values

N

NDNQI: National Database of Nursing Quality Indicators

NEC: Nurse Executive Council

NEO: New Employee Orientation

NET: Nurse Education Team

NHSN: National Health Safety Network

NICHE: Nurses Improving Care to Health System Elders

NNO: New Nurse Orientation

NP: Nurse Practitioner

NPC: Nurse Practice Council

NPSG: National Patient Safety Goals

NRMI: National Registry of Myocardial Infarctions

NRP: Neonatal Resuscitation Program

O

OB: Obstetrics

OB/GYN: Obstetrics & Gynecology

OFI: Opportunity for Improvement

OIG: Office of Inspector General

OSHA: Occupational Safety and Health Administration

P

P&P: Policies & Procedures

PACE: Pre Anesthesia Consultation & Education

PACS: Picture Archive Communications System

PAHL: Peer Assistance & Health Care Leadership

PALS: Pediatric Advanced Life Support

PAWS: Paws for Wellness, pet therapy program

PCDC: Pyxis® Clinical Data Categories

PCS: Patient Care System

PDSA: Plan Do Study Act

PFS: Patient Financial Services

PGA: Press Ganey Associates – An independent partner organization that provides patient satisfaction surveys, management reports, and national comparative databases

PHO: Physician Hospital Organization

PI: Performance Improvement

PMARS: Performance Measurement, Analysis, & Review System

PMC: Project Management Committee

PMP: Performance Management Process

PN: Pneumonia

PNPP: Professional Nurse Practice Program

PRN: As Needed

PS: Patient Satisfaction

PT: Part Time

PTO: Paid Time Off

Q

QRCR: Quality Respiratory Care Recognition

QS: Quantitative Sentinel

R

RCA: Root Cause Analysis

RDBS: Relationship Development & Building System

RMAG: Risk Management Advisory Group

RMS: Risk Management Solutions

RN: Registered Nurse

RR: Recruitment & Retention

RRBP: Recruitment & Retention Business Plan

RRC: Recruitment & Retention Center

S

S&P: Standard and Poor's

SCC: Schneck Cancer Center

SCIP: Surgical Care Improvement Project

SCP: Schneck Communication Process

SD: Strategic Direction

SDOH: State Department of Health

SIHO: Southern Indiana Health Organization

SIP: Surgical Infection Prevention

SIPOC: **S**uppliers, **I**nputs, **P**rocess steps, **O**utput, & **C**ustomers - High-level process map

SL: Senior Leader

SLS: Servant Leadership System

SMC: Schneck Medical Center

SP: Strategic Plan

SPI: Superior Performance Initiative

SPMS: Schneck Performance Management System

SPP: Strategic Planning Process

SPS: Strategic Planning System

SSD: Schneck Strategic Direction

STEMI: ST Segment Elevation Myocardial Infarction

Svcs: Services

SWOT: Strengths, Weaknesses, Opportunities, & Threats

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T

TAT: Turn Around Time

TB: Tuberculosis

Team FIND: Focused Innovation driven by Data – Multidisciplinary customer service team

Team SEEK: Safety, Enthusiasm, Efficiency, and Kindness – Multidisciplinary customer service team

TJC: The Joint Commission

U

UBC: Unit Based Council

UHC: University Health System Consortium

UTI: Urinary Tract Infection

V

VAMHCS: Veterans Affairs Maryland Healthcare System

VAP: Ventilator Acquired Pneumonia

VBP: Value Based Pricing

VHA: Voluntary Hospitals of America

VOC: Voice of the Customer

VP: Vice President

VPN: Virtual Private Network

VTE: Venous Thromboembolism

W

Wi-Fi: Wireless Local Area Network

P.1 ORGANIZATIONAL DESCRIPTION

Jackson County Schneck Memorial Hospital is a not-for-profit county hospital located in Seymour, Indiana. Approximately 22,000 people live in this beautiful community, enjoying both small town hospitality and big city opportunities due to the growing and progressive business community. The hospital was founded in 1911 with a donation of land and $5,000 from Mrs. Mary Schneck in memory of her husband Louis, to serve the healthcare needs of Jackson County. First opened as a 17-bed facility, the medical operations, referred to as Schneck Medical Center (SMC), have grown to a 95-bed hospital and celebrated their 100th anniversary in 2011. Annually, SMC serves over 3,600 in-patients; performs more than 714,000 laboratory tests, 49,000 imaging procedures, and 5,075 surgical procedures; handles more than 25,000 emergency cases; and brings more than 720 new lives into this world.

SMC has sustained a legacy of providing excellent healthcare by leveraging their culture and making infrastructural investments. SMC incorporated the Baldrige framework in their journey to performance excellence in 2006, the same year they received recognition as a Magnet-designated facility. Their approach of using both frameworks, Magnet for nursing and Baldrige to address organizational excellence, is propelling SMC on an accelerated trajectory toward achieving their vision.

P.1a Organizational Environment

P.1a (1) SMC is a fully integrated system that delivers a continuum of patient-focused care. In response to needs identified in the comprehensive Community Needs Assessment (CNA), SMC expanded services to provide a state-of-the-art Cancer Center, Surgical Weight Loss Center of Excellence, and Bone and Joint Center that provides joint replacements. SMC offers a full spectrum of primary care services with a current focus on Women's Services, Joint Replacement Program, non-invasive Cardiac Care, Cancer Care, and Surgical Weight Loss Services. The current focus areas are producing excellent outcomes as shown in Category 7. In addition, SMC reaches out to potential, current, and former patients by offering and supporting multiple community health programs that prevent injury and illness while also caring for the medically underserved.

SMC's *Patient First* culture drives delivery of all healthcare services through multiple avenues. Inpatient, outpatient, ambulatory surgery, and emergency/urgent care are offered at the hospital with all-private inpatient suites, exceeding patient requirements. Services are provided through partner physician offices, home care, health screenings, health fairs, support groups, and numerous educational initiatives, most Foundation driven, provided through a variety of community venues. Through the coordination and collaboration of many interdisciplinary teams, services are fully aligned and integrated to ensure safe, quality care throughout the patient's continuum of care.

P.1a (2) Values form the foundation of the SMC culture that guides the behaviors of the workforce, from the greeters at the front door to the Board of Trustees (BOT). These values direct all medical, ethical, and service decisions made in patient care. In 2008, through a cycle of refinement following a Baldrige assessment by the Ohio Award for

Excellence program, senior leaders refined SMC's Vision to simplify and clarify the direction of SMC while making the vision memorable for the entire workforce. The improved vision, *To Be a Healthcare Organization of Excellence… Every Person, Every Time*, was refined with input from the workforce. SMC's values: *Integrity, Compassion, Accountability, Vision, and Excellence* are derived from the Standards of Behavior. These Behaviors clearly articulate what is expected from the entire workforce in all interactions.

Figure P.1-1 SMC Culture of Excellence

SMC differentiates its healthcare services from other providers by leveraging their core competency of putting the *Patient First* in every decision that is made. SMC is committed to providing its workforce with the training, tools, and empowerment to ensure that the services provided to patients and their families are high quality, memorable, personal, and aligned with SMC's mission. To better ensure a positive patient, employee, and visitor experience, a multidisciplinary committee, Team SEEK (Safety, Enthusiasm, Efficiency, and Kindness), introduced the AIDET approach in 2008. AIDET, which stands for Acknowledge, Introduce, Duration, Explanation, Thank You, has been fully deployed to all segments of the workforce including physicians, volunteers, and students. Since the inception of the program, SMC has achieved improvement in patient engagement scores as a result of integrating AIDET into daily practices. Additionally, SMC demonstrates commitment to ensuring a memorable and personal experience for every person, every time through the alignment of organizational and individual customer service goals, to annual evaluations, and through ongoing recognition and reinforcement of *Patient First* expectations. Delivery of high quality healthcare is enabled through the progressive use and significant investment in technology extraordinary for an organization of SMC's size.

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The SMC Culture of Excellence (COE), *Figure P.1-1*, is built upon the foundation of the mission, vision, and values (MVV). Goals established within each Pillar of Excellence guide employees in their work. The Pillars of Excellence were created in 2006 after the organization identified a need to better align and measure processes that were being implemented to help the organization achieve the MVV. Each strategic goal, *Figure 2.1-3*, aligns to one of the four pillars and performance is systematically measured and improved. This alignment allows the Strategic Plan to be easily understood by all workforce members and enables each individual to see how they contribute to the strategic objectives of the hospital and ultimately to the MVV.

P.1a(3) SMC's workforce supports the MVV through their commitment to patients and customers. SMC is the fourth largest employer in Jackson County with a workforce of approximately 800 front-line clinical staff, support professionals, and leaders in workforce groups that are segmented by departments and managed through the major divisions of the hospital: Nursing Services, Clinical Services, Fiscal and Operations, and Human Resources. Workforce groups are further segmented by job categories for salary and benefit purposes. In addition to employees, the workforce includes approximately 150 affiliated physicians, 300 volunteers, and over 200 students. SMC occasionally uses contract staffing for less than 1% of the workforce in Environmental Services and patient care areas. SMC has no bargaining units. *Figure P.1-2* reflects the employee profile.

Division	%		Job Category	%
Nursing	43		Nursing	32
Clinical Services	24		Service/Clerical	33
Fiscal & Ops	28		Technical	18
Human Resources	2		Professional	9
Tenure	**%**		Leadership	8
0-4 Years	45		**Ethnicity**	**%**
5-15 Years	37		Caucasian	98
15-24 Years	11		Hispanic	1
25+ Years	7		Other	1
Gender	**%**		**Education**	**%**
Male	14		High School Only	31
Female	86		Undergrad Degree	49
Status	**%**		Graduate Degree	8
Full-time	82		Certification	11
Part-time	13		Other	1
PRN	5			

Figure P.1-2 Workforce Profile

SMC defines the key factors that motivate the **workforce** (*Figure P.1-3*)**, through approaches described in Category 5**, and evaluates satisfaction and engagement in each area.

Workforce members are in special Occupational Safety and Health Administration (OSHA) risk categories, requiring personal protective equipment (respirators, gloves, gowns) and special engineering controls (exhaust hoods, filters). Safety and wellness initiatives include safe lifting programs, immunizations, ergonomics, emergency preparedness, and wellness programs. SMC also provides an employee health nurse who addresses the health needs of the staff including vaccinations and TB testing, and partners with HR Medical Director for any work-related injuries.

Workforce Segment	Key Motivators/Requirements	Cat 7 Result
Employees	• Senior Leadership • Culture • Benefits	7.4-1 7.4-14 7.3-11
Physicians	• Quality healthcare outcomes • Opinions are valued • Leadership partnering	7.3-16 7.3-17 7.3-16
Volunteers	• Meaningful duties • Variety of duties • Recognition/Appreciation	AOS AOS 7.3-18
Students	• Positive learning environment • Respect • Collaboration with team	7.3-21 7.3-21 7.3-20

Figure P.1-3 Workforce Motivation Factors

P.1a(4) SMC's major facilities include the main hospital campus, Cancer Center, Rehabilitation Center, and Home Services. The organization continuously reevaluates facility needs and provides additional space as needed. For example, in 2007, the Schneck Cancer Center (SCC) was opened to accommodate those patients who previously had to travel outside of the community for their radiation treatments. The SCC was built through the collaboration of SMC, the workforce, and the community. Employees raised $250,000 through the EPiC (Employee Partners Invested in Caring) committee, and the community raised approximately $4 million through the SMC Foundation. The *Patient First* design affords patients a warm and comforting environment while also providing outstanding technology. The SCC has received significant recognition: most notably the Commendation by the American College of Surgeons (ACoS) Commission on Cancer Accreditation. The Cancer Center not only met all of the standards, but also exceeded them, and was one of only 90 cancer care facilities across the United States to receive the National Achievement Award from the ACoS Commission of Cancer.

In 2009, to address the growing needs of the community, SMC completed a $50 million construction project. The 84,000-square-foot expansion was completed, providing a new Outpatient Care Center and Women's Diagnostic Center. The centers offer a broad range of outpatient services in one setting, providing convenient access for patients and families. In addition, over 90,000 square feet of the facility were renovated, allowing SMC to be the only facility in their market to offer all private rooms. As part of this project, the Emergency Department and the Diagnostic Imaging Department were relocated and expanded to accommodate expected growth and to enhance the patient experience.

SMC leverages its commitment to *Patient First* through the progressive use of technology to provide the best possible healthcare services to patients. Technology is used in multiple ways, from diagnosis to treatment to record keeping. Most recently, SMC became the only hospital in the region to offer anterior hip replacement. One of the least invasive surgical options, the anterior approach is proven to minimize the pain and recovery time. The partial knee replacement (Uni-Knee) is also a new minimally invasive procedure that entails a smaller incision and faster recovery than traditional surgery. Another example of their progressive use of technology is the new esophageal pH

monitoring, which is the current gold standard for diagnosis of gastroesophageal reflux disease (GERD). Before SMC began offering this technology, patients had to wait at least six weeks for an appointment at a metropolitan hospital at least one hour away.

Examples of technology utilized for fast and accurate diagnosis include a 64-slice computer tomography (CT) scanner with angiography and cardiac imaging capabilities, 1.5T magnetic resonance imaging (MRI) scanner with breast imaging and biopsy capabilities, a nuclear medicine camera, two ultrasound machines, and a digital mammography machine. In the SCC, there is a 3D treatment planning room as well as a room equipped with a linear accelerator and a CT simulator. This type of diagnostic and treatment technology is usually limited to large or urban hospitals. These technology investments provide physicians unprecedented image quality and diagnostic confidence, while meeting a patient and community need.

At the time of implementation of the electronic medical record (EMR) in 1999, SMC was among fewer than ten percent of colleague hospitals in the United States to use this technology. The EMR system improves the delivery of safe quality care, and enhances productivity. SMC has deployed their EMR to local physician offices and nursing homes to ensure continuity of patient care. In addition, SMC has deployed a Picture Archive and Communication System (PACS) that enables caregivers to see results immediately after images are acquired, eliminating wait time for processing and distribution of diagnostic films. The PACS is fully integrated with the EMR so physicians can view images and results from any location. In addition, EKGs can be viewed remotely and fetal monitor strips can be viewed remotely and in real time.

In November 2010 SMC began piloting a clinical simulation lab funded through an Ec015 Eli Lilly grant. The lab and the robust broadband technology that supports it enable the hospital, regional healthcare providers, and emergency management personnel to work in partnership, providing valuable clinical simulation time and experience under a rich variety of patient conditions. SMC's Simulation Lab, a custom-designed 2,100-square-foot training and assessment facility, is the largest and best-equipped center in a 10-county area in southern Indiana. This teaching facility can replicate many of the essential aspects of clinical situations so that the conditions may be more readily understood and managed when they occur in real clinical practice. The lab is also used to educate patients and their families to handle situations such as dressing changes, ostomy care, diabetic education, etc. In addition, the lab is shared with community nursing homes, local Red Cross, clinical and high school students, and local EMS for an interactive environment where they can further enhance their training and education. Effective simulation strengthens assessment skills, fosters critical thinking, reduces medical errors, and improves patient safety and medical outcomes. The lab is being regularly benchmarked by hospitals around the country.

P.1a(5) Operating in a highly regulated environment, SMC has approaches to meet and exceed relevant laws, regulations, and standards. To drive excellence, SMC also pursues voluntary accreditations as shown in *Figure P.1-4*.

Agency	Purpose	Voluntary Mandatory	Cat 7 Result
SDOH	Accreditation	Mandatory	
CMS	Standard	Mandatory	
EEOC	Standard	Mandatory	
DOL	Standard	Mandatory	
OSHA	Standard	Mandatory	
HHS	Standard	Mandatory	
TJC	Accreditation	Mandatory	
ACR	Standard	Mandatory	
ACoS	Accreditation	Mandatory	
AACVPR	Accreditation	Voluntary	
MQSA	Accreditation	Mandatory	
QRCR	Certification	Voluntary	
Centers for Excellence – Bariatric	Standards	Voluntary	
MAGNET Designation	Standards	Voluntary	
Chest Pain Accreditation	Standards	Voluntary	
ACR Accreditation (Specialty Certification) - MR Imaging - CT - US - Mammography	Accreditation	Voluntary	*Figure 7.4-7*

Figure P.1-4 Regulatory and Accreditation

P.1b Organizational Relationships

P.1b(1) SMC's BOT consists of nine independent board members: three elected government county commissioners and six appointed community representatives, one of which is a member of the SMC medical staff. Additionally, the Administrative Executive Council (AEC) and the president of the medical staff attend board meetings as standing hospital representatives without voting privileges. The BOT governs the hospital and provides guidance according to the hospital bylaws that outline the specific purpose and powers of the BOT. The medical staff is governed by medical staff bylaws, rules and regulations approved by the BOT. The medical staff's Medical Executive Committee (MEC) meets monthly and includes the CEO of the hospital and vice presidents (VPs) of Nursing and Clinical Services. A member of the AEC sits on each of the ten medical staff committees. In addition, the partnership between the hospital and the medical staff is further strengthened by the recent creation of the President's Advisory Council. The Council was first created to improve physician involvement in the strategic planning of the hospital and has proven to be such a successful collaboration; the committee continues to meet throughout the year to align the interests of both groups.

Each member of the BOT serves on at least one of ten board committees. Information from committees is shared with the entire BOT during their monthly meetings. Board committees include: Executive, Building & Grounds, President Advisory, Constitution & Bylaws, Fiscal Management, President Advisory, Joint Conference, Nominating President Advisory, Personnel President Advisory, Physicians' Credentials President Advisory, Quality of Care President Advisory, and Strategic Planning.

Gary Meyer, President and CEO, and the VPs make up the AEC, the highest decision-making committee of operations within SMC. The AEC develops the hospital Strategic Plan and operating budgets, and reviews and reports performance, including Performance Improvement (PI), to the BOT. All members of the AEC serve as adjunct members of the BOT, attend monthly board meetings, and participate in the semi-annual board retreats.

P.1b(2) As part of a vibrant growing community, the future of SMC is a bright one with thriving market segments inhabited by more than 120,000 people in Jackson, Scott, Washington, and Jennings counties. SMC's primary customers are patients and their families. Customer groups are identified around patient delivery mechanisms. Patients are further segmented by departments and services received. Key requirements and expectations for all segments are identified through surveys, interviews, focus groups, hospital programming, and market research. Key patient requirements are shown in *Figure P.1-5.*

Segments	Requirements	Cat 7
Inpatient/ Families	• Quality of Care	7.2-8
	• Family Support (Communication, Education, Physical Comforts)	7.2-9
	• Coordination of Care (Discharge Planning, Case Management)	7.2-10
	• Customer Service	7.2-11
Outpatient	• Quality of Care	7.2-12
	• Timeliness (Quick Appointments, Quick Results)	7.2-13
	• Customer Service	7.2-14
	• Ease of Use (Access, Scheduling)	7.2-15
Ambulatory Surgery	• Quality of Care	7.2-16
	• Timeliness	7.2-17
	• Customer Service	7.2-18
	• Education	7.2-19
Emergency Department	• Quality of Care	7.2-20
	• Timeliness	7.2-21
	• Customer Service	7.2-23
	• Coordination of Care	7.2-24

Figure P.1-5 Customer Groups and Requirements

SMC's key stakeholders include the workforce as well as referring physicians, communities they serve, the Foundation, and Board of Directors. Key requirements of all workforce segments are shown in *Figure P-1.3*. Other stakeholder requirements are shown in *Figure P.1-6*.

P.1b(3) SMC develops and fosters relationships with partners including physicians and patient care facilities to ensure the delivery of healthcare services through the continuum of patient care. To enable future growth, SMC has also partnered with Health Development Corporation (HDC) to open Convenient Care clinics strategically located in three counties--Jennings, Scott, and Washington--where SMC is working to grow market share.

SMC collaborates with organizations including Indiana Reciprocal Risk Retention Group (IRRRG), Voluntary Hospital of America (VHA), and hospitals such as Columbus Regional Hospital on patient care initiatives and sharing of best practices. SMC has several key suppliers including those that provide medical supplies, pharmaceuticals, and food. Key requirements of suppliers include product quality, on-time delivery, and competitive pricing. Communication with

suppliers, partners, and collaborators occurs through regular one-on-one meetings, telephone calls, faxes, e-mail, and electronic data interface (EDI) transfer.

Community	Results
• Good Citizenship	7.4-9 – 7.4-17
• Quality Care	7.1-1 – 7.1-34
• Fiscal Responsibility	7.4-4
Foundation	
• Ability to contribute to mission	7.3-18 – detail AOS
• Feeling valued by Schneck	7.3-18 – detail AOS
Board of Directors	
• Fiscal Responsibility	7.4-4
• Quality Care	7.1-1 – 7.1-34

Figure P.1-6 Stakeholder Requirements

P.2 ORGANIZATIONAL CHALLENGES
P.2a Competitive Environment

P.2a(1) Seymour is located between Indianapolis, IN, and Louisville, KY. SMC is the market leader in Jackson County. Competitor community hospitals include: Columbus Regional Hospital (225-bed), Clark Memorial Hospital (241-bed), Floyd Memorial Hospital and Health Services (219-bed), and King's Daughters' Hospital (89-bed).

P.2a(2) The principal factors that determine SMC's success relative to their competitors are the *Patient First* culture, strong financial foundation, technology integration, quality and stability of the workforce, and focus on excellence. Each of these key factors link directly to the four pillars.

Patient First **Culture:** The culture is created through empowered employees. Employees reflect the culture not only by delivering outstanding medical care, but also by providing the personal touch to develop relationships with patients and families.

Strong Financial Foundation: A strong financial foundation has allowed SMC to deliver excellent patient care as evidenced by outstanding healthcare outcomes. This foundation has also enabled SMC to focus on the future by reinvesting in facilities and in technology to remain on the leading edge of healthcare delivery.

Technology Integration: SMC has made large investments in IT infrastructure to ensure that databases are secure and user friendly, and can be accessed throughout the continuum of patient care. Recent enhancements have allowed secure access to physician offices and nursing homes to further improve patient outcomes.

Quality and Stability of the Workforce: a high quality stable workforce strengthens SMC. SMC partners with the workforce to continually enhance their professional development and provide ongoing opportunities. Many members of the Leadership team have been promoted from within as a result of the robust leadership development programs.

Focus on Excellence: Executing both the Baldrige and Magnet frameworks provides a competitive advantage as SMC continually focuses on evaluation and improvement of their processes to deliver ever-improving quality of care through highly efficient processes*.*

Key changes taking place in the competitive environment include an increasing willingness of providers, payors, and

consumers to form partnerships/relationships aimed at improving quality of care and managing costs. The economic downturn nationally has resulted in patients delaying elective healthcare services, resulting in reduced market demand. At the same time, the need for access to healthcare in an underfunded and uncertain environment has increased.

P.2a(3) Key sources for comparative data within the healthcare industry include: National Database of Nursing Quality Indicators (NDNQI), Institute of Healthcare Improvement (IHI), American Hospital Association (AHA), The Joint Commission (TJC), Centers for Medicare & Medicaid Services (CMS), Centers for Disease Control (CDC), American Nurses Credentialing Center (ANCC), Indiana Hospital Association (IHA), Press Ganey, and Voluntary Hospitals of America (VHA). VHA Superior Performance Initiative (SPI) data provide comparisons to competitors in certain areas of clinical, financial, customer service, human resources, and supply chain indicators. Comparative data outside the healthcare industry come from sources such as Standard & Poor's, Fitch financial ratings, and Baldrige award recipients. Historically, there is less availability of comparative clinical and best-in-class data due to different methods and standards in collecting data. Acquiring direct competitor performance data also continues to be a challenge although some limited information is available in publicly reported patient satisfaction and quality data.

P.2b Strategic Context

SMC's strategic advantages and challenges are systematically reviewed and refined during the annual Strategic Planning Process (SPP) and as needed if planning assumptions change. Action and/or business plans are developed to leverage strengths and to address the key challenges. Plans are systematically reviewed during the operational rhythm through the course of implementation and until changes are sustained. This structure allows for consistent and constant review of advantages and challenges in the ever-changing healthcare environment. Strategic advantages and challenges are shown in *Figure P.2-1*.

P.2c Performance Improvement System

SMC has a systematic approach to performance improvement as shown in *Figure P.2-2*. SMC's approach to improvement starts with their Strategic Planning Process where strategic objectives and options are established based upon a review of multiple key inputs and assessments. Following a SWOT analysis, AEC identifies organizational-level improvement projects.

Facilitated by seven Lean Six Sigma Black Belts, teams are chartered and use the DMAIC methodology to achieve and sustain breakthrough improvement. Project management discipline is utilized to review progress on these projects, and provide guidance and resources to ensure success. Another key element of the improvement system is the Key Process Management (KPM) methodology through which SMC assesses key process performance, identifies improvement opportunities, and implements continuous improvement. Overall organizational performance is assessed through the Operational Rhythm described in Category 4. Using this system of disciplined measurement, analysis, and review of performance, SMC ensures ongoing identification of

improvement opportunities. Information from improvement efforts provides key input into the Strategic Planning Process.

Strategic Advantages	
Business	• Market share leader in Jackson County • Nationally recognized level of excellence (Magnet, Centers of Excellence, and NICHE) • Strong financial foundation
Operational	• Certified Lean Six Sigma Black Belts • Facilities, capital equipment, technology
HR	• Aligned leadership team • Workforce development programs • Strong organizational culture • Strong primary care physician base
Societal	• Community relationships and involvement
Strategic Challenges	
Business	• Sustaining a strong financial foundation • Increasing market share in secondary markets
Operational	• Process discipline/management by fact • Sustaining and enhancing quality of care
HR	• Physician recruitment and alignment (specialists)
Societal	• Quantifying impacts of community outreach

Figure P.2-1 Strategic Advantages and Challenges

In 2010, major improvement activities that SMC focused on were centered on patient safety and quality of care issues. The reduction of surgical site infections, inpatient falls, and the time of identification of acute myocardial infarction to balloon time are projects that made significant improvements in the quality of care provided by SMC. Results are provided in 7.1.
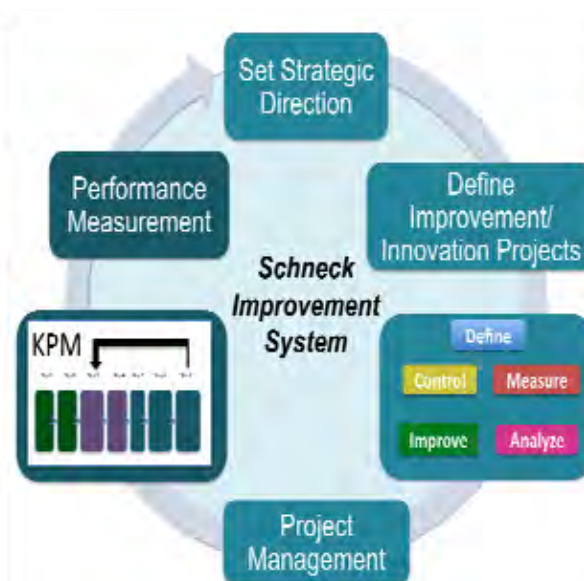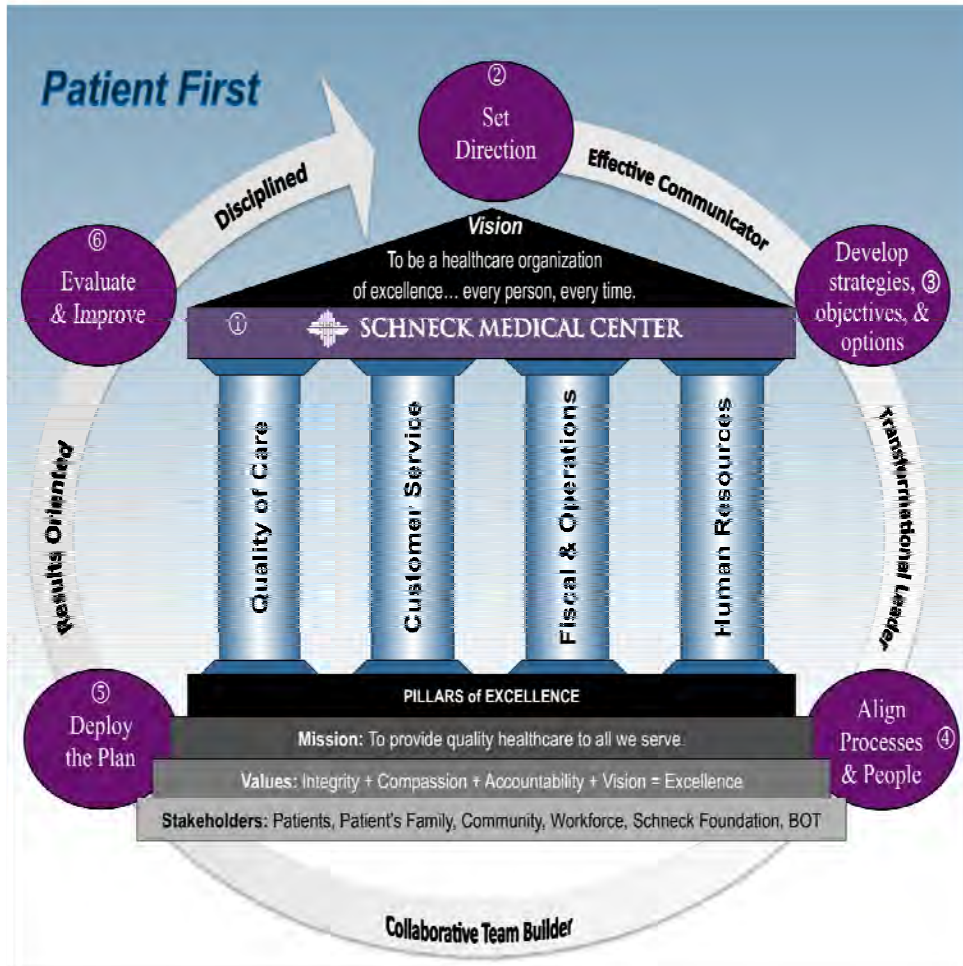

Figure P.2-2 Performance Improvement System

v

Figure 1.1-1 Schneck Leadership System

1.1 Senior Leadership

SMC's senior leaders, also known as the Administrative Executive Council (AEC), guide the organization, support effective self-governance, review performance, and establish and maintain the organizational culture for performance excellence through the Schneck Leadership System shown in *Figure 1.1-1*. This system, based on the Baldrige framework, is focused on balancing the needs of all stakeholders. At the heart of the system is the Culture of Excellence where stakeholder requirements form the foundation. The numbered objects are key steps in the Leadership System and those depicted along the path from one action to another are expected leadership attributes. Although the Leadership System is described in sequential steps, it is a flexible and iterative system.

1.1a Mission, Vision and Values (MVV)

1.1a(1) The AEC sets and deploys organizational vision, mission, and values, short- and longer-term directions, and performance expectations in **Step ②, Set Direction**, and **Step ③, Develop Strategies, Objectives & Options** of the Leadership System through the Strategic Planning Process (SPP, *Figure 2.1-1*.) The AEC communicates the MVV and organizational goals through the Schneck Communication Process (SCP), *Figure 1.1-2*. The MVV are reviewed annually

during the SPP to ensure alignment with current strategic direction of the organization. In 2007, through this evaluation, the AEC found the workforce did not clearly understand the vision nor did they understand their personal contribution to achieving the vision. The AEC was committed to defining a vision that would be meaningful, memorable, and significant. In early 2008, using input from staff and leadership, the AEC defined the current vision, *To Be a Healthcare Organization of Excellence... Every Person, Every Time.*

The AEC deploys the MVV to all stakeholders through a variety of approaches. Posters of the MVV are prominently displayed at the employee entrance, classrooms, cafeteria, volunteer room, doctor's lounge and multiple other locations throughout the facility. The MVV is deployed to suppliers, partners, and stakeholders through the home page of SMC's website and on the hospital intranet, and is included in patient handbooks that are in each patient's room. Values are included in job descriptions and employee evaluations. The MVV provide the basis for all SMC decision-making, from strategic planning to daily operational decisions.
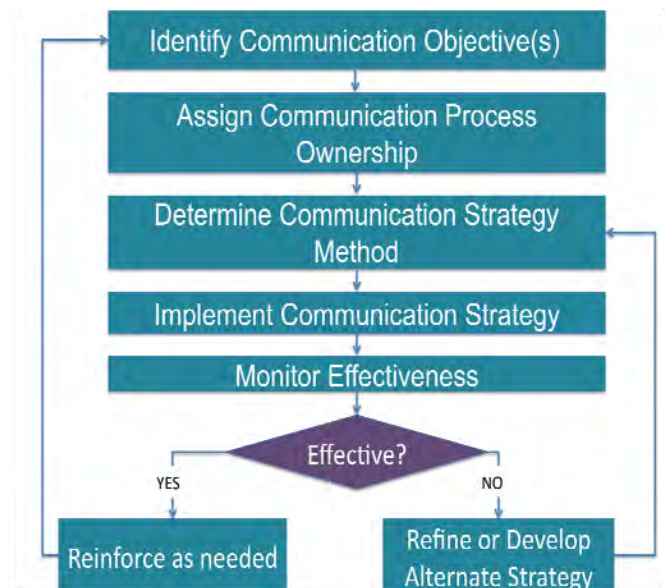
Figure 1.1-2 Schneck Communication Process

A key leadership attribute articulated in the Leadership System is the requirement to be a "Transformational Leader." As transformational leaders, senior leaders role-model values in all of their actions. The AEC demonstrates their commitment to SMC's values by deploying meaningful leadership processes. The AEC has increased transparency and deployment of information to all levels of the organization by expanding participation in the monthly President's Meeting. During this meeting, the President shares a wide variety of information such as progress on improvement efforts, detailed Board of Trustees (BOT) reports following each BOT meeting, and detailed financial performance data. Copies of all minutes and presentations are shared with the entire workforce through department meetings and e-mail. This increased transparency and communication demonstrates senior leaders' commitment to the values of accountability, integrity, vision, and excellence. Senior leaders demonstrate commitment to accountability and compassion through routine, purposeful rounding and an Employee Advisory Committee (EAC). The EAC was created to provide an additional venue for the AEC to secure feedback from frontline staff to capture the "pulse" of the organization. The AEC demonstrates commitment to excellence by leading the Performance Excellence journey. The AEC has incorporated SMC values into the E3 Champion of the Month customer service award program to ensure that workforce recognition is aligned with values.

1.1a(2) The AEC promotes ethical behavior through personal actions and organizational decisions. In addition to role-modeling ethical behavior, senior leaders provide oversight of ethics education that is incorporated into orientation, employee handbooks, and annual refresher training. They reinforce ethical behavior during administrative rounding. Senior leaders participate in the review of audits and oversee the process interventions that they might require. The Board's Audit Committee monitors the corporate compliance program and directs the activities of all internal audits.

Senior leaders create an environment for legal and ethical behavior by promoting a Just Culture and deploying a comprehensive Corporate Compliance Program, and by enforcing a "zero tolerance" policy summarized in the Conflict of Interest Policy. The SMC Just Culture focuses on prevention through the identification of potential process issues and corrective action, rather than placing blame for errors. This is described in more detail in 1.1a(3).

Conformity with the Corporate Compliance Program is a requirement for all stakeholders involved with SMC and is a part of orientation and annual education for all employees. The SMC values form the foundation for the Standards of Behaviors that provide guidance to ensure legal and ethical behaviors. Senior leaders deploy these Standards to all potential employees when they interview, to new employees during new employee orientation (NEO), and again to the workforce in all job descriptions and evaluations. The Standards are also posted in departments and on the intranet. Training in regulatory and legal compliance is conducted annually during the education fair and as needed based on updates and employee job assignments. The entire workforce, including each senior leader, annually signs and commits to adhere to a conflict of interest statement.

1.1a(3) The AEC creates a sustainable organization through the core competency of *Patient First* by leveraging competitive advantages and ensuring approaches are in place to address strategic challenges. Through the SPP, *Figure 2.1-1*, the AEC captures a wide range of key inputs that allow SMC to understand current and projected healthcare trends and current internal capabilities, and assess the competitive environment and identify future needed competencies or capabilities. Through the SPP, a roadmap is developed to ensure a strong financial foundation and deploy innovative programs, services, and technology to continue to meet and exceed stakeholder requirements. Driven by the MVV and following the Pillars of Excellence, organizational goals are set and key measures are deployed through the organizational dashboard aligned around the four pillars in the Culture of Excellence (COE) Model *Figure P.1-1*.

Performance Improvement. In **Step ⑥ Evaluate and Improve** of the Leadership System the AEC enables performance improvement through the systematic deployment of the performance improvement system, *Figure P.2-2*. Senior leaders are actively involved in selecting opportunities for improvement through the Project Management Process, chartering and championing Lean DMAIC projects, reviewing project performance through the Operational Rhythm *Figure 4.1-5* and ensuring adequate resources are dedicated to enable successful project implementation.

Senior leaders align the organization to accomplish the mission and achieve strategic objectives through **Step ④ Align Processes and People**. Through the systematic goal deployment process they engage the entire workforce in accomplishing strategic objectives. As described in Item 5.1, alignment of individual performance is ensured to accomplish their strategy through the performance management process, *Figure 5.2-1*. Progress on strategy accomplishment is reviewed quarterly and adjustments are made if needed to guarantee successful strategy execution.

Through benchmarking, the AEC has defined excellence indicators for each Pillar of the COE, thus establishing the goals for role-model performance levels. By leveraging the competitive advantage of their progressive use of technology, the organization aggressively uses technology to achieve breakthrough innovation.

The AEC has deployed a systematic approach, Operational Rhythm, *Figure 4.1-5*, through which they review organizational performance. This gives senior leaders visibility of performance and provides the opportunity to make real time decisions to enable organizational agility. Leaders at all levels review daily performance for their areas of responsibility. This allows leaders to make real time adjustments or decisions to respond to changes or take advantage of opportunities.

Workforce Culture. To assist in the delivery of a positive experience for patients and their families, Senior Leaders have invested in both training and resources to foster workforce engagement. As required by the Leadership System, every leader at Schneck is trained to be a "collaborative team builder" and is evaluated on their competency in this attribute.

Employees are empowered and provided with tools they need to ensure they place the patient first in every interaction. Training for employees begins at the time of their first interview and is an ongoing systematic process throughout their employment. AIDET was first incorporated into the organization in 2008 and deployed through customer service training, annual evaluations, and reward and recognition programs. This framework for interactions with patients, visitors, and co-workers is hard wired through ongoing training and is directly aligned and linked to every employee's annual evaluation. Achievement of customer service goals is a key element of the annual employee incentive bonus. If customer satisfaction levels are not achieved, the incentive bonus will not be given regardless of revenue or volumes.

Learning. Senior leaders ensure organizational learning through systematic approaches that include regular assessment of performance, *Figure 4.1-5,* and through the deployment of Key Process Management (KPM), *Figure 6.2-2*, and project management and systematic improvement tools such as Lean Six Sigma, DMAIC, Baldrige and Magnet performance improvement frameworks. Workforce learning is ensured through systematic identification of learning needs through the SPP, capability and capacity planning, and input from individual departments and deployed through processes described more fully in Category 5.

Leadership Development. Senior leaders personally role-model lifelong learning by developing and enhancing their personal and team leadership skills in areas such as transformational leadership. Individual growth and development plans are created and implemented by each senior leader and supported by the CEO. For example, the VP of Nursing Services is one of the seven certified Lean Six Sigma Black Belts. The VP of Clinical Services is one of three National Baldrige Examiners within the organization. Each AEC member has graduated from Indiana University's Management Institute, a 10-day program designed for executive, middle, and front line leadership. Leaders also enhance their leadership skills by participating in various professional meetings.

Senior leaders are personally involved in succession planning and development of future leaders. Each AEC member has developed a succession plan that defines the qualifications and characteristics required of their successors and identifies potential successor candidates. They mentor and guide future leaders through continual professional growth opportunities. Each new leader at Schneck is enrolled in the Management Institute. Senior leaders host and participate in annual retreats focused on improving leadership skills. Senior leaders support several members of the Leadership Team (LT) each year in participating in Leadership Jackson County (LJC). LJC is a nine-month leadership program designed to develop and enhance community leadership. Participants from diverse backgrounds gain expanded knowledge of the community, develop relationships, and acquire skills in order to assure a more active and effective role in addressing community needs. Currently, over 80% of the LT have completed LJC.

Culture of Patient Safety. Safety is a top priority at SMC. The AEC engages all levels of the workforce in providing a safe environment for their patients through multi-disciplinary committees and teams. Goals for patient safety have been defined within the Quality of Care Pillar and performance against these goals is reviewed through the Operational Rhythm. Senior leaders leverage the competitive advantage of technology by investing in tools that will enhance patient safety. Examples include their fully integrated Electronic Medical Records system and deployment of standardized equipment such as Alaris Pumps, defibrillators, anesthesia machines, and bar coding in the pharmacy. Leaders also encourage participation in industry groups such as the Risk Management Advisory Group (RMAG) and Voluntary Hospitals of America (VHA), where best practices in safety are shared. Standardized patient care orders, care bundles, and protocols are defined along with standardized approaches for handoff communication.

One of the most significant ways through which the AEC has created an environment of patient safety is by promoting and supporting the philosophy of a Just Culture. Recognizing that every endeavor carries the risk of human error, SMC engages the workforce to try to uncover and repair system design flaws before human errors occur. If an error does occur, the emphasis is placed on how to fix the process so the error won't reoccur rather than on placing personal blame. To reinforce the Just Culture, leaders deployed the Good Catch Program to recognize individuals who identify a potential problem or report a "near miss" through an anonymous online incident reporting system. In 2010 event reporting by employees had increased 13%. The Director of Risk and Safety collects, trends, and analyzes all reported events. Most recently, the analysis showed a problem with staff tripping on cords of bed alarms that were added to patient beds for the patient's safety. The Environment of Care Safety team researched the problem and as a result, cords hanging down from the bed are now secured with magnets, mitigating the risk for both employee and patient falls. SMC participates in the Culture of Safety Survey by the Indiana Patient Safety Center and benchmarks results against state and national performance.

1.1b Communication

1.1b(1) Communication is a key element of **Step ④ Align Processes and People** of the Leadership System. The AEC systematically communicates *(Figure 1.1-2)* with all stakeholders through the systematic approaches shown in *Figure 1.1-3*.

The AEC creates a transparent culture that encourages and supports open, two-way communication as shown in *Figure 1.1-3.* Approaches are regularly evaluated and improved. For example, based upon evaluation of workforce feedback, the AEC modified the President's Meeting to include not only VPs and Directors, but also all managers and supervisors. The AEC recognized that communication is more effective, messages more accurate, and staff more appreciative when the AEC are visible and communicating directly. Key organizational and leadership decisions are shared in this meeting. Each leader attending this meeting receives an electronic version of the minutes and presentations to share with the entire SMC workforce. In addition, all members of

the AEC participate in purposeful rounding monthly and in 2010 formed an Employee Advisory Committee (EAC) as an additional venue to communicate with front line staff.

Leaders systematically engage the entire workforce in **Step ⑤, Deploy the Plan,** of the Leadership System. This engagement takes many forms, from partnering with physicians on various hospital committees, to Shared Governance in Nursing, to multidisciplinary improvement teams involving various workforce segments. Teams are strategically formed to ensure that they leverage the diversity of thought that comes from various elements of the work system. SMC continually evaluates and drives improvement in approaches to engage the workforce.

Communication	Frequency	1- or 2-Way	Audience
AEC Rounding	M	2	WF, P, V, S
State of Hospital Address	A	2	WF, P, V, S
HR Pulse Newsletter	Bi-M	2	WF
President's Meeting	M	2	WF
In Touch with Gary Newsletter	M	1	WF
Medical Staff Meeting	M	2	P, B
Board Meetings	M	2	B
Category Teams	M	2	WF
Board Retreats	Bi-A	2	P, B
Committees/Task Forces	M	2	WF, P, S
New Employee Orientation	Bi-M	2	WF
New Nurse Orientation	Bi-M	2	WF
E-mail	N	2	WF, P, V, S, Su
Open Door Policy	N	2	All
Mail (Internal & External)	N	2	All
Dashboards	Q	1	WF, P, B
Internet	N	1	All
Intranet	N	1	WF, P, B
SMC Report	A	1	C, WF, P, V, B
Nursing Report	A	1	WF, P, B
The Anchor Newsletter	Q	1	WF
LBSAT	Bi-A	1	WF
Patient Survey	N	2	C, WF, P
Employee, Physician, & Volunteer Survey	A	2	WF, B, P, V
Focus Groups	N	2	All
Education Fair	A	2	WF, V, S
Discharge Planning	N	2	C
Wellness Outreach	N	2	All
Press Releases	N	1	All
LEGEND: A-annual, Q-quarterly, M-monthly, N-as needed, C-patient/community, WF-workforce, P-physicians, V-volunteers, S-students, B-Board, Su-suppliers, Co-collaborators			

Figure 1.1-3 Communication Approaches

Assessment of communication approaches revealed an opportunity for SMC leaders to develop a more systematic approach to review and analyze performance at all levels of the organization. In response to this, the organizational dashboard was redesigned and department scorecard indicators were reevaluated and updated to include only measurements that were required, actionable, and meaningful.

The scorecards and dashboard are updated quarterly and placed on the intranet, making them accessible to all staff. Monthly, the AEC reviews any indicator not performing as expected. The metric owner meets with the AEC to address and resolve barriers to success. Based upon AEC input, the metric owner develops and deploys an action plan to improve performance and shares progress with the AEC.

Senior leaders personally participate in recognizing and rewarding the workforce to reinforce high performance. SMC deploys multiple recognition activities and senior leaders are personally involved in all of these. For example, all AEC members participate in an annual recognition dinner where employees are recognized for customer service excellence and tenure. Additionally, they participate in the annual recognition event to honor volunteers. They also personally recognize the physician of the year – which is based on patient compliments and quality outcomes – during an annual "Doctor Day." Last year an employee recognition program that rewarded great customer service was revamped and renamed to better align with SMC's values and Standards of Behavior. The program called "E3 Appreciation" (Excellence Every Person, Every Time) recognizes and rewards a member of the workforce each month (including volunteers and physicians) who demonstrates excellent customer service. While AEC involvement in these various events is very visible, they also express their appreciation to the workforce in quiet ways such as sending personal thank you notes to them at their homes as a form of reward and recognition.

1.1b(2) The AEC creates a focus on action to accomplish SMC's objectives and drive improvement through the COE *Figure P.1-1*, SPP *Figure 2.1.1*, Schneck Performance Measurement System (SPMS) *Figure 4.1-1,* and KPM *Figure 6.2-2*. The COE defines key focus areas–pillars–and the AEC has defined key excellence indicators for each pillar. Goals for each measure of success are based on best-in-class benchmarks, *Figure 2.2-2*. During the SPP, strategic objectives are set and deployed through business plans. Performance against goals is then tracked and reported as part of the Operational Rhythm. Through the PMP, balanced scorecards are established that define measures at the organizational level and within each service and support area. To assist in aligning and focusing all staff with the organizational MVV, all employees create at least one goal in their personal plan to align to each of the four COE pillars and support an organizational goal or strategic initiative.

The AEC uses performance measurement reviews during the operational rhythm to identify needed process improvements, work redesign opportunities, resource needs, and facility improvements. Senior leaders create and balance value for all key stakeholders by ensuring that measures are comprehensive and linked to pillars, which encompass all key stakeholder groups.

1.2 GOVERNANCE AND SOCIAL RESPONSIBILITIES

1.2a Organizational Governance

1.2a(1) A variety of systematic processes are deployed to ensure that key aspects of the governance system are executed throughout the year as shown in *Figure 1.2-1*. Additional detail on each process is available on site.

4

Key Aspect	Processes
Managerial Accountability	• Monitoring of performance measures incorporated with performance plan. Monthly reviews of performance measures – tied to bonuses. • Variety of internal and external audits—Baldrige assessment, Joint Commission reviews • BOT involvement in performance review
Fiscal Accountability	• BOT monitors financial indicators via monthly financial statements and budget variance reporting • Annual independent audits follow Generally Accepted Accounting Principles (GAAP)
Transparency in Operations & Selection/ Disclosure Policies	• BOT has full visibility of performance on all key metrics including financial • President's Meeting shares financial and all key organizational issues with all leadership • Website, communication mechanisms • Publicly reported healthcare outcomes • Culture of disclosure–employee reporting drives immediate action • Just Culture
Independence in Internal/ External Audits	• Various independent audits/assessments
	• The Joint Commission • Baldrige • State Department of Health • CMS • IRRRG audits • IRS
Protection of Stakeholder Interests	• Ensured through regulatory compliance • Regular Press-Ganey surveys • Patient safety processes • Root Cause Analysis • Failure Mode Effects Analysis • Focus on cost-effective care

Figure 1.2-1 Key Aspects of Organizational Governance

1.2a (2) Annually, the Executive Committee of the BOT formally evaluates the CEO's performance against organizational performance goals and the achievement of individual goals. The BOT and the CEO evaluate each VP's performance annually based upon accomplishment of shared goals for organizational performance and individual goals set with each VP. VPs' incentives are aligned to performance, with 80% of compensation being linked to achievement of top priority initiatives in the pillars, and 20% based on achievement of divisional priorities. The CEO's incentive is based 100% on organizational outcomes. During the evaluation process, areas of strength and developmental opportunities are identified. A development plan is created to address professional growth and development.

Development occurs both at the team and individual levels. For example, all senior leaders participated in training in 2009 and 2010 that focused on the areas for improvement identified through the Ohio Award for Excellence assessment. These areas included knowledge management, process discipline, and project management. Individual development may take the form of executive training and internal or external developmental assignments. The VP of Nursing Services was certified as a Lean Six Sigma Black Belt in 2010. The VP of Clinical Services leads the Project Management Committee that prioritizes, selects, and ensures

alignment with the goals of the organization for all performance and improvement efforts.

The BOT performs a nationally recognized formal self-evaluation process by the Governance Institute every two years *(Figure 7.4-3).* The self-assessment measures each member's individual performance as well as overall group performance and provides comparisons from other groups. Results are evaluated and are used to systematically improve and change processes to improve Board performance. Additionally, results are used to identify potential development opportunities that are addressed through training at bi-annual events or through specialized development of individual board members. Development in Strategic Planning was one area identified in the 2009 Governance Institute's Board Self-Assessment. Additional education about the organization's SPP was provided to the BOT and they were actively involved in improving the 2010 SPP. In response to the need for additional knowledge about performance excellence, a national authority on the MBNQP presented at the 2009 BOT retreat. Development for the BOT starts with new member orientation, and ongoing education and Board development is accomplished through robust utilization of the Governance Institute programs, ongoing formal education at the twice-a-year board retreats, and attendance at local educational opportunities such as Hospital Day at the Indiana Statehouse.

The Leadership System is reviewed annually as part of the SPP and revisions are made as needed. For example, through a cycle of learning in 2009, the AEC refined the SLS to reflect the leadership attributes that are expected of each leader. These attributes are now included in Leadership Development training, "Transformational Leadership," for all SMC Directors.

1.2b Legal and Ethical Behavior
1.2b(1) SMC systematically identifies potential impacts and concerns through the Environmental Scan completed during the SPP. Public concerns are also captured through multiple feedback mechanisms including focus groups and surveys, and through leadership involvement in various community boards and activities as shown in *Figure 1.2-5*. Participating in a variety of professional healthcare groups and collaboratives that include the Local Emergency Planning Committee (LEPC), Emergency Management Association for Jackson County, and the District 8 Hospital Bio Terrorism Group of Indiana also identifies best practices.

The Risk and Safety Department continually monitors risk and changes in regulations through sentinel alerts by The Joint Commission (TJC), annual Risk Vulnerability Assessment, and active participation with the Risk Management Advisory Group (RMAG) and local emergency service groups. To keep the community, organization, and staff educated and prepared to handle any changes that may affect SMC or their patients, changes are disseminated to all key stakeholders through the various communication channels listed in Table 1.1-3 and multiple drills performed throughout the year. In addition, SMC participates in monthly meetings with the District 8 Hospital Bio Terrorism Group of Indiana and quarterly

meetings with both the LEPC and EMA. Potential impacts on society and SMC's response are shown in *Figure 1.2-2*.

Potential Impact	SMC Response
Radiation Safety	Promote best practices in safe handling and use of radiation sources in compliance with State regulations
Patient Safety	Fosters a "Culture of Safety" that provides a foundation for reporting, surveillance, and analysis of events and processes as they relate to patient care
Environment of Care	Works proactively with staff and other resources to assess actual and potential risk management issues related to the physical plant, grounds, vehicles, property, equipment, and services
Disaster & Emergency Preparedness	Oversee the ongoing development and implementation of disaster and emergency preparedness at SMC through ongoing education, drills, and community involvement

Figure 1.2-2 Processes to Address Public Concerns

The Corporate Compliance Program and processes ensure a systematic approach to address public concerns. Processes ensure meeting or exceeding compliance with federal, state, and local laws; promoting good corporate citizenship; preventing, detecting, and resolving misconduct; identifying and educating around high risk areas; and risk management to reduce exposure. The Corporate Compliance Program provides an overarching set of guidelines that guide the development of strategic plans, business plans, policies, and daily operating activities. Standards of conduct for the workforce are defined in this program. *Figure 1.2-3* demonstrates SMC's processes, measures, and goals.

Process	Measure	Goal
Compliance	Employees trained annually	100%
	Employees signed compliance acknowledgment statements	100%
	Conflict of Interest statement signed annually: mgmt and supervisors	100%
	Independent board members	100%
	Triennial compliance audit	As scheduled
	Meet or exceed all compliance requirements	100% compliance
Accreditation	TJC; ACS; CMS Conditions of Participation; ACR; Chest Pain Center, Magnet, ACoS, ACPS, MQSA	Full accreditation
Licensure	Indiana State Dept. of Health, EEOC, DOL, DOH, HHS	100%
Legal consult	Physician and professional service contracts	100%
Risk Management (Patient Safety)	National patient safety goals Critical medication errors Consequential VAP rate Effectiveness of Drills	Full compliance, indicators tracked and trended on Dashboard 100% compliance with processes

Figure 1.2-3 Compliance Processes, Measures, Goals

Communication and education about expectations of compliance starts at the beginning of the relationship cycle with stakeholders and continues systematically throughout the life cycle of the relationship. The pre-employment process at SMC includes criminal background checks. In addition, all SMC employees are educated on the fundamental components of the Corporate Compliance Program during NEO and must formally agree to abide by the program itself by signing an employee acknowledgement statement. Training includes the False Claims Act and the Federal Program Fraud Civil Remedies Act; state laws pertaining to civil or criminal penalties for false claims, including the Indiana False Claims and Whistleblower Protection Act; and the role of the Hospital Corporate Compliance Program, the Standards of Conduct, and P&P in preventing, detecting, investigating, and addressing fraud, waste, and abuse in Federal healthcare programs and HIPAA. Corporate Compliance manuals are posted on SMC's intranet for reference as needed. Reporting procedure reminders are posted on employee bulletin boards near the employee entrance along with the Corporate Compliance officer's name and contact information.

1.2b(2) Requirements for both medical and business ethics are communicated to all levels of the organization through multiple systematic approaches including policies, procedures, education, and training. Staff training begins the first day of orientation and is repeated annually. Training includes instructor-led presentations and computer-based training on ethics, compliance, and patient privacy. In addition, the Ethics Committee provides education to staff, physicians, and the community on end-of-life issues annually through community programs and grand rounds. *Figure 1.2-4* shows functions of the Ethics Committee. Expectations for compliance are aligned with the SMC MVV and are consistent with SMC's ethics statement and compliance program. Supplier and partner responsibilities are communicated via contracts and through personal contact with SMC employees. To further promote and maintain an environment of ethical and legal behavior, the workforce may anonymously ask questions or communicate concerns directly to legal counsel through a corporate compliance box or a toll-free number.

Responsibilities of SMC Ethics Committee
Development of an ongoing educational program for committee members.
Participating in the development of policies and guidelines on ethical issues for the hospital.
Serving as a forum for discussing ethical issues among medical and hospital staff, patients, and families.
Assisting and supporting the development of education programs on ethical issues.
Planning and conducting hospital-wide education program.
Reviewing cases prospectively or retrospectively, and offering guidance and support to those involved in decision making.
Assisting in the proper interpretation and communication of national, state, and local legislative decisions pertaining to ethical issues.

Figure 1.2-4 Responsibilities of the Ethics Committee

SMC further demonstrates their commitment to ethical behavior by ensuring that they treat patients within their scope of service regardless of their ability to pay. To the extent that it is practical and possible, SMC involves patients, their legal representative, and/or their identified significant others in the care the patient receives. All patients are informed about therapeutic alternatives and the associated risks to enable them to make informed decisions. If there is a potential conflict of interest or a question of ethics concerning a patient's care, the Ethics Committee assists in the resolution of the issue. The Objection to an Aspect of Care Policy allows staff to withdraw from a patient's care, without endangering the patient, if the

plan of care conflicts with the employee's ethical or moral standards. Patients, and their families, are provided information regarding the ethics policies and their rights and responsibilities in the Patient Information booklet disseminated by Registration personnel and in booklets available in each patient room.

Breaches of compliance or ethics are systematically investigated and subject to corrective action up to and including termination. Multiple measures are monitored routinely, including the completion of compliance training. Corporate Compliance is reported to the BOT.

1.2c Societal Responsibilities, Support of Key Communities, and Community Health

1.2(c)1 As explained earlier, SMC systematically understands and addresses community needs through the SPP. The community is identified as a key stakeholder on the Leadership System, and processes are clearly defined to ensure social responsibility and support of communities.

SMC serves the community not only by taking excellent care of their patients but also by taking excellent care of the environment. Historically, SMC has addressed environmental issues in the development of new facilities, but in 2008 recognized that they could do more. The "Green Team" was formed that year with the purpose of educating and promoting awareness of environmental stewardship though reducing, reusing, or recycling waste. SMC recycles paper, bottles, plastic, batteries, cans, metal, cardboard, and light bulbs. In recognition of this improvement, Practice Greenhealth, a national organization for healthcare facilitates committed to environmentally responsible operations, honored SMC with a Partner Recognition Award. The award is one of the organization's Environmental Excellence Awards given each year to honor outstanding environmental achievement. The Partner Recognition Award is for demonstrated progress and requires at least a 5% recycling rate for the total waste stream. Schneck recycled 183.6 tons of plastic, glass, metal, paper, and cardboard in 2010 for a recycling rate of 35%. SMC was the only independent healthcare organization in Indiana to be recognized by Practice Greenhealth in 2011.

1.2(c)2 SMC systematically supports and strengthens key communities by focusing on strategic advantages and their core competency. Through the SPP, senior leaders have defined the key community to be the primary service area of Jackson County.

1) SMC leaders and staff identify community needs through collaboration with community agencies including the Health Department, United Way, and the Red Cross. A comprehensive community assessment is conducted bi-annually. 2) Once community needs are identified, the AEC analyzes this information during the SPP and prioritizes opportunities for involvement. 3) Leaders then determine the type of support that can be provided and the extent of this involvement. The involvement may be monetary or it may be volunteer support, or it may be providing services or education. 4) Identified efforts are resourced with people or funding, and the support is provided. 5) The AEC evaluates the impact of the support provided and celebrates outcomes or modifies approaches.

SMC's monetary support of the key community is extensive. In 2010, SMC donated $33,717 to United Way, a 14% increase from just three years earlier. Employees also support the community through donations to EPiC. EPiC is sponsored by the SMC Foundation and enables employees to donate a portion of their earnings back to the hospital to support the community. EPiC projects have included funding of a heliport on the campus (allowing for rapid transport to Level 1 trauma centers and improved patient outcomes), humanitarian fund (for employees facing hardship), Adopt-a-Spot (a community beautification effort), and building and furnishing an employee fitness center provided free of charge to the workforce. The most significant EPiC contribution was the $250,000 that employees donated to help build the Cancer Center. The remaining $4 million to build the center was raised by the community. SMC leadership participates in the annual Day of Caring in Jackson County. This program provides support to several not-for-profit organizations with projects such as cleaning up playgrounds, installing new equipment, painting, or cleaning. SMC employees provided over 4,725 volunteer hours to the community in 2010. All segments of the workforce (employees, physicians, volunteers, and students) are involved in community support efforts.

SMC positively impacts community health through education programs, support groups, health fairs, and wellness screenings. The variety of health screenings provided includes blood pressure, diabetes, bone density, lab work, and prostate and skin cancer. In addition to screenings, SMC educates the public on illness prevention, services at the hospital, and health promotion.

Finally, SMC has partnered with HDC in the opening of three Convenient Care Clinics in Jennings, Scott, and Washington counties. Employees from SMC provide staffing for these clinics and provide needed services in these underserved contiguous counties. The AEC personally supports community involvement as evidenced by involvement in various community organizations shown in ***Figure 1.2-5***.

AEC Community Involvement	
President of Mental Health American BOD	BOD for Southern IN Health Organization (SIHO)
BOD Jackson County Bank	BOD for SIHO Foundation Board
BOD Jackson County Convention & Visitors Bureau	BOD Jackson County Ambulance Service
BOD Health Development Corp.	IVY Tech Advisory Committee
BOD Coordinated Health, LLC	Child Care Network
BOD Innovative Physician Solutions	Seymour Chamber of Commerce
BOD Renal Care Group, LLC	Council for Workforce Dev.
BOD Jackson County Health Network, LLC	Seymour Personnel Association
BOD of Noon Lions	BOD Jackson Co. Boys and Girls Club
BOD SMC Foundation	BOD Jackson Co. Industrial Development Corporation
National Examiner Malcolm Baldrige National Quality Award	S. Central IN Section, American Society of Quality

Figure 1.2-5 AEC Community Involvement

STRATEGIC PLANNING
2.1 STRATEGY DEVELOPMENT

2.1a(1) One of SMC's strengths is the ability to consistently develop a sound, long-term strategy and create a competitive advantage by converting strategic intent into value-added action. Through a defined, systematic planning process, SMC actively involves multiple stakeholders to develop long-term strategic objectives, as well as short-term business options to enable them to meet and exceed the evolving expectations of key stakeholders. The Strategic Planning Process (SPP) has evolved over a number of years from a simple planning framework involving only senior leaders, the AEC and the BOT, to the current Strategic and Annual Planning Processes involving multiple stakeholders. Today, the BOT, the AEC, and the LT are actively involved in all steps of the process. Other stakeholders such as physicians, workforce, and community are involved in strategy development through the collection and evaluation of key inputs into the planning process and in strategy deployment through the business planning process.

The SMC planning process is composed of the SPP that is executed every three years and the Annual Planning Process (APP) that is performed each year. *Figure 2.1-1* reflects the SMC planning processes. The tri-annual SPP starts with *Step 1.1 Assess and Set Strategic Direction* that is completed from November to February. In this step, the AEC and BOT complete a comprehensive analysis of key factors, *Figure 2.1-2*. The external key factors are used to define potential opportunities and threats and internal key factors are used to define organizational strengths and weaknesses in a comprehensive SWOT analysis. Based upon this comprehensive analysis, the BOT and AEC review and, if necessary, refine the Mission, Vision, and Values, reaffirm or redefine current and needed future core competencies, identify potential breakthrough innovations, reaffirm or redefine strategic advantages and challenges, align stakeholders around the MVV, and work with the entire LT to communicate the strategic mission, vision, and values to key stakeholders.
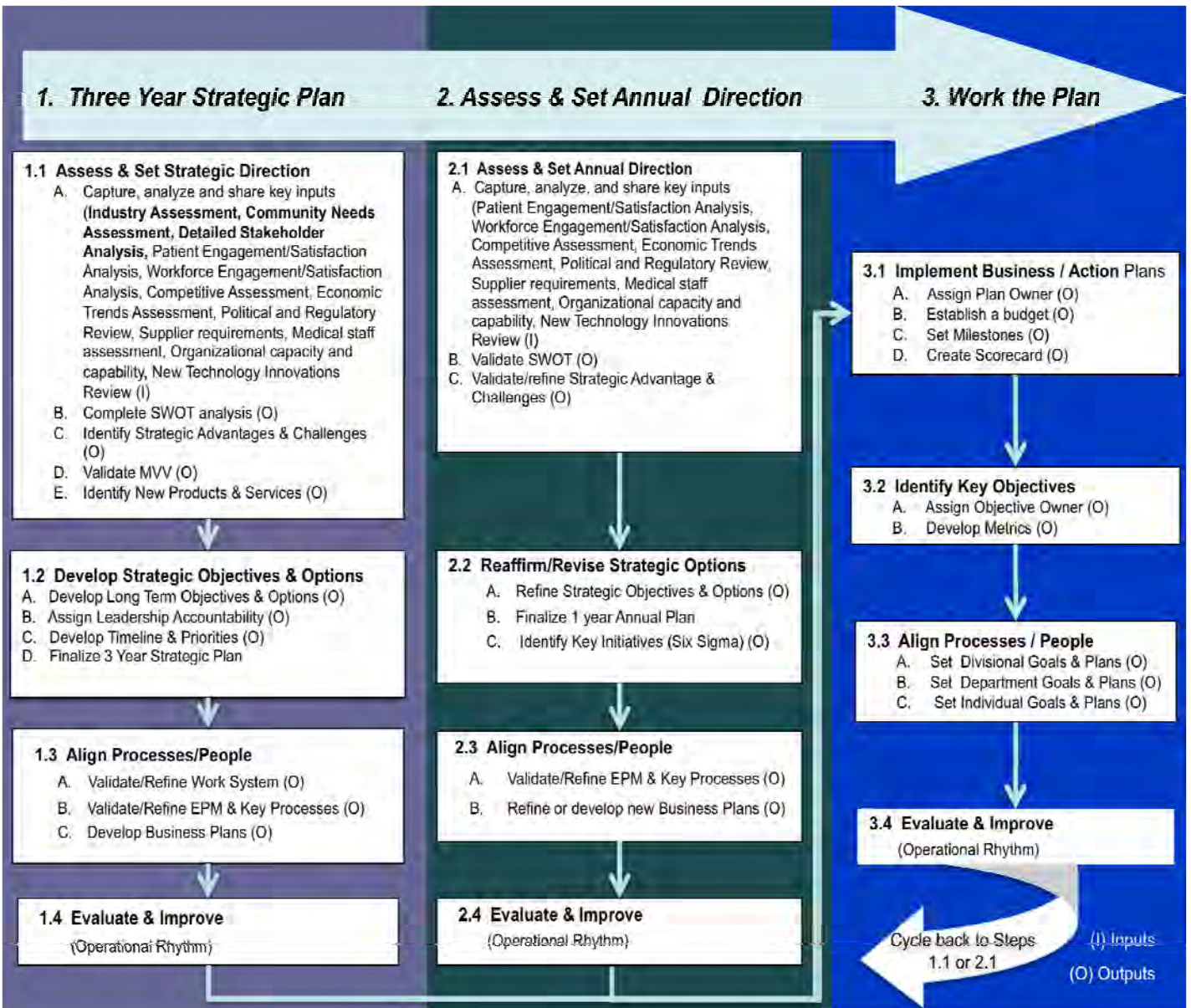
Figure 2.1-1 Strategic, Annual, and Business Planning Processes

Assessment	Stakeholder	Content		SPP/APP
• Medical staffing assessment	• Physicians	• Physician supply • Specialty distribution	• Demographics • Performance evaluations	SPP & APP
• Stakeholder opinions and satisfaction	• Patients • Volunteers • Students • Physicians	• Patient complaints, satisfaction/engagement/comparisons • Satisfaction/engagement • Satisfaction/engagement • Satisfaction/engagement		SPP & APP
• Infrastructure	• Workforce	• Capital requirements (facilities/ equipment) • Market growth and needs	• Technology capabilities • Technology needs • Maintenance costs	SPP & APP
• Financial Analysis	• Patients, community, workforce, physicians	• Budget variance • Financial performance (revenue, profitability, expense/margin) • Comparative analysis		SPP & APP
• Quality/Safety	• Patients, community, workforce	• Patient health/safety metrics • Dashboard performance	• Disaster preparedness	SPP & APP
• Workforce Assessment	• Workforce	• Salary and benefits analysis • Retention/turnover • Satisfaction/engagement	• Development needs assessment • Labor supply • Emerging trends in HR	SPP & APP
• Industry Assessment	• Patients, community, workforce, physicians	• Industry trends • Industry performance results • Innovations in the industry		SPP
• Economic Trends Assessment	• Patients, community, workforce, physicians	• Projected economic conditions • Economic conditions analysis • Projected reimbursement rates	• Interest rates/bond rates • Labor supply/demand	SPP & APP
• Political and Regulatory Assessment	• Regulators, community, patients, workforce, physicians	• TJC, Federal/state/local legal and regulatory requirements • Publicly reported data • Emerging issues		SPP & APP
• Social and Cultural Changes	• Patients, community, workforce, physicians	• Community and workforce demographics • Feedback gathered from social media (new in 2011)		SPP & APP
• Supplier Assessment	• Supplier • Workforce	• Supplier capabilities • Assessment and evaluation of services		SPP & APP
• Community Assessment	• Community	• Community demographics • Projected growth	• Community healthcare needs • Community perceptions of SMC	SPP
• Technology Innovation Assessment	• Workforce • Community • Patients	• Evaluation of new technology • Projection of technology needs & innovation • Tools to enhance patient care		SPP & APP
• Competitor Assessment	• Market position • Utilization • Strategic alliances	• Market position • Collaborations	• Utilization • Competitor capabilities and performance	SPP & APP
• SWOT Analysis	• Patients, community, workforce, physicians	• Internal & external assessment of the organization • Identify potential future core competencies		SPP & APP

Figure 2.1-2 Key Factors into Strategic or Annual Planning

From February to April, in *Step 1.2 Develop Strategic Objectives and Options* of the SPP, senior leaders and the BOT evaluate and refine the current business model, products and services, key success factors (four pillars of the COE), and key stakeholders. These leaders identify potential strategic objectives and define potential strategic options to achieve the objectives. In this step, the leaders also evaluate the impact of the strategic options and assess organizational implications of feasible alternatives. Working with an external strategic planning consultant, the AEC reviews the potential objectives and strategic options with physician advisors and the President's Advisory Group and selects the final strategic objectives and options. Following selection, the objectives and options are presented to the BOT for approval. Once approved, the strategic objectives and options

are deployed to the organization in business plans developed as part *of Step 1.3* of the SPP.

From May through August, leaders complete *Step 1.3* of the SPP, which is *Align Processes and People and Deploy through Business Plans*. In this step, the AEC works with the BOT to evaluate and, if needed, modify the work system, governance structure, measurement system, etc. The AEC and the LT assign accountabilities and establish individual plans that link to organization-wide goals. The AEC and the LT evaluate and refine the Enterprise Process Model (EPM), coordinate and align strategies and processes, and evaluate and define key processes. As part of the alignment process, the AEC and LT communicate high-level measures to appropriate stakeholders, and leadership communicates short-term measures to leaders throughout the organization.

Step 1.4 Evaluate and Improve of the SPP involves two activities. Performance results are tracked, analyzed, and reviewed throughout the year for each strategic option and leaders take appropriate action to ensure successful execution. Performance results are shared with key stakeholders. The second element of ***Step 1.4*** occurs in September and October each year. In this step the AEC conducts a lessons learned on the planning process itself, identifies opportunities for improvement in the process, implements corrective action or process changes, acknowledges successes, and returns to ***Step 1.1*** to start collecting inputs for the next planning period.

Following the Baldrige-based assessment in 2008, the AEC assessed the SPP and determined that changes were needed in ***Step 1.4*** of the SPP and ***Step 3.4*** of the APP. A more systematic approach to review progress on business plans was needed. Working with a consultant in performance excellence, the AEC evaluated the review process from Boeing Aerospace Support (a 2003 Baldrige recipient) and reviewed the goal deployment process from Harland Clarke (a 2001 Baldrige recipient as Clarke American), and adapted Harland Clarke's "run the business," "change the business" review cycle to one that has now been deployed at SMC. In this review process (known as the Operational Rhythm), the AEC conducts monthly project reviews to evaluate "change the business" projects. During these reviews, progress on key company-level projects is evaluated by the entire AEC, and actions are taken to either recognize progress or provide support in achieving desired outcomes. Additionally, the AEC is systematically reviewing progress on business plans at defined times determined in the business plan. A schedule for review was developed and deployed to all business plan owners and they present their progress to the AEC in accordance with the schedule. This allows the AEC to have knowledge of current actions, enhances integration across the entire organization, and provides an opportunity to recognize or redirect actions.

SMC identifies potential blind spots by ensuring that a wide range of comprehensive assessments is considered in developing strategic objectives and strategic options and by involving a wide range of stakeholders in the planning process. A key element in development of the SWOT analysis is the consideration of internal or external factors that could illuminate a potential blind spot. Additionally, SMC works with an experienced industry expert who acts as the planning expert. His knowledge and expertise in the healthcare industry and of the local environment helps SMC to mitigate risk of missing an area of significance as they conduct the SPP.

Through the SPP, the AEC and BOT develop a three-year plan. Short-term goals cover one-year periods and longer-term goals are set for two to three years. The AEC and BOT evaluate and set planning horizons to balance the organization's needs to both focus on the future and, at the same time, remain agile in the changing healthcare environment. Through the regular review of performance on strategies, the senior leaders make adjustments as needed to leverage their core competency and maintain a competitive advantage.

2.1a(2) SMC captures a wide range of inputs to identify key factors to ensure that the SPP and the APP are data driven and address all key stakeholders. Key inputs are shown in *Figure 2.1-2* above.

2.1b(1) The current Strategic Plan was finalized in the summer of 2010 and in April of 2011, the AEC completed ***Step 2.1***, ***Assess and Set Annual Direction,*** refining the strategic objectives and timetables for completion as shown in *Figure 2.2-2*. Strategic advantages/challenges and core competency linkage is also shown. SMC addresses strategic advantages and challenges through the options that are deployed to achieve their strategic objectives. *Figure 2.2-2* demonstrates which strategic challenges are being addressed by each strategic objective and shows example business plans that are being deployed. (All business plans are available for review on site.) Innovation is addressed by multiple objectives. For example, SMC continues to strengthen their competitive advantage of technology leadership as they "Achieve Information Technology Innovation and Connectivity." Innovation is also being addressed as the Lean DMAIC and project management capabilities are expanded and cultivated. The core competency of *Patient First* is leveraged in the focus on achieving world-class performance levels in both Quality of Care and Customer Service pillars. Additionally, while there are long-term goals established within each pillar, there are also annual goals established for each area. Through the pillar focus, all objectives consider and balance stakeholders' needs.

2.2 Strategic Deployment

2.2a(1) The key short-term and long-term action plans within each pillar of the COE are developed and deployed in **Step ③** of the SPP and ***Step 3.3*** of the APP through the systematic Business Planning Process (BPP) as shown in *Figure 2.2-1.* Example action plans to support achievement of SMC's strategic objectives are shown in *Figure 2.2-2*. All action plans are available for review on site. SMC is expanding services and continuing to expand market share in Jackson, Jennings, Scott, and Washington counties.

2.2a(2) Action plans are deployed through the BPP to all levels of the organization. Plans are deployed through multiple approaches including President's Meetings and hospital intranet and through involvement of key workforce members, suppliers, and partners in developing and executing the plans. To achieve strategic objectives, the KPOs from the hospital, key partners, suppliers, and collaborators must be identified and engaged at the very beginning.

SMC attains alignment from the overall organization to the individual contributor through the goal flow down process. The business planning methodology provides a systematic approach to action planning using standard templates for plan development. Each key initiative is assigned an owner who develops the business plan. Each AEC member works with leaders within their division to construct the enabling options and activities.

To ensure sustainability of key outcomes, processes are modified, procedures refined, needed communication and training is provided to impacted stakeholders, desired performance measures are defined, performance is tracked,

and modifications are made as needed to ensure long-term success. In *Step 1.4* of the SPP and *Step 3.4* of the APP, key needs are identified around infrastructure, culture, and/or training that may be needed to sustain the change. For example, when the AEC determined that there needed to be a more sophisticated improvement approach, Lean DMAIC was embraced not only by investing in training for seven individuals, but also by creating an organization responsible for supporting project management to better ensure sustainability of improvement efforts. Additionally, the Operational Rhythm, *Figure 4.1-5,* was developed and deployed to provide a more systematic approach to performance review and evaluation, helping to sustain the key changes resulting from implementation of action plans. Through the Operational Rhythm, leaders review actual performance in achieving strategic objectives against measurable goals. If at any point SMC is not achieving the desired levels of performance, they take action as necessary to achieve the desired outcomes. The implementation of a change is not complete until the expected performance is sustained.

Figure 2.2-1 Business Planning Process

2.2a(3) Resource needs are identified in *Step 2.3 Conduct Financial Analysis* of the BPP. SMC has fully deployed a business-planning template. The plan identifies any additional costs and how the cost equates to enhancing the ability to achieve the mission. A market analysis and SWOT are completed in *Step 2.2* of the BPP, which identifies any financial risks associated with executing the plan. Resource allocation also includes capability and capacity planning to ensure successful deployment of plans. This planning is accomplished at the time the business plan is approved by the AEC and BOT through *Step 1.3* of the SPP and *Step 3.3* of the APP *Align People and Processes Figure 5.1-1*.

2.2a(4) Examples of key short- and long-term HR action plans from the 2010 plan are identified in *Figure 2.2-2*. In *Step 2.2 Define Plan Considerations* of the BPP, the leader of each action plan identifies human resources required to accomplish the plan and also identifies potential changes in either numbers of employees or employee capabilities to successfully implement and sustain the outcomes of the plan.

2.2a(5) After action plans are approved, metrics and milestones for the current year are identified and monitored through the Operational Rhythm described in *Figure 4.1-5*. *Figure 2.2-2* shows a sample of key performance measures and indicators for tracking the achievement and effectiveness of plans. All business plans align with the strategic plan which links to and supports the four pillars. Key excellence indicators have been defined for each pillar of the COE. Goals are flowed throughout the organization in departmental and unit scorecards. As part of the Operational Rhythm, key results are reviewed monthly by the AEC. Changes in the business projects also are reviewed periodically by the AEC to ensure that projects are on target. By aligning their measurement system around the COE pillars, they ensure that all deployment areas and stakeholders are covered. The AEC has primary responsibility for achievement of business plans and reports progress to the BOT. Department directors continuously monitor the effectiveness of their action plans.

2.2a(6) As customer or market changes occur, basic assumptions, performance indicators, and strategies to ensure alignment are evaluated between the current strategic direction and changing requirements. During weekly AEC meetings, needed strategy course corrections and revised resource requirements are identified and formalized, with resulting changes implemented through approved modifications to the strategies and action plans. For example, in 2008, SMC opened the Behavioral Health Center and the AEC reviewed actual performance compared to planned performance in patient volumes and accompanying financial projections. Based upon these reviews, the AEC recommended and the BOT approved closing Behavioral Health in 2010, as patient volumes did not support financial expectations.

2.2b Performance Projection

Performance projections as shown in *Figure 2.2-2* are derived from market and business environment assessments and are captured in the plan as appropriate. Benchmarks are identified to allow SMC to evaluate their performance against both competitors and best-in-class performance. These benchmark comparisons are used in the SPP when implementation plans are developed to ensure that the plans and measures support the key strategies and metrics in accordance with their comparative data decision process. Through competitive analysis and focus on serving, SMC has been able to gain market share as shown in *Item 7.5.*

SMC predicts competitor performance will continue to get better which is why SMC continuously and actively pursues performance excellence in all their pillars. SMC is one of only a few independent community non-profit hospitals and they are aware that to sustain this independence they will need to be innovative, results-driven, and agile to continue to provide quality care, employment, community outreach, and education to all they serve.

Pillar	Strategic Objective Timeline	Goals	Strategic Challenges and Advantages	Business/ Action Plans	Measures	Cat 7 Results	2012 Proj.	2013 Proj.	BMrk Proj.
Quality of Care	Achieve best-in-class levels of patient care 2012	Achieve and/or maintain top decile for quality of care indicators and outcomes	1, 2, 4, 5 8, 9, 10, 11, 12, 13, 14, 15	Orthopedic Care Business Plan	• Joint Replacement Infection Rate	7.1-39	<2%	0%	Best in Class
				CVS Business Plan	• STEMI Improvement	7.1-38	<60 min	<55 min	Best in Class
Customer Service	To be provider of choice 2012	Increase overall market share	1, 2, 3, 5, 6 8, 9, 11, 15, 16	Provider of Choice Business Plan	Market Share • Jackson • Jennings • Scott • Washington • Bartholomew	7.5-10 & 14 7.5-11 & 15 7.5-12 & 16 7.5-13 & 17 N/A	69% 25% 7.9% 2.4% 3.8%	70% 25% 8.2% 3% 4%	Exceed Compt. growth rate
				Customer Service Plan	Press Ganey • Inpatient • Outpatient • Ambulatory • ED	7.2-8 -- 11 7.2-12 --15 7.2-16 – 19 7.2-20 -- 23	Top Decile	Top Decile	Top Decile
Human Resources	To be employer of choice 2012	Achieve best-in-class employee engagement results	1, 3, 4, 5 8, 9, 11, 12, 13, 14, 16	Employee Engagement Plan	• Employee • Physician • Volunteer • Students	7.3-13 & 14 7.3-16 7.3-18 7.2-20 & 21	>90%	>90%	>90%
					• Turnover Rate	7.3-1	<10%	<9%	Top Decile
Fiscal and Operations	Advance physician hospital partnership Ongoing	Increase collaboration, communication, trust, and alignment between SMC & physicians	1, 2, 4, 5 8, 9, 11, 12, 13, 14, 15, 16	Medical Staff Alignment Business Plan	• Physician Engagement	7.1-37	90%	93%	Top Decile
					• Physician HCAHPS scores	7.2-4	85%	90%	Top Decile
	Improve Operational Efficiency to achieve best in class performance	Reduce cost per unit of service	1,3,9,10	Supply Chain Mgmt. Business Plan	• Medical Necessity Writeoffs (Radiology & Lab)	7.1-36	<$16K	<$15K	<$15K
					• Total Supply Cost	7.1-40	Top Decile	Top Decile	Top Decile

CHALLENGES: 1 – Sustain Strong Financial Foundation, 2 – Increase Market Share, 3 – Process Discipline and Management by Fact, 4 – Sustain and Enhance Quality of Care, 5 – Physician Recruitment & Alignment, 6 – Quantify Impact of Community Outreach

ADVANTAGES: 7 -- Market share leader in Jackson County, 8 -- Nationally recognized level of excellence (Magnet, Centers of Excellence & NICHE), 9 -- Strong Financial Foundation, 10 -- Certified Lean Six Sigma Black Belts Facilities, 11 -- Capital Equipment, Technology, 12 --Aligned Leadership Team, 13 -- Workforce Development Programs, 14 -- Strong Organizational Culture, 15 -- Strong Primary Care Physician Base, 16 – Community Relationships and Involvement

Figure 2.2-2 Strategic Objectives and sample Action Plans

VOICE OF THE CUSTOMER
3.1 PATIENT AND STAKEHOLDER LISTENING
3.1a Listening to Current and Potential Patients and Stakeholders
3.1a (1&2)

SMC has a systematic approach to capture and use Voice of the Customer as shown in *Figure 3.1-1*.
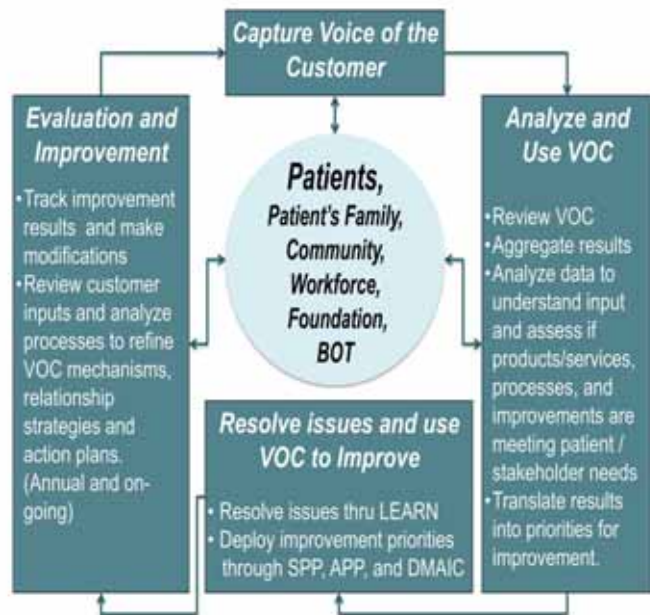
Figure 3.1-1 VOC Process

Multiple formal and informal mechanisms are in place to listen to and learn from current and potential patients and other stakeholders across the various stages of the customer life cycle as shown in *Figure 3.1-2*. These include customer loyalty surveys sent to all patient groups, focus groups, patient/family advisory group, rounding, webpage, and various reports. Patient surveys are customized by patient segments and stakeholder groups. In addition to formal approaches, each patient is encouraged to provide immediate feedback that is captured, systematically categorized, and addressed.

Methods to capture the voice of potential patients and patients of competitors include surveys, social media, market share reports, focus groups, support groups, community outreach, screenings, and health fairs.

In a cycle of refinement, Team FIND (Focused INnovation driven by Data) was deployed in early 2010 to assist in the interpretation, aggregation, education, and deployment of the multiple forms of feedback. This team reviewed current processes, benchmarked other healthcare organizations' use of VOC, and refined the process to ensure that data are being fully utilized to drive improvement in satisfaction and engagement. Additionally, Team FIND refined VOC reports to make them easier to use and more meaningful to various internal stakeholders. Reports were tailored for the AEC, directors/unit managers, physicians, and all stakeholders. Training was provided to various stakeholders on how to better use the VOC feedback to drive

improvement. Individual Department Directors (DD) are accountable to take action to resolve any identified adverse trends or areas needing improvement and report out their action plans to a member of the AEC for guidance and support.

In 2010, SMC embarked upon a plan to design, develop, and deploy a social media strategy. The Marketing Director conducted research, determined best practices, and worked with experts in social media. The team creates relevant and timely content for patients and other stakeholders with a defined schedule linked to the annual public relations (PR) and advertising strategy. The social media plan included Facebook and LinkedIn with future plans for YouTube for videos. SMC is deploying different distribution strategies for each outlet. LinkedIn focuses primarily on business-to-business contacts and relationships. Facebook has been widely embraced by women aged 25-54, SMC's main target demographic, making it a good fit in their marketing strategy. The marketing department also utilizes a variety of tools to monitor sources daily for online content related not only to SMC, but their primary and secondary competitors. This information is forwarded to key decision makers as needed. The Marketing Department monitors all postings on social media and, when appropriate, responds to and/or forwards to other departments for review or action. The Marketing Department also utilizes a variety of tools that scan print publications, news stations, and websites/blogs for any mentions of the organization. Bloggers who comment about SMC are often cross-linked to their social media sites. The SMC website has "Contact Us" pages within each of the main service line concentrations and a general "Contact Us" area for visitors with questions and comments.

SMC follows up with patients and stakeholders regarding the quality of services and support in several ways. Key focus areas call patients and stakeholders after visits to gauge quality of services and transactions. For example, Ambulatory Care staff calls patients after surgery to determine if the patient is feeling better and to assess their level of satisfaction with services provided. Support groups also provide a significant venue to follow up with patients and to strengthen the SMC relationship with current, potential, and former patients.

3.1b(1) Processes used to determine customer satisfaction and engagement begin with an analysis of quantitative and qualitative information from the various listening methods listed in *Figure 3.1-2*. Data are segmented by stakeholder group, focus areas, and departments. Press Ganey Agency (PGA) customer surveys are the primary source of satisfaction and engagement information for SMC. Sampling follows a methodology protocol in all customer segments as well as focus areas of Women's Services, Joint Replacement Program, non-invasive Cardiac Care, Cancer Care, and Surgical Weight Loss Services to provide a stratified representation for each group. Reports include mean scores, percentile rank, and correlation, and are trended by question, patient category, focus area, and national and regional percentile ranking. Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS), a national survey required by the Centers for Medicare & Medicaid Services (CMS), also provides SMC actionable feedback on

	Beginning	Relationship Building	Sustaining

Patients and Their Families	• Market Share Reports
	• Health Fairs
	• Wellness Screenings
	• Volunteer Activities
	• Patient/Family Advisory Council
	• Social Media
	   ○ Webpage
	   ○ Facebook
		• Focus Groups
		• Support Groups
		• Rounding
		• Interpreters
		• Patient Services
		• Discharge Calls
		• Complaint Handling
			• Press Ganey Surveys
			• Feedback Monitor
			• Service Recovery Log
			• Best Practice Research
			• Industry Collaborations
			• Patient/Family Advisory Council

Community	• Community Needs Assessment
	• Community Outreach
	• Social Media
	   ○ Webpage
	   ○ Facebook
		• Community Outreach
		• Support Groups
		• Wellness Screenings
		• Health Fairs
		• Website
			• Focus Groups
			• BoT Feedback

Workforce	• New Employee Orientation
	• 45-day Feedback
	• Social Media
	   ○ Webpage
	   ○ Facebook
		• AEC Rounding
		• Committee Participation
		• Staff Meetings
		• Intranet
		• Open-door Policy
		• E-mail
		• E3 Comment Cards
			• Performance Evaluations
			• Exit Interviews
			• Open Two-Way Communication
			• Just Culture

Physicians	• Recruitment Process
	• Scholarships
	• Social Media
	   ○ Webpage
	   ○ Facebook
		• Committee Participation
		• Director-Medical Staff Mtgs.
		• Physician Advisory Council
		• BoT Meetings
			• Medical Executive Committee
			• Physician Survey
			• Open-door Policy

Key Partners and Suppliers	• E-mail
	• Social Media
	   ○ Webpage
	   ○ Facebook
		• Contract Review and Renewal	• Open-door Policy
			• Product Analysis Committee
			• Product Safety Fair

Figure 3.1-2 Listening and Learning across the Life Cycle

satisfaction and engagement. PGA and HCAHPS results are analyzed as described in *Item 3.1a(1)* by Team FIND and become key inputs for improvement through the SPP and APP and in operating units. Leaders are provided access to satisfaction data through online analytical software. Drilldown capability includes information segmented by unit, department, date, age, and gender. Satisfaction and engagement results are included in report cards that are generated internally and electronically communicated to all staff. Results are also shared and discussed routinely during the President's Meeting. Written patient comments are available online and segmented by patient group and unit to provide detailed satisfaction information. Responsible DDs and VPs use this information to drive improvement.

In addition to the survey process, SMC gathers informal information on satisfaction and engagement through periodic focus groups, the Patient and Family Advisory Council, rounding on all new admissions, and callbacks to discharged patients to collect actionable feedback on services.

3.1b(2) SMC obtains comparative data for all customer groups through both PGA satisfaction surveys and HCAHPS. Patient satisfaction results from PGA are compared with nearly 1,000 hospitals across the country. Comparisons are made with four benchmark groups: nationally, hospitals in Indiana, Baldrige Index hospitals, and total hospitals across the country.

Additional information on local competitors is collected through a variety of mechanisms, including the competitor analysis completed as part of the SPP; local media; competitor web sites, advertisements, and press releases; and visits to competitor facilities by staff and the CEO. Community surveys and participation in industry collaboratives also help to compare to local competitors. Other information on satisfaction relative to competitors is obtained through contacts of peers and employees of other organizations, physicians who may work at various hospitals, participation in community organizations and activities, and the BOT.

Leadership and the Director of Patient Services also continuously review and research best practices to learn what other facilities are doing to continuously improve patient satisfaction and loyalty. Participation in the regional and national PGA conferences and reviewing approaches from Baldrige award recipients and other Magnet hospitals also allows SMC to learn from other organizations both within and external to health care. Identified best practices are assessed for adaptability for SMC and implemented (or adapted) as appropriate. Comparative data are systematically used to identify opportunities for improvement and as inputs to the SPP.

3.1b(3) SMC has multiple approaches in place to capture both quantitative and qualitative dissatisfaction data. Quantitative approaches include the SMC Service Recovery

Process *(Figure 3.2-4)*, PGA survey process that captures verbatim comments, discharge calls, and a formal grievance process. Qualitative data on dissatisfaction are captured through the Patient and Family Advisory Council, rounding, and direct contact with patients and families during care. The workforce is empowered to resolve dissatisfaction immediately through the Service Recovery Process, *Figure 3.2-2.*

Dissatisfaction information is captured in Feedback Manager (FM). Team FIND analyzes reports from FM to identify trends and identify performance improvement opportunities. If a trend is identified, a performance improvement initiative is chartered and improvement is achieved through use of DMAIC tools. The SMC approach ensures not only that the immediate dissatisfaction issue is handled but also that systemic process changes are made to avoid further dissatisfaction.

CUSTOMER ENGAGEMENT
3.2 HEALTHCARE SERVICE OFFERINGS

3.2a(1) As part of the Strategic Planning Process, *Figure 2.1-1*, SMC identifies patient and stakeholder requirements and innovates health care offerings based on those requirements through *EPM Process 2.2 Develop Health Care Services and Service Lines*, *Figure 3.2-1*.

Figure 3.2-1 Develop Services and Service Lines

Patient, stakeholder, and market requirements for new healthcare offerings are identified through the VOC inputs and listening tools shown in *Figure 3.1-2* and key factors to the planning process shown in *Figure 2.1-2*. Through these mechanisms, input is captured from patients, physicians, community, workforce, and the BOT. Requirements are validated during the SPP *(Figure 2.1-1) Step 1.1* where inputs are analyzed, a SWOT analysis is completed, strategic advantages and challenges are defined, and strategies (including new healthcare services or service lines) are established. The viability of the new offering is determined through the Business Planning Process *(Figure 2.1-1)* where a comprehensive assessment of resource requirements is completed. The viability of new or enhanced services is researched based on market conditions, competitor offerings, and market potential. Once it is determined that the new healthcare service offering is needed and viable, a business plan is developed as described in Item 2.2 and a team is

chartered to execute the business plan. Once selected, initiatives within the business plan are executed through project management discipline and if the initiative meets the PMC criteria, the PMC manages the project through the DMAIC methodology. This same comprehensive approach is used to identify and innovate product offerings to attract new customers and expand relationships with existing customers. Examples of innovative healthcare offerings deployed through this systematic approach include: a Women's Pelvic Health Program, incisionless surgery to treat heartburn (Transoral Incisionless Fundoplication), which SMC was the first in the area to perform, and anterior approach hip replacement surgery (only one in region to offer this service).

3.2a(2) SMC uses multiple mechanisms to enable patients and their stakeholders to seek information and support. Potential and former SMC patients and patients of competitors can access information through the SMC website, newspapers, television, radio, billboards, educational brochures, community outreach, and a toll-free number. Many different systematic processes and mechanisms are utilized to support use of healthcare services to ensure SMC is user friendly to patients, families, and other key stakeholders. SMC communicates with patients and families through advertisements, press releases, and newsletters, three convenient care centers, health fairs, wellness screenings, greeters, interpreters, and leadership involvement in the community. Key support requirements of stakeholders are identified through the listening and learning approaches described in *Figure 3.1-2.* For example, a cross-divisional committee meets quarterly with representatives from all of the nursing homes in the area. Feedback from these meetings resulted in providing nursing homes with remote access to SMC's EMR to ensure the best possible continuum of care for the patient. This access has also been provided to local physician offices. This information is shared with leadership and is further deployed to staff through leadership minutes and staff meetings.

All employees are trained in the five fundamentals of customer service, AIDET (Acknowledge, Introduce, Duration, Explanation, and Thank You). Training on support requirements begins in NEO and is reinforced annually for all workforce members through additional training. Key support mechanisms are shown in *Figure 3.2-2*.

3.2a(3) SMC identifies current and anticipates future patient and stakeholder groups and market segments during the SPP by executing EPM process *2.1.1 Understand Markets, Customers and Capabilities.* During the SPP, a wide variety of key factors is collected and analyzed *(Figure 2.1-2)*. These assessments include an environmental scan, community needs assessment, and a competitor assessment. As part of the comprehensive SWOT analysis, the AEC identifies potential opportunities for market expansion. The identification of these opportunities is based on consideration of current market share, competitive position, market growth potential, and community needs. For example, the CNA completed in 2004 indicated that the community needed enhanced cancer services to provide treatment locally. At the

Support Mechanisms and Access	Patient/Family	Community	Physicians	Partners
Internet	X	X	X	X
One-to-One Rounding	X		X	
Outreach Education Maternal/Prenatal Classes, Safe Sitter, Smoking Cessation, Diabetes, Prostate Cancer, Look Good, Feel Better	X	X	X	
Support Groups Bariatric, Diabetes, Alzheimer's, Smoking, Breast Cancer, Leukemia & Lymphoma, Grief Share, Resolve Through Sharing	X	X	X	
On-site Service	X	X	X	X
Electronic Medical Record	X		X	X
Patient/Family Advisory Council	X	X	X	
Contract Renewal Process				X
Open Two-Way Communication	X	X	X	X
Medical Staff Committees			X	X
Health Fairs/Screenings	X	X	X	X

Figure 3.2-2 Support Mechanisms

time, patients had to travel to another county to seek treatment sometimes five days a week for six to eight weeks. Through the SPP, AEC determined that SMC could meet this need in the community through expanding facility capacity and securing professional staff with the required capabilities. The decision was made to expand service offerings to serve this targeted group, and a business plan was developed and deployed to build the Cancer Center. The decision to expand healthcare services into neighboring communities was considered during the 2001 SPP to address a defined strategic

challenge of increasing market share. Based upon analysis of the data, the AEC determined that a need for primary care existed in surrounding counties, competitors were not meeting this need, and SMC had the internal capabilities and capacity to successfully deliver these services. A business plan was developed to phase in this expansion and three Convenient Care Centers have been opened over the last eight years to provide easily accessible healthcare services to patients in surrounding counties.

3.2a(4) In support of the strategic plan, the Marketing Director creates a marketing plan and budget in collaboration with the AEC. Prior to developing this plan, she conducts a comprehensive data analysis of community needs, customer satisfaction, engagement and dissatisfaction, growth targets, and defined focus areas. Based upon this analysis she develops and deploys a marketing plan to address any potential gaps in performance or to leverage new market opportunities identified. The marketing plans have evolved significantly based upon VOC and results of performance in areas of importance to patients and other key stakeholders. For example, SMC is now target marketing to women ages 25-54 as customer research revealed that this segment makes the majority of healthcare decisions. SMC has also integrated social media as a channel in the marketing plan to maximize efforts while leveraging this low cost media.

SMC uses patient, stakeholder, market, and healthcare service information to build a more patient- and stakeholder-focused culture through various approaches. The most significant of these is the direct linkage of workforce pay to achievement of defined performance goals in patient satisfaction. To receive the full annual bonus, employees must achieve targeted performance in each of the patient segments. Failure to achieve the desired levels in each segment will result in loss of a portion of the potential bonus. Patient and stakeholder performance data are widely shared through the
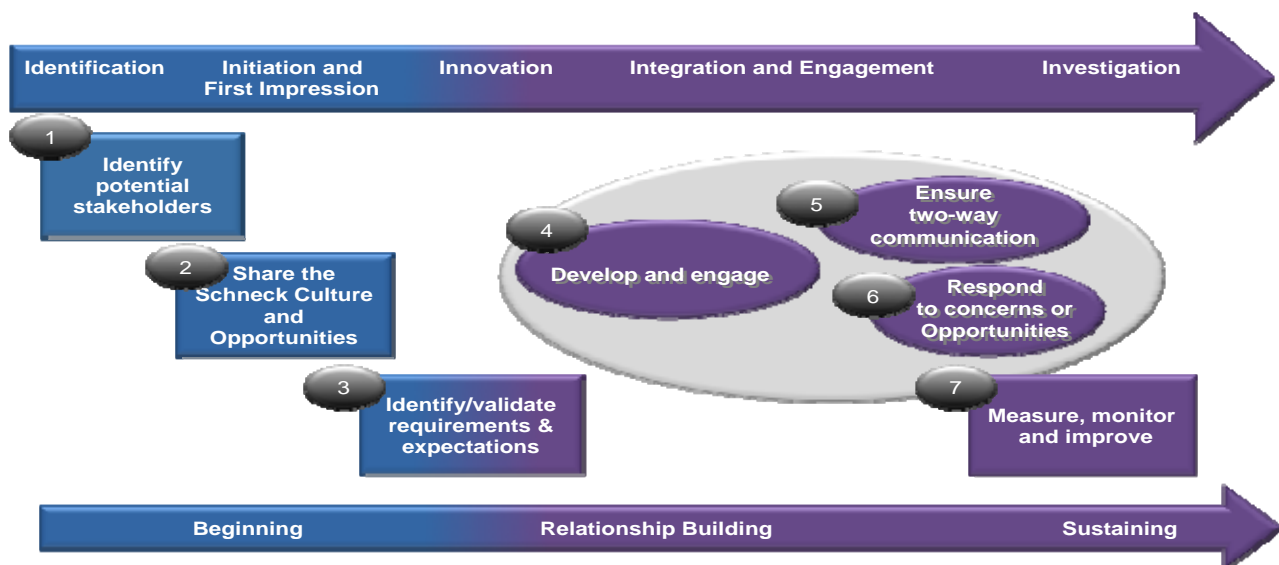
Figure 3.2-3 Relationship Development and Building System

various communication approaches described in **Figure 1.1-3** to all levels of the organization. Annual customer service training is linked directly to information learned from various listening and learning approaches. Team SEEK, a multi-disciplinary committee made up of staff from all levels of the organization, was started in 1997 to help further the SMC patient-focused culture. Team SEEK continually researches best practices, analyzes survey results, role-models, and educates and engages staff to improve and sustain approaches to increase customer engagement. Following an independent internal onsite assessment by two National Baldrige Examiners it was identified that Team SEEK needed to have a more innovative and robust process to improve customer satisfaction and engagement. Team SEEK was restructured to enhance their role in educating, communicating, and supporting best practices sharing across the organization. Team SEEK is collaborating with Team FIND to leverage information gathered through VOC to drive improvement and innovation.

The deployment of Team FIND has significantly improved the organization's ability to aggregate, analyze, and share patient and stakeholder satisfaction and engagement results and to facilitate improvement and innovation. This team simplifies reporting, conducts monthly analysis of VOC to the unit level, identifies high priority opportunities for improvement, and facilitates development and deployment of action plans to improve or innovate products/services, delivery mechanisms, and/or operational processes. To support this enhanced focus on use of data to drive improvement and innovation, all SMC managers have participated in training on DMAIC, change management, and crucial conversations.

3.2b(1) SMC systematically develops and sustains relationships through the Relationship Development and Building System **(Figure 3.2-3)**. Potential patients are identified through the approaches described in Item 3.2a(3) and the organization initiates the relationship to the target customers through community outreach, social media, and marketing activities. SMC innovates and builds the relationship by systematically defining requirements through the multiple VOC approaches described in Item 3.1a. The relationship is further matured by ensuring that all workforce members understand requirements and have developed skills to deliver on those requirements. Performance is tracked and improvements are made to ensure engagement. The relationship is sustained over time by performing to requirements and by improving processes when performance is not as desired.

3.2b(2) SMC employs the Service Recovery Process, **Figure 3.2-4**, to provide timely resolution and follow-up to customer complaints, to aggregate complaints, to identify trends, and to drive performance improvement. Complaints both informal and formal are captured throughout the organization and are viewed as opportunities to improve. All staff are empowered and encouraged to solicit and resolve complaints through routine training, education, and reinforcement of LEARN, **Figure 3.2-5**.

Patients are provided information about how to voice complaints upon admission and information is posted throughout the facility indicating the right of patients to voice
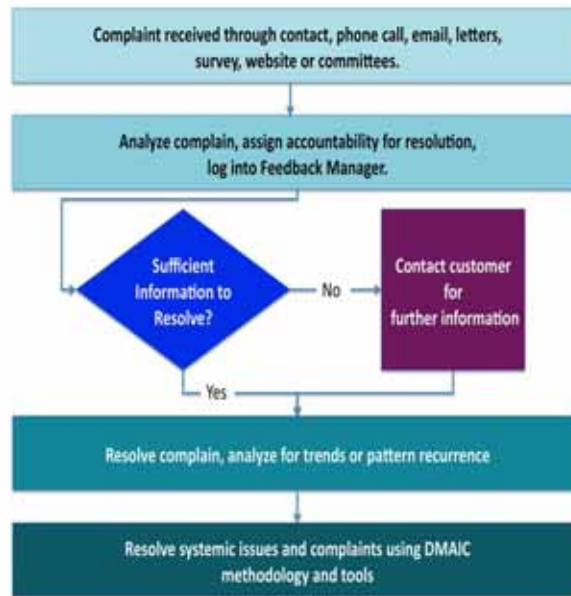
Figure 3.2-4 Service Recovery Process

their concerns without fear of retribution. All customer groups have the opportunity to communicate complaints anonymously, if desired. Operational complaints received by staff that cannot be resolved at the point of contact are forwarded to the Patient Services department to go through the formal resolution process. Complaints are tracked until a resolution acceptable to the customer is achieved. The SMC operational objective is to respond to complaints within 72 hours, recognizing that some complaints may require additional time to resolve. All written complaints are logged into the Feedback Manager database and are tracked through resolution. Once a concern is resolved for the patient or person filing the complaint, this person receives a written response outlining the course of action that was taken. After the complaint is closed, the actions taken are also entered into the FM system to allow for aggregation and analysis of data. A summary of patterns, trends, and actionable information goes to the AEC, LT, and Team FIND where action is taken to ensure that processes are improved as needed to resolve systemic issues.

LEARN Process	
Listen	Focus on the customer's experience and needs. It can immediately change the negative energy surrounding the situation.
Empathize	Communicate understanding to build the goodwill and trust necessary to resolve the problem and retain the customer.
Apologize	Communicate a sense of responsibility and regret.
React	Communicate that you are doing everything possible to meet the customer's needs. This is the step in which options are explored, solutions found, and action plans implemented.
Notify	Provide a sense of closure. It serves to confirm the success of the recovery efforts, delivers an authentic message of caring, and provides a means for feedback and evaluation.

Figure 3.2-5 LEARN Process

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MEASUREMENT, ANALYSIS, AND IMPROVEMENT OF ORGANIZATIONAL PERFORMANCE

4.1A PERFORMANCE MEASUREMENT

4.1a(1) SMC's system for selecting, gathering, analyzing, and deploying information is linked from strategic planning to daily operations. *Figure 4.1-1* shows the overall approach to the flow-down of goals, and the review of performance.

Figure 4.1-1 Schneck Performance Measurement System

This system is designed to define responsibility and accountability, align activities with strategies, track performance, and use objective data as a basis for decision-making leading to action throughout SMC. In **Step ①,** the AEC sets direction through the SPP, *Figure 2.1-1*, and sets and communicates goals and strategic direction through the Leadership System, *Figure 1.1-1*. In **Step ②**, these strategies and metrics are translated into performance measures that cascade to all levels to ensure integrating strategies, metrics, and action plans across the organization. Process Owners define key process measures through KPM, *Figure 6.2-2,* and DDs and managers identify measures related to their specific customers through the Measurement Selection Process, *Figure 4.1-2*.

For example, to engage nurses in performance improvement at the unit level, nursing services improved their performance measurement approach by implementing unit-specific "6-Packs." Each patient-care unit chooses six nurse-sensitive indicators to track and target for performance improvement. Each of the "6-Packs" have world-class benchmarks identified. Unit "6-Packs" are reviewed with the CNO during monthly director updates and the NEC "6-Pack" is discussed during the monthly council meetings to ensure nursing performance is being met and that indicators are supporting accomplishment of the strategic plan. Units that are meeting and exceeding their goal share their best practice approaches with other units to ensure the capture and deployment of knowledge. Employees' goals are tied to the organizational goals through the Performance Management Process, *Figure 5.2-1*.
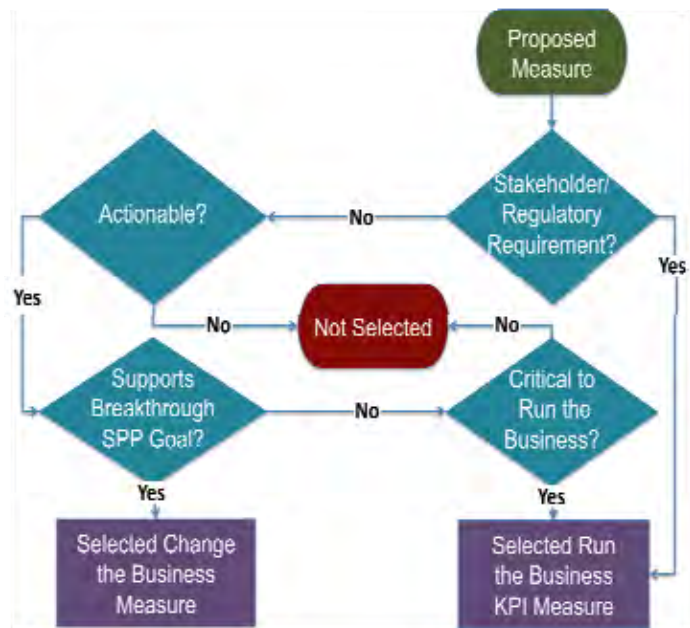
Figure 4.1-2 Measurement Selection Process

In **Step ③,** plans and processes are executed and performance against targets is measured. Performance measurement focuses on daily operations at the individual and unit levels, and gradually shifts to overall organizational performance at higher levels. In **Step ④,** results are analyzed, and information is used to drive decisions on required actions. Analysis is also performed at every level of the organization, with lower-level decisions focused on corrective actions and daily operations, while higher-level decisions are focused on strategies, resource allocation, and overall organizational direction. Action plans are developed when results are not trending as expected.

Organization-wide performance is reviewed by the AEC, who also reviews unit and process-level performance on an exception basis. This review and reporting approach ensures the SMC value of accountability throughout all levels of the organization and represents a cycle of learning based upon feedback from the 2010 Baldrige assessment. In the past, the Quality Department was responsible for collecting, managing, and reporting performance results to the AEC. The improved reporting process shifts responsibility from the Quality Department to the director owning the measure who collects, analyzes, and reports performance to the AEC. This reassignment of responsibility has made directors more aware of how their department's performance directly impacts overall organization results. This interaction gives all of AEC an opportunity to ask questions and the measure owner can seek guidance if they are encountering any challenges with their process.

In **Step ⑤,** measures are aggregated at successively higher levels in the organization and analysis is conducted to evaluate performance and identify improvement opportunities. The AEC defined an Operational Rhythm through which they

conduct "run the business" reviews of key performance measures and "change the business" reviews to assess progress in achieving strategic objectives and business plan goals and evaluate improvement project performance.

In 2009, following an assessment by the Ohio Partnership for Excellence, SMC formed a Category 4 Knowledge Management (KM) Team. This team reviewed current measures and identified an opportunity to deploy a more systematic approach to selecting and using performance measures. In conducting this review, team members met with each department to understand the measures being collected. In these sessions, team members asked the following questions: 1) Does the measure meet regulatory and stakeholder requirements? 2) Is it meaningful and actionable? 3) Does it support and align with the strategic plan? 4) Is it critical to run the business? 5) Who collects the measures? Frequency? Duration? 6) How are the results communicated, displayed, and used? 7) What is the action plan to meet improvement goals? 8) How will improvements be sustained? Using the information collected in these sessions, the KM team worked with process owners and leaders across the organization to eliminate measures that were not meaningful or were not providing actionable information, and to ensure that appropriate measures are being tracked and that information collected through the measures is being used to drive decision-making and improvement.

Sample organizational-level performance indicators are shown in **Figure 4.1-4**. Data reviewed during the Operational Rhythm is analyzed to identify gaps in expected performance as compared to actual performance. Measures are reviewed and modified at least annually to ensure currency.

Key Performance Measures by Pillar (Change or Run the Business)		
Quality of Care		
Value Based Purchasing	Change	7.1-1 & 2
Hospital Acquired Infection Rate	Run	7.1-11
Core Measures	Run	7.1-20-32
Mortality	Run	7.1-18 & 19
Readmission less than 30 days	Change	7.1-3
Customer Service		
Overall satisfaction for each customer segment Press, Ganey and HCAHPS	Change	7.2-1 thru 7.2-27
Likelihood to recommend for each customer segment	Change	7.2-29 thru 7.2-31
Market share targets	Change	7.5-10 thru 7.5-18
Fiscal & Operations		
Meets levels of hospitals receiving S&P A- rating	Run	7.5-1 thru 7.5-5
Total Expense per Adjusted Patient Day	Change	7.5-6
Average age of plant	Run	7.5-4
Human Resources		
Likelihood to recommend	Run	7.3-13, 7.3-16, 7.3-18
Turnover rate	Run	7.3-1
Education levels for nurses	Change	7.3-2

Figure 4.1-4 Organizational-level Measures

4.1a(2) SMC uses comparative data from multiple sources to understand performance relative to best-in-class and to set goals that drive innovation and performance improvement at both strategic and operational levels. They focus on collecting comparative data for all measures on the dashboard and scorecards. SMC's involvement with Baldrige and Magnet and participation in many collaboratives/consortiums provides them access to benchmarks from world-class organizations. Benchmarks are captured from both within and outside the healthcare industry. The AEC has established targets to meet or exceed best in class levels of performance in all key pillar measures. The priority for selecting appropriate benchmarking is: 1) Evidence-based guidelines, 2) Direct Competitors, 3) Organizations achieving world-class levels of performance (top decile or top quartile), 4) Organizations similar in size and/or services 5) Industry averages and 6) Comparisons to past performance.

When analysis reveals opportunities for improvement in performance compared to the benchmark, additional research is conducted to determine how the benchmark level performance is being achieved. If an indicator is not meeting goals, SMC creates an action plan for driving improvement. It may use information collected through process benchmarking to achieve this improvement. For example, SMC has tracked data for many years regarding customer satisfaction. Results had become flat. SMC conducted a literature search to determine best practices in customer service and identified AIDET as an approach that had been highly successful in other organizations in driving improvement in patient satisfaction and engagement. AEC supported the deployment of AIDET and the Director of Patient Services implemented a business plan that included a defined approach for AIDET, education, reward and recognition processes, and accountability. This plan was implemented and every person within the workforce received training and is held accountable for executing the AIDET approach. As a result of AIDET implementation, customer satisfaction scores have increased and goals have been adjusted from top quartile to top decile levels of performance.

4.1a(3) VOC is collected from multiple sources including PGA and HCAHPS surveys, complaint and compliment data, marketing reports, and the Patient Family Advisory Council. As fully described in Category 3, the AEC chartered Team FIND (Focused Innovation Driven by Data) to improve the VOC process. This team analyzed the "as is" process to collect, analyze, aggregate, and deploy VOC data to AEC and individual units/departments and developed and deployed a refined approach. In the new process, Team FIND develops VOC reports tailored to present data in a user-friendly format for the AEC, for directors and unit managers, for physicians, and for all stakeholders. These reports present VOC performance trended over time compared to top decile performance and provide simple analysis of performance including the PGA priority index. This index correlates importance (as evaluated by the patient) with performance to identify key focus areas that are most important to the patient and in which SMC has the most opportunity to improve. Using these reports, leaders and physicians establish improvement priorities. Managers of any unit with performance below top decile levels work with Team FIND to develop and execute an action plan. Following

implementation of the action plan, Team FIND tracks performance and if improvement is not achieved, DD report efforts to AEC where senior leaders are able to help eliminate barriers or provide additional support to achieve desired improvement. In addition to using VOC to drive continuous improvement as described above, VOC data are also used as key inputs into the SPP, *Figure 2.1-1,* to help guide decision making and innovation.

4.1a(4) The SMC Performance Measurement System is systematically updated annually as part of the SPP through annual validation of the appropriateness of measures as part of goal flow down and the business planning process. Scorecard owners seek confirmation of measure selection (current, actionable, provide insight to process being assessed), comparative data, and performance relative to competitors. Measures are also updated through 1) changing processes and departmental scorecards in response to customer input, 2) incorporating lessons learned from improvement initiatives and assessments such as Joint Commission and Baldrige and modifying measures accordingly, 3) making "real-time" improvements in measures as issues are identified, and 4) defining measures that will allow SMC to sustain improvements made through DMAIC. Measures are reconsidered when a new process is designed, or when the environment shifts, internally or externally. Changes in the economic and healthcare environment may be learned through the media, regular surveillance of industry newsletters and bulletins, or AEC and DD participation in professional associations at the regional and national level. Rapid or unexpected changes are delegated to the leader most closely associated with the topic for assessment, analysis, and improvement as appropriate. The recently completed assessment of the entire measurement system resulted in elimination of multiple measures that were not yielding actionable information, enhanced alignment and balance to the pillars, and standardization of the measurement approach by educating the workforce, resulting in a more aligned and mature measurement system.

4.1b The AEC systematically reviews organizational performance and capabilities in many forums at all levels of the organization as shown in the Operational Rhythm process, *Figure 4.1-5*. The overarching approach to performance analysis and review is that 1) performance measurements are aligned to strategic objectives, 2) performance is assessed using a balanced set of measures, 3) performance results are analyzed to provide leadership information for decision making, and 4) improvement plans are developed and implemented when objectives are not met. A variety of analyses are conducted including comparative, quantitative, root cause, trend, Pareto, variance, and correlation analyses.

4.1c(1) Best practices are shared across departments through the Operational Rhythm. Business plans, projects, and continuous improvement efforts are reported to the AEC and key performance and improvement team information is shared systematically during the President's Meeting with the entire leadership team. Performance results and lessons learned during implementation are communicated through

shared "community" folders on the SMC intranet and are also shared with the entire organization during department and unit meetings. Improvement and innovation successes are also recognized and celebrated across the organization.

SMC Operational Rhythm			
Meeting	**Freq**	**Attendees**	**Purpose**
Run the Business	Monthly	AEC	Dashboard/scorecard review under goal measures, hot topics
Change the Business	Monthly	AEC, Project leads, Black Belts	SPP results Progress towards strategic objectives
President's Meeting	Monthly	AEC, directors, managers, supervisors	Project updates, review dashboard results
BOT Meetings	Monthly	AEC, BOT, Medical staff as appropriate	Dashboard review, key project updates Governance issues
Strategic Planning	Semi-Annual	AEC, BOT, key partners	Business plan reviews
Succession Planning	Annual	AEC	Assess talent and future leadership development plan
VP Meetings	Monthly	VP, Directors	Project update, review results, governance issues
Staff Meetings	Monthly/ Quarterly	Directors, staff	Project update, review results, governance issues
Nursing Unit Based Council	Monthly	Leaders, staff	Clinical quality performance, performance improvement, professional development

Figure 4.1-5 Operational Rhythm

4.1c(2) Performance projections are set on an annual basis through the SPP, APP, *Figure 2.1-1,* and budgeting process. To set these projections, in *Steps 1.1a and 2.1a* of the process, performance review findings, outcomes, regulatory requirements, and results from comparative and competitive data collection *Figure 2.1-2* are analyzed. In *Steps 1.3c and 2.3b* of the planning processes, internal capability and capacity are assessed and aligned to provide adequate and capable staff to achieve projected performance. In *Steps 3.2b* of the BPP, *Figure 2.2-1*, metrics are defined, stretch goals set, and performance projected over time. SMC has established goals to be best in class in all pillar measures.

4.1c(3) Organizational performance review findings are translated into priorities for continuous and breakthrough improvements and opportunities for innovation at multiple levels of the organization. These priorities guide investments in new healthcare services or support mechanisms as well as market expansion. These priorities are also used to identify which initiative should be facilitated by a Lean Six Sigma Black Belt. Priorities are deployed through the monthly President's Meeting to all directors, managers, and supervisors who share the information with their employees.

Information from performance reviews is used by the Project Management Committee (PMC) to prioritize improvement initiatives. The PMC is a cross-functional team and includes all of the Black Belts. Their purposes are to prioritize improvement efforts and make recommendations to

the AEC on these priorities, and then to provide tools or facilitate key improvement initiatives to achieve positive outcomes. To ensure that they do not spread resources too thin, they use a systematic prioritization and selection process for all potential organizational projects. This process uses weighted criteria based on the strategic initiatives, core competencies, pillars, strategic challenges/advantages, and regulatory requirements to ensure their improvement efforts align with strategic imperatives.

Suppliers, partners, and collaborators are encouraged to provide input into and to participate in performance improvement efforts. For example, a recent performance improvement effort to decrease door to balloon time for ST segment elevated myocardial infarction (STEMI) victims required the engagement and participation of key suppliers, partners, and collaborators. Although SMC has the capability to diagnose these patients, they do not have the equipment or expertise to provide treatment. Because minutes matter and the more time that passes, the less likely the patient will have a positive outcome, SMC chartered a collaborative improvement effort to reduce time from arrival at the SMC ED to treatment at Columbus Regional Hospital. The collaboration included local paramedics, the ED at SMC, Columbus Regional Hospital (CRH), and the interventional radiologists. Putting the patient first, these two hospitals and other key stakeholders developed processes and protocols to ensure that patients had the most efficient and effective care. The program, called "Two Hospitals, One Heart," is evidence of a successful collaboration between competitor hospitals. Currently, SMC has a time to balloon of approximately 60 minutes – approaching world-class levels of performance.

4.2A MANAGEMENT OF INFORMATION

4.2a(1) SMC's competitive advantage of technology leadership is one that has been constantly and consistently enhanced through investments in hardware, software, and people. This purposeful approach to excellence has significantly enabled the delivery of the core competency of *Patient First*.

Data and information are managed through compliance policies and procedures. The process of ensuring accuracy, integrity, and reliability begins at the data source by using mature, documented, and reputable resources for attaining information and knowledge. Timeliness and usability of data is essential for patient care. Caregivers expect and require the most up-to-date information about their patients. Additionally, many physicians are at different levels of expertise with computers so assessing the data must be easy. Computers are deployed in all inpatient rooms and physician's dictation areas and are secured so they can only be accessed by authorized users through secure passwords. Caregivers have instant access to patient records and documentation occurs in real time through their electronic medical record (EMR) system. Barcode scanners are used during medication administration to ensure that the right patients are receiving the right medicine with the correct dosage at the right time. Substantial investments have been made in the EMR technology provided by Meditech. The Meditech software is

designed to allow free text input where needed and hard coded data fields where exact information is required to ensure data accuracy and integrity and allow the flow of information to pass from one application to another. Numerous HL7 interfaces to Meditech have been incorporated to allow for easy access to patient information including lab results, images from all modalities, and patient monitoring systems that allow patient information to flow automatically into the EMR. This eliminates the need to reenter vital information from one system into another, thus allowing more time to personally interact with the patient. The EMR is integrated with other care delivery systems as well. For example, Pyxis, the medication dispensing system, allows bi-directional drug information to flow from Meditech to Pyxis and back to SMC. There is also an interface from the EMR to the fetal monitoring software, enabling physicians to read fetal monitoring indicators from any location. SMC continues to plan and implement additional interfaces to improve the accessibility to patient information. Physicians, their offices, and nursing homes in the community are granted remote access to their patient's EMR to provide and enhance the continuum of patient care.

Security and confidentiality of patient information is addressed through multiple forums including education, policies, and procedures and is a key requirement of employment. SMC complies with all HIPAA regulations and adheres to all regulatory requirements. Staff receives annual education regarding HIPAA and all new employees receive this important education at NEO. Employees are required to sign confidentiality statements during pre-employment orientation and annually thereafter.

SMC has strong processes in place to maintain security and monitor unauthorized use of technology. Audits are performed routinely by IT to identify any unauthorized access to medical records. Breaches in confidentiality are dealt with through a progressive discipline process and can include termination of employment. Passwords are issued to protect unauthorized entry into the network. Each staff member is assigned a user name and unique password for Meditech or other software applications. Staff is only assigned the minimum access necessary to complete their work. Firewalls and anti-virus protection safeguards are in place to protect patient information from outside threats.

SMC is vigilant in assessing IT security issues. For example, the new IT Director conducted an evaluation of current processes and identified a need to assess network security of the information systems infrastructure. In response to this evaluation, an information assessment was performed by an external vendor in early 2010 that addressed assessment of HIPAA compliance and to identify any essential weak areas. Opportunities for improvement were identified and an internal action plan was deployed to address high, medium, and low security risk.

4.2a(2) Data and information are made available and accessible for the purpose of continuum of care, continuing education, and efficiency of operations to all members of the workforce. All employees have access to the computer system and the capability to use e-mail. Electronic documentation is

used for both clinical and ancillary departments and is available for use 24/7. Staff Development maintains a classroom and resource center, which houses computers with internet access. These computers are available 24/7 for the entire workforce.

Select vendors have virtual private network (VPN) internet access to various applications on the hospital network. The radiologist group uses VPN access to dictate diagnostic imaging reports for transcription. The transcriptionists use the VPN to transcribe reports from home. SMC uses the VPN to upload encrypted billing information.

In 2008, SMC identified a need through feedback from suppliers, partners, and collaborators to expand the EMR access to external facilities to enhance coordination of care. To address this need, SMC provided EMR access to all area nursing homes, and physicians and their offices. Currently, 100% of their physicians and their offices and area nursing homes have EMR access. This commitment to technology resulted in SMC receiving the "Most Wired Award" in 2008 for most improvement in IT technology and infrastructure.

Medical information is also made available to patients and families. For example, home medications and those administered to a patient during a stay or visit are recorded in the EMR. A copy of this record is printed and used to instruct the patient on further medications to take upon discharge. In addition, radiologic images are printed on discs and given to patients to help avoid the need to repeat exams when patients are referred to other healthcare providers or locations.

4.2a(3) In 2009 following a Baldrige assessment and feedback report from the Ohio Partnership for Excellence, the management, collection, and transfer of knowledge assets were greatly enhanced. SMC adopted the KM Model shown in **Figure 4.2-1**. Six category teams that align with the Baldrige framework and the PMC were formed. Every metric being collected was analyzed to ensure relevance and a centralized metric repository was created.

Figure 4.2-1 Knowledge Management Process

SMC also enhanced how information is being shared at all levels of the organization. Minutes from Board and President's Meetings are deployed to all staff through department meetings. Project tracking forms, dashboards, business/action plans, and scorecards are placed on the hospital intranet and updated monthly. Community folders make improvement and innovation data readily available.

Key process owners (KPOs) were identified, educated, empowered, and held accountable for performance improvement activities and outcomes. This new infrastructure provided the foundation for an effective, systematic approach to knowledge management that ensures organizational data, information, and knowledge is managed and well deployed to all levels of the organization. Each KPO developed SIPOCs and swim lane flowcharts of key processes. KPOs identified possible waste in the process, and defined process boundaries.

4.2b(1) In order to maintain and enhance technology, it is critical that SMC continue to invest strategically. This is accomplished through **EPM Process 8.6 Develop and Deploy Business Solutions**. The IT staff attends both national and regional conferences to review and evaluate new technology and make recommendations for investments in IT.

The Information Systems Steering Committee (ISSC) was formed as a multidisciplinary committee to identify and prioritize organizational projects and to ensure alignment with the hospital's strategic plan. IT leadership provides vision, education, recommendations, and guidance to ISSC. All software and hardware that will interface with Meditech must go through a systematic vendor approval process to ensure compatibility with SMC's software and hardware.

The ISSC works in coordination with the Informatics Council, a multidisciplinary Meditech super user group whose focus is to advance the functionality, education, and access of the health information system. This committee's members have over 180 years of experience at SMC and over 130 total years of experience with Meditech. Together, the ISSC and Informatics council work with numerous task forces throughout the hospital to ensure that both software and hardware systems are reliable, secure, and user friendly. Any changes to the HIS are communicated to stakeholders systematically and in real time through e-mail, meetings, and one-on-one conversations, and again through a quarterly newsletter. Multiple forms of communication and education occur before the "go live" date to the areas that will be affected by the changes. All workforce members including physicians are provided access and training on the system during their orientation training and education.

4.2b(2) SMC has developed and deployed a systematic disaster recovery plan to prevent loss of information and to recover data should damage to the hospital's information system occur. A system backup is automatically executed every night onto tapes. Equipment is protected by a fire suppression system. Tapes are stored in a fireproof/water resistant safe in several locked areas located off the SMC main campus. In the event a file server should fail, the backup tapes will be used to restore data to another file server. In the event of a disaster within the IT data center, an outside vendor will provide access to Meditech information. Redundant access through two separate internet service providers is in place to maintain the availability of patient information and other critical operational data. There is an emergency communication policy that provides guidelines in the event that the telephone or paging system become inoperable or an emergency situation develops. Portable two-way radios are available in all departments

5.1 WORKFORCE ENVIRONMENT

The Leadership System provides the framework for the Schneck People System shown in *Figure 5.1-1*. These two systems integrate leadership responsibilities with human resource processes to support a culture in which an empowered workforce achieves business objectives ethically and safely, while promoting innovation and employee initiative. Key outputs of the SPP, *Figure 2.1-1*, result in **Step ① *Develop and manage HR planning, policies and strategies (EPM 6.1).*** These workforce strategies identify the human resource approaches necessary to support achievement of the SMC strategic objectives. In **Step ②** SMC ensures workforce capability and capacity by ***Recruiting, Selecting, and On boarding (EPM 6.2)*** and by ***Managing Promotion, Reassignments and Separation (EPM 6.5)***. These processes ensure SMC successfully acquires and maintains capable employees who fully understand SMC's priorities and expectations for their performance. It also ensures they have the capabilities to be successful. In **Step ③** leaders ***Develop,***

Coach and Counsel Employees (EPM 6.3) and ***Reward, Recognize, and Retain Employees (EPM 6.4)***. Additionally, in this step SMC ***Ensures Workforce Safety, Security and Wellness (EPM 6.7)***. Through reward and recognition programs, leadership development, and deploying a safe and secure environment, SMC ensures that individuals and teams are supported and recognized for their contributions to the achievement of the Schneck Vision: ***To Be a Healthcare Organization of Excellence…Every Person, Every Time***. In **Step ④** ***Manage employee competency (EPM 6.6.2)*** and ***Provide administrative duties (EPM 6.8)*** SMC assesses the organizational culture through the Employee Opinion Survey (EOS) and assesses individual performance through the SMC Performance Management Process (PMP). Information collected through the EOS provides key input into the SPP and information collected through the PMP provides key information for SMC training needs assessment.
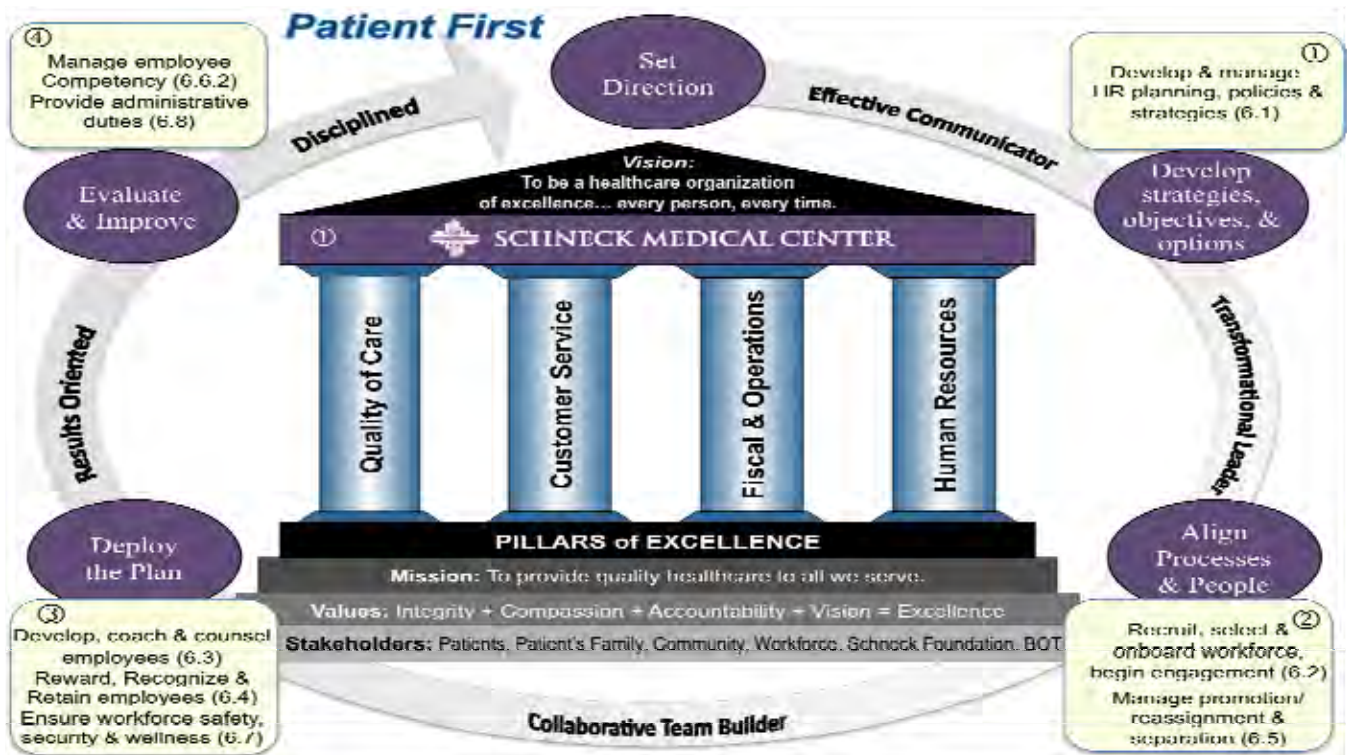
Figure 5.1-2 Health, Safety, and Security Measures
5.1a(1) Workforce Capability and Capacity

Annually, in Step ① of the SMC People System, workforce capability and capacity needs are systematically evaluated during *Steps 1.1a and 1.1c* of the SPP, *Steps 2.1a and 2.1c* of the APP, *Figure 2.1-1,* and continuously throughout the year through the Capacity Planning and Capability Planning Process, *Figure 5.1-2*. As business and technology plans are developed, additional capacity and/or capability needs are identified. Resource requirements from each business plan are aggregated to determine the overall capability and capacity needs required to "change the business." To determine "run the business" needs, annually, each director completes a

workforce-hours budget that defines capability and capacity requirements. As staffing levels and/or capability needs change throughout the year to develop, innovate, or enhance services, the Capability/Capacity Planning Processes ensure the organization meets both the run the business and the change the business requirements.

Assessment of current workforce capability and capacity is done using multiple mechanisms that include peer reviews, Leadership Skills Benchmarking Assessment Tool (LSBAT), leader rounding, regulatory requirement audits, PMP, quality monitoring, skills and competency assessments, and inservice training assessments. This approach to evaluate capability and capacity both strategically and tactically provides the

organization with the flexibility to proactively identify and respond to changing requirements.
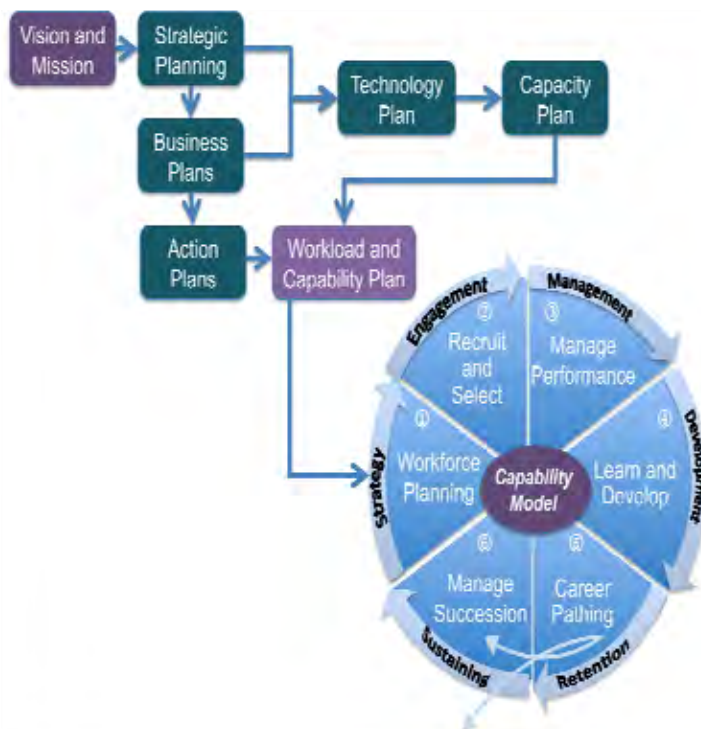
Figure 5.1-2 Capacity & Capability Planning System

5.1a(2) SMC understands the key to providing "quality healthcare to all we serve" begins with recruiting, hiring, and retaining the most service-oriented, technically skilled staff. This is accomplished through *Step ②* of the Capability Model by executing *EPM Process 6.2, Recruit, Select and Onboard*. In 2008, SMC improved the hiring process with the introduction of the Hiring for Excellence (HFE) program. This program defines a step-by-step process for pre-interview, interview, and post-interview that includes team interviewing. HFE interview questions include topics on education and capability to perform the duties required for the position, behavioral questions that assess commitment and ability to collaborate and work with others, and questions about what they want and expect from SMC. All members of an interview team are trained in the HFE process. Orientation for Excellence offers education to the new employee and allows them to connect to their job and the organization. To increase retention of new staff, feedback is systematically obtained from these employees both 45 and 90 days after employment. The SMC preceptor program also focuses on retention through education. Physician recruitment and hiring is accomplished by executing *EPM Process 1.3 Recruit, Engage, and Align Physicians*. Recognizing that it is sometimes difficult to recruit the types of physicians SMC needs to a small, rural community, SMC developed the "grow our own" process. Physician recruiting begins when potential candidates are still in middle school. Each year the hospital holds Career Discovery presentations for high school students. Students interested in going into the medical field are invited to come shadow in the discipline(s) they are interested in pursuing. Scholarships are available and the Physician Recruiter keeps in touch with medical students throughout their education.

Thus far, SMC has successfully mentored, supported, and hired 17 physicians through this unique approach.

SMC's value of integrity drives the commitment to a workplace representative of the demographics of the community. Through the hiring and engagement processes, SMC ensures that individual differences are recognized and respected, people are treated fairly, and all members of the workforce are valued and encouraged to maximize their full potential. This is accomplished through diversity of thought and representation of employee groups in HFE.

5.1a(3) SMC organizes and manages its workforce by structuring jobs around the enterprise model, including clinical and nursing divisions and administrative/support departments. The management of workflow is accomplished through the Leadership structure, a multidisciplinary approach, and through the use of house-wide and department-specific policies, procedures, and protocols, all of which place the *Patient First* in every decision made. Teamwork is vital to the organization's ability to manage and organize their work. To leverage the core competency of *Patient First* and to support the key processes of the organization, a culture of open communication, collaboration, and empowerment is fostered through continuing education and training that begins on the first day with SMC and through accountability linked to measurement of performance. To engage and empower the workforce, multidisciplinary teams are often used to assist with organizational decisions. The Nurses Improving Care to Health System Elders (NICHE) and Falls teams are strong examples of multidisciplinary teams that have resulted in an engaged and empowered staff. Approaches to organize and manage are deployed to all workforce members including employees, physicians, volunteers, and students.

To reinforce patient, stakeholder, and healthcare focus, the mission and vision of the hospital are organized and communicated through the four pillars of the Culture of Excellence, *Figure P.1-1.* The pillars are the strategic focus of the organization and are at the forefront of every decision that is made to ensure that the integrity of the pillars are maintained and strengthened. Performance goals in each pillar define excellence that is linked to the mission, vision, and strategic direction of the hospital. Strategic challenges and advantages are considered when indicators are selected and action plans developed and deployed. Leadership ensures an engaged and high performing workforce through the alignment of organizational, divisional, departmental and individual goals based on these indicators. This results in accountability for each workforce member and enables them to have a clear understanding of how they contribute to the achievement of organizational goals. The SMC team-based culture leverages the diverse ideas, cultures, and thinking of the workforce.

5.1a(4) SMC has a transparent and collaborative culture that enables them to communicate and prepare the workforce for changing capability and capacity needs. Employees are encouraged and empowered to participate in planning, evaluating, and implementing new or revised plans. Each DD completes a man-hours budget annually at SMC based on their current and future operational needs. This budget drives their FTE utilization and allowance for the year. Within this

budget, allowances are planned for any new services that are projected at budget approval. Any additions to that budget throughout the year are reviewed for approval by the respective VP and the CEO. A position justification is completed for any new position that is added to the budget. This process allows the organization to closely monitor the man-hours budget.

While each hospital with whom SMC competes had significant layoffs over the past two years, Schneck took an intelligent risk to preserve jobs while maintaining the core competency of *Patient First* through disciplined budgeting, staff planning, and attrition. No leadership pay increases were made, benefits were reduced, and no incentive pay was given. These changes were openly shared with the workforce and resulted in SMC avoiding layoffs while improving overall workforce satisfaction, engagement, and quality of care.

When changes are necessary, SMC proactively prepares their workforce for changing capability and capacity needs by involving them in strategic and business plan development and keeping them informed. For example, in 2010 when SMC experienced declines in revenue, SLs were transparent in sharing the financials and census monthly with the entire workforce. Visibility of the financial performance and open communication of next steps needed if defined thresholds were breached strengthened the culture as everyone worked together to curb expenses and avoid layoffs. By year end, SMC exceeded projected net profit and preserved jobs through the diligence of staff to conserve resources. The transparency of all information, including financials, has been an important component in engaging and empowering staff.

5.1b(1) Workforce Climate

Factor	Performance Measure	Goal	Cat 7 Result
Health	Working Well outcomes	Improvement	7.3-8
	Unscheduled PTO	5% decrease	AOS
	Voluntary flu/vaccinations	78%	7.3-7
	Injury prevention/safe lifting	100%	100%
	Respiratory protection screens	100%	100%
Safety	Injury rates per year	10% decrease	7.3-4
	Lost time–work injury/illness	20% decrease	7.3-5
	Annual education	100%	100%
	1st day department safety training	100%	100%
Security	Routine safety checks	90%	AOS
	Safety incidents	10% decrease	AOS
	Fire alarm testing	100%	100%

Figure 5.1-2 Health, Safety, and Security Measures

5.1b(1) SMC ensures workforce health, safety, and security through defined, systematic processes that include four multidisciplinary Safety Committees that focus on different aspects of safety for the organization and the community. These committees meet monthly to address both internal and external safety issues. Monthly safety rounds are completed and all departments, including non-clinical departments, are held accountable to adhere to organization-

wide and regulatory safety standards. Safety drills, *Figure 7.1-33,* are coordinated by Risk Management and conducted each year and include first responders (EMS, Fire, Police, etc.) and members of the community. Safety training begins on the first day of orientation for all new members of the workforce and is repeated annually during the health education fair. In 2008 an employee health nurse position was added. This position is responsible for employee health and safety training, and coordinates and provides an annual free-of-charge health screening to employees, volunteers, and spouses. The health screening provides feedback to encourage individuals to become more proactive in improving their overall health. Other initiatives include free flu vaccines, TB testing, various wellness opportunities and education, and a free employee fitness center for staff and their spouses. The Employee Health Nurse also provides guidance to employees regarding the management of any chronic illnesses. *Figure 5.1-2* lists the measurements used to gauge performance of the various health and safety programs.

5.1b(2) Workforce Policies and Benefits

The workforce is supported by policies, services, and benefits that encompass not just the employee, but their family members as well. This comprehensive benefit package, one of the best in the state of Indiana, offers benefits and policies that are flexible and can be tailored based on employee preferences and needs. The addition of a second health insurance plan with a hospital-funded HSA account was tailored particularly to employees who do not have many expenses. Additionally, many of the other benefits have different levels of coverage based on position or status (FT versus PT, exempt versus non-exempt, etc.) SMC has many policies that support work-life balance including flextime, weekend options, premium pay practices, Tender Care, and job sharing. Based upon a comprehensive benefits evaluation, in 2010, an on-site pharmacy was added. This improvement in benefits has been a huge employee satisfier and has resulted in substantial savings for both employees and the organization, *Figure 7.3-10*.

5.2 WORKFORCE ENGAGEMENT
5.2a(1) Workforce Performance

5.2a(1) SMC identifies the key factors that influence workforce satisfaction and engagement through a variety of formal and informal approaches, including the listening and learning methods identified in *Figure 3.2-1*. The information is aggregated and is used as an input to the SPP. To determine factors for various workforce groups, information captured in the biannual Employee Opinion Survey, annual RN Satisfaction survey, Volunteer Survey, and Physician Survey are segmented by departments, position title, shift, tenure, gender, and age. These surveys contain standard questions focusing on various attitude areas including job satisfaction, senior leadership, department directors, immediate supervisors, communication, HR policies, pay, benefits, job security, development, physical work environment, teamwork, work demands, resource utilization, participation, and performance management. Additionally, SMC determines key factors using survey items that are statistically determined to be predictive of workforce engagement.

5.2a(2) Through the various approaches described in

Step ③ of the SMC People System, leaders foster cooperation, effective communication, and skill sharing. These approaches are executed through the EPM processes 6.2, 6.3, 6.4 and 6.5 (details available on site).

The AEC sets the standard for open communication. All members of the AEC are both approachable and acceptable. Gary Meyer holds a monthly President's Meeting during which he shares information from board meetings and current operational performance (including financial information), and updates all leaders on improvement efforts. Leaders then share this information with their staffs. The AEC deploys a variety of communication approaches as shown in *Figure 1.1-3* to ensure effective-two way communication.

Leaders have set high expectations through the SMC Standards of Behavior that are derived from the SMC values. Employees are required to attend training on these standards and also sign a commitment to make these standards a priority of their work. Leadership further ensures an engaged and high performing workforce by aligning each employee's goals with the SMC goals. While leaders had systematically evaluated employee performance for many years, in 2007, the process was improved to align employee performance through individual strategic goal setting. This process guides employees in setting goals for themselves in each of the four pillars that align with departmental goals that are in support of organizational goals. This results in accountability for each employee and enables each employee to have clear understanding of how they contribute to the achievement of organization-wide goals.

The SMC team-based culture leverages the diverse ideas, cultures, and thinking of the workforce. Teams range from natural work groups, to cross-functional problem solving teams, to multidisciplinary teams who address specific patient or operational issues. This approach both engages SMC's workforce and capitalizes on the diversity of experience and opinion.

To further enhance the organizational culture, in 2010 the VP of Human Resources formed an Employee Advisory Committee made up of individuals that represent all demographics of the workforce including all levels of responsibilities. The committee meets routinely to encourage open two-way communication so the organization has the opportunity to benefit from the diverse thinking of their workforce.

5.2a(3) SMC executes **Step ④** of the People System, ***Manage Employee Competency (EPM 6.6.2),*** through the performance management process (PMP), ***Figure 5.2-1***, placing patients and families at the core by evaluating not only technical skills performance but linking 25% of compensation to evaluation scores for customer service behaviors. The current PMP was developed in 2005 by a multidisciplinary team. This team focused the improved process on the areas of service excellence, objectivity, and personal accountability. Employees assisted in developing the position accountabilities for their particular job, defining measurable, objective categories for evaluation. The team then worked to develop an enhanced customer service section which incorporated the Standards of Behaviors as well as AIDET. These revisions have allowed the employees to more fully understand what is

expected from them and provides them with clear definition of how they can meet and exceed these goals.

5.2b Assessment of Workforce Engagement

5.2b(1) Workforce engagement and workforce satisfaction are assessed through a variety of approaches. Primary processes include the EOS and nurse, physician, and volunteer satisfaction surveys. These provide both satisfaction and engagement results and allow the organization to focus on areas for improvement identified directly from the workforce. In 2009 the Integrated Healthcare Strategies (IHS) EOS was supplemented with the state and national Best Places to Work survey. SMC was recognized in the top 50 Indiana's Best Places to Work in both 2009 and 2010.
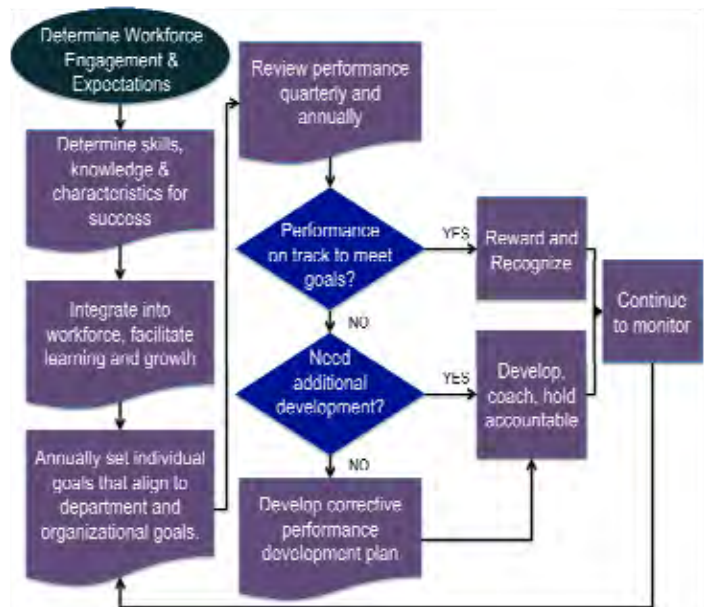
Figure 5.2-1 Performance Management Process

In addition to survey approaches, retention, absenteeism, grievances, safety, and performance results are also monitored and analyzed routinely to assess workforce engagement. These results are reported to the BOT, Leadership, and staff systematically throughout the year. If there is an indicator that is trending negatively, further investigation is performed and, depending on the findings, a task force may be assigned or changes in practices made. Aggregated findings and results from all these approaches provide a key input into the SPP. *Figure 3.1-1* identifies the methods of listening and gauging workforce satisfaction.

Using the IHS national database, SMC is able to evaluate performance compared to thousands of other healthcare organizations. All results are aggregated and key themes are shared with AEC and the entire organization, and formalized action plans are completed for each department to address performance issues. EOS results are shared with staff in formal organization-wide and department-specific meetings. Feedback is encouraged during these meetings to address issues identified in the EOS. Follow-up meetings are conducted regularly by the Leadership Team to communicate improvements as a direct result of the EOS feedback. Nursing surveys are administered by NDNQI, allowing the nursing

division to compare itself to nursing organizations throughout the nation. Nursing DDs discuss the aggregated SMC data as well as department-specific information with their staff and action plans are developed. This data is also shared in the UBC and NPC. Similar approaches are used to address findings from both the physician and volunteer surveys.

5.2b(2) Results from the EOS and other workforce surveys are correlated with business results to identify opportunities for improvement and assess workforce engagement by the VP and Director of HR on an annual basis. Business results that are reviewed include retention rate, grievances, absenteeism, and safety. Any opportunities for improvement are fed into the SPP and APP under the human resource pillar for review and consideration based on a systematic process to prioritize and select action plans based on the strategic direction of the organization.

5.2c Workforce and Leader Development

5.2c(1) In **Step ③** of the People System, through EPM 6.3 ***Develop, Coach, and Counsel Employees,*** leaders ensure the workforce capabilities to deliver the Culture of Excellence (COE). A systematic learning and development process is executed to determine needs, deliver learning/development, and assess success. In **Step ①** a comprehensive needs assessment is conducted using a wide range of key inputs to determine training needs. Using these inputs, in **Step ②,** plans are developed at the organization and department levels, and specifically for the nursing discipline. All plans focus on delivering the core competency of *Patient First* and achieving the mission, vision, and strategic objectives. Once the plans have been aligned, the AEC in **Step ③** ensures that training meets all regulatory requirements, provides skills necessary to achieve strategic objectives, and provides opportunity for continuing individual growth. In **Step ④,** once priorities are established, the decision is made to resource the training with internal or external resources, external vendors are selected, and training calendars are built. Once finalized, the Staff Development Department champions the effort of deploying the annual organization-wide training plan throughout the organization. The training calendar is made available to all staff and published on the hospital intranet. Training is delivered in **Step ⑤** through a rich menu of options to meet the diverse needs of the workforce. These delivery mechanisms include: orientation programs, classroom training, one-on-one training with preceptors, skills fairs, annual education fair, self-study, drills, intranet and web-based programs, and NetLearning. Learning is assessed in **Step ⑥** of the process to ensure effective use of resources and positive learning outcomes. Examples of training programs are shown in *Figure 5.2-2*.

SMC's AEC believes that highly competent leaders are a key to satisfied employees, which in turn are key to successfully meeting Schneck's organizational goals. In the EOS of 2005, leadership development was indicated as an area for improvement. Following receipt of this feedback, the AEC developed a business plan (Advancing Leadership Skills) with the objective of preparing and equipping leaders at all levels with strong skills in these three areas of communication, teamwork, and creating a results-driven culture. SMC

partnered with the IUPUI Executive Education Program to develop a comprehensive leadership development curriculum to strengthen leadership skills. This program was designed as a year-long one-day-a-month university program named the SMC Management Institute. All leaders in place in 2005 participated in the program and as new leaders are selected, they must attend the SMC Leader's Institute. Upon completion of all program requirements, each staff member receives a Health Care Manager Certificate. Currently, 96% of the SMC management team has completed this program.

Focus Area	Learning and Development Approaches		Audience
Patient First	AIDET CPR PALS Disaster Plan Safety/Risk	ACLS Education Fairs Unit Competencies VHA Collaboratives	Employees, Physicians, Volunteers
Licensure & Certification	Governance Institutes IHA Meetings	VHA HR Group NRP INCC	Employees, Physicians, BOT
Process Improvement & Innovation	Black Belt Certification Project Management Discipline VHA Collaboratives Simulation Lab		Employees, Leadership Process Owners
Ethical Health Care and Business Practices	HIPAA Corporate Compliance VHA Coding Conferences Hospice Conference Diversity Bariatric Patients		Workforce Suppliers & Vendors
Orientation	NEO NNO Customer Service AIDET	New Physician Orientation Department Orientation	Workforce Physicians Volunteers
Leadership	Leadership Retreats National Conferences VHA CEO, CNO, CFO groups Preceptor Training Transformational Leadership **SMC Management Institute Programs** • Improving Productivity through Time & Meeting Management • Management Styles, Impacts & Implications • The Art of Successful Interviewing • Human Resource Issues • Quality Tools • Coaching Employees for Continuous Performance Management • Managing in a Changing Work Environment • Meaningful Conflict Management • Dealing with Difficult People • Financial Management for Non-Financial Managers • Becoming a Star Performer • Teamwork in Action		Leaders, Potential Leaders, Employees

Figure 5.2-2 Training Programs

To further strengthen leadership, a semi-annual peer evaluation was developed where DDs complete an online assessment of other DDs, rating them on nine specific work

behaviors and abilities. Aggregate score summaries from this assessment tool have continued to show steady improvement since the program began. The director's score is shared with his/her VP so together they can develop an education plan that seeks to improve the weaknesses. Tuition reimbursement and training policies assist employees in acquiring knowledge and skills for current and future positions.

Knowledge transfer from departing or retiring employees is accomplished through multiple approaches. Process knowledge is captured through the Key Process Management Approach, *Figure 6.2-2,* where they document processes through flowcharting, policies, and procedures. This information is shared with the workforce through process documentation, work instructions, and on-the-job training. Significant cross-training is accomplished so that knowledge is not one person deep. Additionally, knowledge sharing occurs through programs such as the Director & Manager Orientation. This program provides preceptorship by another director and the completion of a Director and Manager Visit Schedule. This requires the new director to have a meeting with other DDs in order to provide critical organizational knowledge and an understanding of how all departments function in support of the mission. The final visit is with the CEO so the new employee can directly ask the CEO any questions they may have about the organization. This program has been so popular that SMC is now in the early stages of deploying a similar program for department managers. When possible, a new employee is hired prior to the actual departure of the employee they are replacing so that knowledge can be directly transferred from the departing employee to the incumbent.

New knowledge and skills are reinforced on the job through multiple approaches including competency demonstrations, visual aids, buddying, and a formal preceptor program. Preceptors are qualified staff members who have attended a full-day training program to learn the responsibilities and expectations for their performance.

Through 45-day feedback, quarterly and annual performance review, rounding, and open two-way communication, the workforce is able to identify and discuss their learning and development needs with their supervisor. This information is used as a key input in the first step of the Learning and Development Process in the development of learning plans.

5.2c(2) In **Step ⑥** of the Learning and Development Process (available on site), the effectiveness of training is evaluated on several levels. SMC develops training using the IMPACT model. This approach recognizes that effective learning depends overwhelmingly on the support provided before and after training. The IMPACT Model provides an opportunity for follow-up through rounding, open two-way communication, and course evaluations and surveys. Exit evaluations are completed at the end of all courses to provide learners an opportunity to provide immediate input and for instructors to make appropriate changes to course content and flow. They also evaluate and measure the training results by pre- and post-testing, inputs and data from performance evaluations, EOS, turnover rates, exit interviews, Press Ganey scores, and adherence to organizational standards.

5.2c(3) SMC uses a variety of formal and informal approaches to ensure career progression and succession planning including mentoring, opportunities for skill building and participation on teams, and internal promotions. SMC is dedicated to providing growth opportunities for all members of the workforce. Leaders mentor workforce members, and opportunities for growth and development are identified through annual performance reviews. Many of the current leaders have been "grown" here at Schneck through the tuition reimbursement program, PNPP, and the Leadership Institute. All workforce members have the opportunity to improve their skills through training, mentoring, precepting, and conference/seminar attendance and can transition that knowledge to additional roles and responsibilities within the organization. As employees obtain additional skills and formal training, their files are updated and they are considered for future openings first before they seek candidates outside of the organization.

A formal clinical ladder known as the Professional Nurse Practice Program (PNPP) engages nurses in professional practice, performance improvement, and professional development. The program recognizes expert bedside nurses for excellence while offering a financial incentive to remain at the point of care, bedside. The PNPP allows three separate tracks for the nursing staff's career progression. They can choose the leadership track, research, or clinical. These three tracks allow the nurse to progress in the manner of their choosing, all important roles in improving outcomes for patients.

To address the strategic challenge of workforce shortage due to the aging population, SMC is providing additional training incentives to nurses that enhance their training choices. The career ladder programs help move nurses quickly into higher placements with better pay. This program emphasizes flexibility and peer support, and acknowledges need for work-life balance. Many of the courses/classes are provided on weekends, in the evening, and through day or afternoon classes, plus many can now be taken online or through distance education facilities.

Each member of the AEC has a succession plan that lists the characteristics and capabilities that are desired for each of their positions. The AEC prepares potential successor candidates through coaching, mentoring, and making available multiple learning and professional development opportunities. AEC implemented an executive compensation development plan that aligns director goals with those of the organization's SP and the goals of their respective VPs. This new process ensures each director's vision and focus is aligned with that of the AEC for a smoother transition into the executive level for DDs if the opportunity should present itself. In addition, each management employee has received the distinction of Certified Healthcare Manager from the Indiana University School of Environmental and Public Affairs, again providing continuity of ideas and philosophies from one level of the organization to the next. This program was brought on site so that all DDs, managers, and supervisors could attend this course together. This allowed a tremendous amount of teambuilding to occur within the leadership team. All newly hired DDs, managers, and supervisors also attend this course.

6.1 WORK SYSTEMS

6.1a Work System Design

6.1a(1) The AEC designs and improves the work system to meet and exceed patient and other key stakeholder requirements, to enable the execution of their vision **To Be a Healthcare Organization of Excellence…Every Person, Every Time,** and to deliver their core competency of **Patient First.** Work system design decisions are made by AEC during the **Step 1.3, Align Processes, People, Deploy through Business Plans** of the SPP, **Figure 2.1-1.** In this step the AEC 1) incorporates feedback from multiple stakeholders including patients, suppliers, partners, and market sources, 2) conducts an assessment of internal capabilities and capacity, and 3) evaluates past performance. Using this data, the AEC 4) evaluates the effectiveness of the current work system, and if necessary, 5) makes appropriate changes.

The SMC work system has been through multiple cycles of refinement. In the latest cycle of refinement in 2008, the AEC expanded the work system to incorporate key suppliers, partners, and outsourced vendors through sharing of key strategies, goals, and measures. The work system, **Figure 6.1-1**, defines the structure through which they accomplish their Business Strategy, Goals and Objectives. The SMC workforce, key suppliers, partners, and collaborators deliver services through the healthcare processes to their customer segments. Information and measures are captured at the process level, patient segments, and service level and are reviewed and analyzed as described in Category 4. Information from these assessments is used as key inputs into the SPP and helps the AEC identify the need to modify the work system.

Figure 6.1-1 SMC Work Systems

Recognizing that SMC's Core Competency is what sets the organization apart from competitors, the organization developed its Enterprise Process Model (EPM), available on site, that defines the key processes necessary to deliver the organizational core competency. Based upon a best practice from Boeing Aerospace Support, a 2003 Baldrige recipient,

the EPM is the framework used to identify and show the interconnections of the organization's top-level processes. The EPM consists of eleven process families that contain several process levels within each family. During the SPP, the AEC reviews and if necessary refines the EPM to add processes that may be necessary to deliver **Patient First** products and services. During the SPP, the AEC also identifies key processes—those most important to providing extraordinary service, delivering healthcare services, or achieving their strategic objectives. These key processes are updated annually in **Step 1.3** of the SPP, **Align Processes, People, deploy through Business Plans**. SMC capitalizes on their core competency of **Patient First** through full deployment of these systematic processes that ensure a consistent and predictable experience for their patients and other key stakeholders. SMC's approach to delivering on their core competency of **Patient First** is defined in **EPM *2.1 Understand markets, customers, and capabilities*** and in **EPM *1.2.4 Ensure Customer Service***. Once defined, the approaches are deployed to all elements of the work systems through **EPM *6.3 Develop, Coach and Counsel*. EPM *8.6 Develop and Deploy Business Solutions*** ensures that they maintain and enhance their competitive advantage of Technology Leader. SMC also capitalizes on these strengths through the sharing of best practices across the various services and functions within the work systems.

SMC outsources processes when the process is not found to be critical to delivering the Core Competency or when the process can be delivered more efficiently or effectively by an external vendor. Through the selection process, they ensure that their outsource vendors will deliver expected levels of service to ensure the experience is a positive one for the patient and their families.

6.1a(2) Work system requirements are developed in collaboration with key leaders for each of the key work systems. Through ***EPM 2.0 Assess, Develop Health Services and Market,*** 1) data are analyzed to help determine SMC healthcare service offerings and its work systems through which the services will be offered. 2) Customer requirements are captured through VOC processes described in Category 3 including the Community Needs Assessment and Press, Ganey and other patient survey tools, and through the Patient Advisory Committee. 3) During the SPP and APP, the AEC translates these customer requirements into work system measures as reflected in SMC pillars. 4) Process owners then align their process measures to deliver the stakeholder requirements and achieve the work system measures. Patients and other key stakeholders expect SMC to deliver world-class levels of performance.

6.1b(1) As shown in **Figure 6.1-1**, SMC's work systems are Health Care Delivery, Service Delivery, Human Resource Services, Financial Services, Information Technology, and Facilities/Equipment Services. SMC leaders manage the work systems through defined processes, policies, and procedures and evaluate the performance of the work system through the Performance Management Process shown in **Figure 4.1-1**. Policies and procedures guide these leaders in decision making to ensure excellence. Work system performance is monitored through a consistent set of metrics developed to evaluate the effectiveness of the organization in each of these

areas. Each director has a defined set of measures they continuously monitor at all levels of the organization to ensure success and sustainability. During the reviews, if projects or indicators on the operational dashboard are not performing as predicted, the appropriate VP will work with key process owners to analyze the data and make necessary changes as needed. Work systems are improved through disciplined deployment of DMAIC. In the control step of DMAIC, continued and frequent monitoring occurs until acceptable performance levels are achieved and sustained. As part of the improvement approach, leaders determine benchmark performance and establish goals to achieve world-class performance levels.

6.1b(2) SMC controls overall costs through multiple approaches. The budgeting process provides a standardized approach for managing the fiscal efficiency of the hospital and increasing accountability for all leaders. All departments go through the budget process yearly to plan and prepare for the upcoming year. Inputs into this process include feedback from customers both internal and external to identify needed changes or enhancements to services. Department budgets roll up into the overall budgets of the four divisions. To ensure budget adherence, each department submits a monthly variance report explaining any variance exceeding budget. This report is reviewed with the administrative team and again at the BOT level.

Process owners monitor in-process measures on a daily, monthly, or quarterly basis to proactively identify opportunities for process efficiencies. For example, to ensure patient safety, the percent of medications scanned is closely reviewed. All variances are reviewed by the pharmacy and shared at the quarterly medical staff and nurse/pharmacy committee meeting.

Results are also closely monitored on the regulatory dashboard. Opportunities for improvement are analyzed and action plans are developed and implemented for any deficiencies. Conducting internal audits and compliance reviews to provide early detection of errors or safety concerns further reduces rework and errors.

Standardization and variation reduction is also used to control costs. Policies and procedures are standardized within the systems, evidence-based standards are established, and new technology and automation are integrated into process design to promote consistency and improve cycle time. "Bundling" has been deployed to reduce the potential for errors through decreased complexity and variation. Care bundles in place include ventilator, central line, and sepsis.

6.1c SMC plans for and ensures workplace preparedness for potential community-related disasters and emergencies such as pandemic influenza, natural disasters, or organization-specific disasters such as loss of power through a defined, systematic approach. SMC's approach addresses: 1) Risk Prevention and Mitigation, 2) Workplace Preparedness, 3) Management/Continuity of Operation, and 4) Recovery.

Risk Prevention and Mitigation starts with a 1) comprehensive assessment of potential risks and analysis of risk probability. Following completion of the risk assessment, 2) plans are developed to address each potential type of disaster or emergency that could occur. SMC's approach to prevention and mitigation is comprehensive and addresses

areas such as infection control, potential pandemics, and natural disasters. The SMC Infection Control Preventionist chairs the Emergency Preparedness Taskforce and identifies jobs with risk of exposure to communicable diseases and develops control precautions and procedures, including a system for infection surveillance and reporting. The Preventionist also participates in and helps plan community emergency preparedness efforts.

For example, to address the 2009 risk of an influenza pandemic, SMC offered community flu vaccines and provided a variety of education on H1N1. SMC partnered with members from the local, state, and national levels for this education effort to both the community and to the SMC workforce. The County Health Department and SMC employees partnered to conduct weekly education.

Workplace Preparedness is addressed through the Emergency Disaster Plan that articulates specific processes, response guidelines, and involvement of groups external to SMC. Drills are conducted routinely involving SMC and local fire and police units with a comprehensive evaluation of drill effectiveness and development of action plans to address any problems identified during the drill. SMC experienced a cycle of refinement following the most recent successful Joint Commission survey. The surveyor recommended enhancing the fire drills conducted at the hospital by updating the fire drill tool to include better communication with the fire department. Her recommendation was implemented, resulting in SMC being able to ensure at any point in time that the fire alarm system is functioning at full capacity.

The Emergency Disaster Plan also provides directions on when to evacuate a patient, how patients will be evacuated, and where to evacuate. SMC has mutual agreements in place with external entities that describe how patient care will be provided at offsite locations. All hospital leadership has received education regarding disaster planning and evacuation. Staff has been educated on disaster drills and is familiar with maps, signage, and evacuation in the event of an emergency. A live test of the plan and education occurred during the 2008 flooding and temporary closure of Columbus Regional Hospital (CRH). SMC experienced a sudden and unexpected influx of patients as CRH began to evacuate their hospital. The disaster plan was implemented and as a result SMC was able to handle the surge and maintain outstanding clinical and service outcomes. SMC partnered with CRH to employ their physicians and care givers allowing the organization to immediately meet the need for increased capacity. SMC deployed a rapid credentialing, orientation, and education process for CRH physicians and care providers to ensure continuum of patient care.

Management and Continuity of Operations. The Emergency Disaster Preparedness policy includes processes to ensure management and continuity of operations in crisis events such as natural disasters, internal system failures, or community-wide disasters. SMC has department-specific procedures to respond to an interruption of service. For example, if the computer system is not functioning, paper processes are in place for clinical staff to document patient care, order approved testing, and communicate results. In the event of a disaster, the medical staff department has developed policies and procedures to allow for emergency privileging of

physicians and staff that will meet Joint Commission and CMS regulations. IT response and recovery is ensured through policies that define priorities and procedures for restoring facilities, systems, and services in an emergency.

Recovery. To ensure organizational sustainability through and following a disaster, SMC maintains a strong cash position, which allows the hospital to function without the need for a line of credit. SMC maintains a business interruption insurance policy to assist in the event of a disaster. In addition, the hospital participates on the committee regarding bioterrorism grants and SMC maintains the district funds for bioterrorism.

6.2 WORK PROCESS DESIGN

For many years, SMC deployed the Plan, Do, Study, Act (PDSA) approach that is generally used in healthcare organizations to design and manage processes. In 2008, the AEC committed to using the Baldrige framework to enhance their overall approach to performance excellence and help them achieve their vision. Since Indiana does not have a state Baldrige-based program, the AEC reached out to their Ohio neighbor to determine if SMC could participate in their program. While not eligible for the Ohio state award, the Ohio Award for Excellence program agreed to conduct a full assessment complete with application review and site visit. The assessment provided significant learning. While SMC had excellent overall performance, some of the approaches were not deployed in a systematic way and workforce had a difficult time articulating what they did to the examiners. SMC believed that this gap limited their ability to share best practices and learn from each other. The AEC committed to use the assessment feedback to take the organization from "good" to "great." They have made significant investments to provide the workforce with the tools and processes to achieve this goal and tremendous improvement has occurred.

One of the key opportunities identified in the Ohio assessment was the need to develop a more systematic approach to process design and management. The AEC explored various tools, consultants, and approaches and committed to two key investments. The first was a commitment to develop internal capabilities in Lean Six Sigma. SMC partnered with a local community college to train seven SMC employees in the Lean Six Sigma methodology. These seven employees, including their VP of Nursing Services, participated in training over a six-month period and each achieved Lean Six Sigma Black Belt national certification. The second investment was to work with an experienced Baldrige coach to help the AEC refine their leadership processes, share benchmarking from former Baldrige recipients, and mentor them on their journey.

6.2a(1) SMC uses the Lean Six Sigma methodology to design, innovate, and improve work processes to meet all key requirements. Through the systematic DMAIC approach, a project team analyzes and incorporates new technology, organization knowledge, and external best practices into the process design. DMAIC process detail is available on site.

DMAIC was recently used in deploying the Cardiovascular Business Plan. A cross functional SMC team was joined by employees from the Jackson County EMS and from Columbus Regional Hospital to design new processes that would improve performance for AMI patients. The

project specifically focused on reducing cycle time in identification, stabilization, transport, and treatment of these critically ill patients, thus improving patient outcomes *Figure 7.1-38*. As a result of this new process, door to balloon time is now meeting world-class levels of performance. This project is currently in the control phase to ensure that performance can be sustained.

Figure 6.2-1 DMAIC

Key processes are designed to meet stakeholder requirements. In-process and outcome measures are defined for each process, and are tracked and used to evaluate the efficiency and effectiveness of processes. Performance dimensions such as safety, cycle time, productivity, and cost control are incorporated into process design and monitored through process measurement reviews.

6.2a(2) As part of *EPM 1.2.2 Ensure Quality*, SMC captures process requirements through the Key Process Management approach, *Figure 6.2-2*.
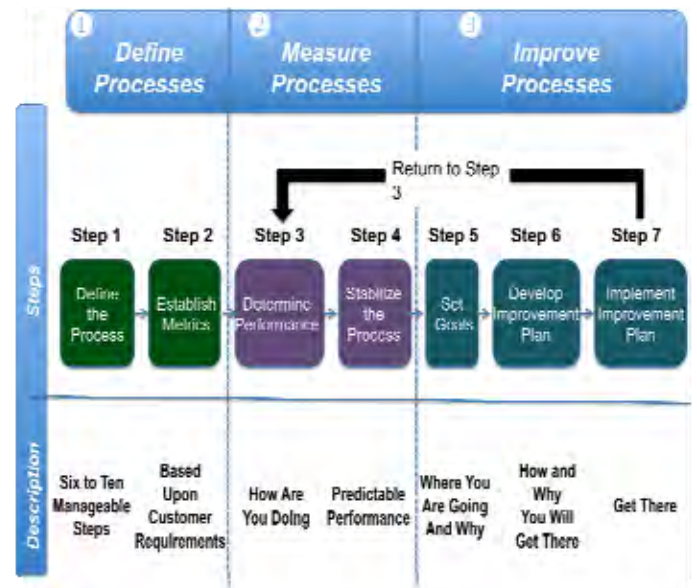
Figure 6.2-2 Key Process Management

In **Step ①** – *Define the Process*, process owners complete a Supplier-Input-Process-Output-Customer (SIPOC) in which they define key stakeholders who may be internal customers, external customers, suppliers, or partners. Once the SIPOC

has been completed, work system leaders identify, capture, and prioritize stakeholder requirements based upon internal knowledge. They validate internal knowledge with tools such as customer surveys, community focus groups, regulatory recommendations and audits, legal requirements, performance benchmarking, and industry research. Through synthesis and analysis of this information, a balanced set of requirements is identified and translated into process performance measures in **Step ② – *Establish Metrics***.

6.2b(1) Key processes are the major components of the SMC work system and are actively managed and updated as needed to meet the needs of patients and to solidify the core competency of *Patient First*. This approach ensures that the organization has ability to adjust to changes rapidly. Their approach to process management has also gone through a significant cycle of refinement over the past year. The AEC benchmarked past Baldrige recipients and adapted process management approaches from several past recipients into the SMC Key Process Management (KPM) approach. As part of this refined approach, the AEC defined their EPM, selected key processes in a much more systematic approach than used in past years, identified process owners, and invested in KPM training for all process owners.

While many of the key processes were already performing at world-class benchmark levels, the AEC made the decision that the KPM methodology would be applied to all key processes to ensure a standard, systematic approach to process management. A KPM workshop was presented for all process owners to train them in the methodology, and their seven Six Sigma Black Belts and their consultant have facilitated the process owners as they complete each step of the KPM methodology. In **Step ①,** the team (1a) defines the current "as is" processes through flowcharting, (1b) articulates key process customers and stakeholders, collects their process requirements, and defines key outputs through the SIPOC approach and (1c) makes "just do it" improvements and defines the key steps in the process to meet stakeholder requirements through swim lane flowcharting.

In **Step ②,** the team Identifies and Selects Outcome Measures, Identifies and Selects In-Process Measures, Identifies Process Control Points, Develops and Validates Measures, Establishes Process Metric Charts, Obtains Customer Agreements on Metrics, and Establishes Minimum Acceptable Performance Levels. This step involves process customers, suppliers, partners and collaborators to define requirements and determine in process and result measures. Once process-specific measures are defined and prioritized these measures are used by the suppliers and process owners to evaluate overall process performance. In **Step ③** owners Monitor and Review Process Performance, Analyze Process Performance, and Determine Current Process Average and Range. Once process performance is stable, owners set goals for performance through **Step ④.** When processes are not performing at goal, BPM **Step ⑤** is executed using the approaches described in Item 6.2c. The measures for key work processes are identified in *Figure 6.2-3.*

Work System	Key Process	Examples of How Process Contributes	Sample Process Requirements	Sample Process Measures	Cat. 7 Result
Leadership System	1.1 Perform Strategic Planning	• Organizational Sustainability • Customer Loyalty	• Proactive • Fact-based • Effective	• Growth • Value-based purchasing	7.5-10—18 7.1-1 & 2
	1.2.1 Deliver Organizational Excellence	• Quality Care • Positive Corporate Image • Operating efficiency	• Timely • High Quality • Patient Loyalty	• Core Measures • Value-based Purchasing • Operating Efficiency	7.1-20—32 7.1-1 & 2 7.5-6
	1.3 Recruit, Engage and Align Physicians	• Physician Engagement • Organizational Sustainability	• Quality • Alignment	• Physician Engagement • Physician Survey Results	7.3-16, 17 7.1-37
	1.6 Ensure Legal, Ethical Behavior	• Organizational Sustainability • Patient Satisfaction	• Effective • Timely	• Ethics/Compliance Issues • Financial Audit Results	7.6-13 & 14 7.6-6
Healthcare Work System	2.0 Assess, Develop Health Services & Markets	• Patient Engagement • Organizational Sustainability	• Effective • Patient-centered	• Market Share • Focus Area Revenues	7.5-10—18 7.5-9
	3.0 Provide Access to Health Care	• Patient Satisfaction/Loyalty • Operational efficiency	• Timely • Appropriate	• Turnaround Times for Scheduling	AOS
	4.0 Deliver Health Care	• Reputation • Sustainability • Stakeholder Satisfaction/ Engagement	• Positive outcomes • Safety • Efficient	• Core Measures • Safety measures • Satisfaction/Engagement	7.1-20—32 7.1-11—19 7.2
	5.0 Transition of Care	• Patient Outcomes • Patient Satisfaction	• Effective • Efficient	• LOS • Readmission Rates	7.1-5—10 7.1-3 & 4
Support Work Systems	6.3 Develop, Engage the Workforce	• Workforce Development • Workforce Loyalty	• Engaged WF • Effective	• Employee Turnover • WF Engagement	7.3-1 7.3-13,14,16, 18
	7.3 Perform General Accounting and Reporting	• Organizational Sustainability • Operating Efficiency	• Accuracy • Cycle Time	• A/R Days • Days to Close	AOS AOS
	8.0 Deliver IT	• Operating Effectiveness • Operating Efficiency	• Reliability • Quick Response • Security	• System's Up Time • Customer Satisfaction • Security Breaches	AOS AOS AOS
	11.7 Credentialing and Privileging	• Organizational Sustainability	• Timeliness • Quality	• Cycle Time • Physician Satisfaction	AOS 7.3-16 &17

Figure 6.2-3 Key Processes, Requirements, and Measures

6.2b(2) SMC systematically addresses patient expectations by incorporating VOC into process design through KPM, *Figure 6.2-3*. Tools such as a customer requirement tree help to ensure this integration. SMC systematically addresses patient expectations and preferences daily through deployment of the Relationship Development and Building System (RDBS), *Figure 3.1-1*. Education for and involvement of the patient and their family in the patient's care occurs at every step of the care delivery process. Individual patient expectations and preferences are captured during the patient assessment process. Patient preferences and expectations are captured on the White Board in each patient's room to ensure the information is shared with all caregivers. Patients and their families are included in bedside nursing reports. Information is also captured through nurse and leader rounding. Treatment plans are updated as needed to reflect patient expectations and preferences.

In addition, the recent creation of the Patient/Advisory Council has enhanced this process by providing additional input to senior leaders on customer satisfaction requirements, process design, product and service needs, and facility and technology enhancements. The Council, comprised of members from the surrounding market share area, meets quarterly. Patient input is also captured in the bi-annual Community Needs Assessment and ongoing patient feedback through the Press, Ganey surveys that measure customer satisfaction and engagement, as well as patient comments that are captured, viewed, and disseminated monthly. Input from these sources is used to identify both strengths and opportunities for improvement in the delivery of care and are incorporated into workforce training to ensure that patient and family needs are understood and addressed throughout the care process.

6.2b(3) SMC understands that supply chain management impacts total care, not merely product acquisition costs. The supply chain is managed through the key process of ***10.0 Deliver Supply Chain Management***.

SMC utilizes VHA's Group Purchasing Organization (GPO), Novation, to help manage and control supply cost. Novation maintains agreements with more than 600 suppliers and distributors to provide exceptional choice and value. These agreements encompass nearly 90 percent of the products that health care organizations purchase. Novation also handles the vendor screening process and assesses all supplier proposals based on qualitative and quantitative evaluation factors agreed to by members during the contracting process. If the purchase cannot be secured from a Novation contracted vendor, Materials Management will seek the best value from vendors that have been evaluated through its internal screening process. SMC together with Novation evaluates suppliers annually and more frequently as needed to ensure contract obligations are being fulfilled. If a supplier is not performing to expectations, contact is made in an attempt to resolve the issue. If a resolution cannot be identified or agreed upon, SMC will find another supplier through its screening process. As a result of its affiliation with Novation, SMC has been able to reduce expenses, *Figure 7.1-40.*

GPO relationships, inventory management, vendor relationships and contracts, and financial and inventory reporting are managed through the organization's supply chain operation led by the Director of Materials Management, Controller, and the VP of Fiscal and Operations. Capital purchases are planned and monitored via the annual budget process. Inventory levels are monitored via established par levels and variances from the established supply expense budget are reviewed monthly.

6.2b(4) A focus on performance excellence and organizational learning is embedded in the culture of SMC with formal and informal approaches driving performance improvement. All SMC employees are expected to be involved in performance improvement and they are assessed in this area as part of the annual PMP, *Figure 5.2-1*. Beginning with NEO, all staff members are educated on performance improvement and training is reinforced annually.

Breakthrough improvement activities are identified primarily through the SPP. These large-scale, organizational opportunities are prioritized based upon: potential impact on the accomplishment of organizational goals, and ability to create value for patients and other stakeholders. Once improvement priorities are established, improvement teams are chartered to execute these organizational projects to achieve improvement goals established in the Strategic Plan. Experienced Black Belts facilitate teams through their projects using the DMAIC methodology, *Figure 6.2-1*.

In a 2010 cycle of refinement a Project Management Committee (PMC) was created to improve project team performance, reduce variability, and improve overall results through a more disciplined approach. The PMC is composed of the VPs of Clinical Services and Nursing Services, Directors of Organizational and Nursing Excellence, Clinical & Quality Projects Coordinator, Financial Analyst, and SMC's Black Belts. This Committee provides training in DMAIC and works with project leaders to prepare and present "gate" review presentations to the AEC at the completion of each DMAIC step. Through Project Management reviews, senior leaders are able to provide guidance on projects, remove barriers that may exist, and allocate appropriate resources to ensure successful project completion and sustainability of the improvements. While "run the business" improvement efforts are not required to go through the Project Management discipline, the PMC provides support and coaching to all improvement efforts.

Opportunities for continuous improvement surface as owners track process performance through KPM. When opportunities are identified, process owners can accomplish improvement through execution of a simple problem solving approach or through a simplified DMAIC process. All managers were trained in simplified Lean and DMAIC in 2010. Lean Six Sigma Black Belts are available to provide guidance to process owners or improvement teams as needed. Improvement is validated through process measures that are tracked and reported monthly or quarterly.

RESULTS

7.1 HEALTH CARE PROCESS AND OUTCOMES

With the vision, *To Be a Healthcare Organization of Excellence… Every Person, Every Time*, SMC is committed to achieving and delivering world-class levels of health care. When possible and available, SMC compares to top quartile or decile of performance. Results are presented for SMC's overall performance, and example results are presented for service area segments. Additional segmented results are available on site (AOS).

7.1a Patient-Focused Health Care Results

Value based pricing (VBP) is a Medicare initiative to shift payment from a pay for reporting system to one that would reward for performance and improvement. Under the program, a portion of Medicare reimbursement for those hospitals paid under the Inpatient Prospective Payment System (IPPS) would be held out as incentive payments, and higher performing or improving hospitals would receive a higher payment with lower performing hospitals receiving a lower payment. CMS launched VBP initiatives in hospitals, physician offices, nursing homes, home health services, and dialysis facilities. SMC achieved the second highest VBP rating of the 94 hospitals in the region *(Figure 7.1-1)* and outperformed all competitors in this important measure *(Figure 7.1-2)*.
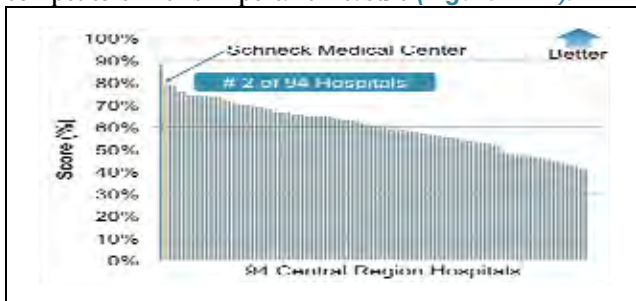
Figure 7.1-1 Value-Based Purchasing (Inpatient)
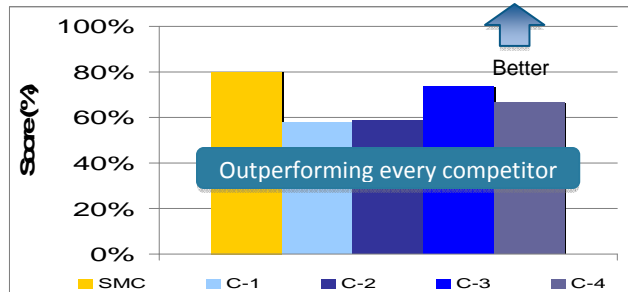
Figure 7.1-2 Value-Based Purchasing Competitors

In order to obtain more meaningful benchmarks to assess progress in achieving its vision, SMC associated with the University Health System Consortium (UHC) in 2010. UHC is an alliance of 113 academic medical centers and 254 of their affiliated hospitals representing approximately 90% of the nation's non-profit academic medical centers. UHC's powerful databases provide comparative data in clinical, operational, faculty practice management, financial, patient safety, and supply chain areas, and they provide SMC with comparative and benchmark data to world-class organizations.

Unplanned Readmissions to a hospital after a previous hospital stay is a key metric used to judge the quality of hospital care. Readmissions may or may not be related to the previous visit, and some unplanned readmissions are unpreventable. As shown in *Figures 7.1-3 and 7.1-4*, SMC

has improved readmission rates. Enhanced coordination of care between inpatient and next care provider has led to world-class performance in hospital readmission rates through effective hand-off communication, access to electronic medical records, and physician champions leading improvement efforts.

Figure 7.1-3 30-Day Readmission Rate (Inpatient)
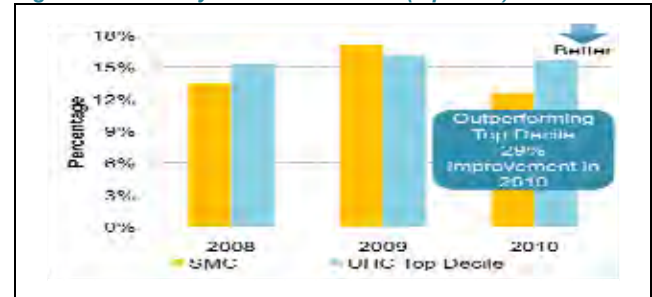
Figure 7.1-4 30-Day Readmission Rate: CHF (Inpatient)

Length of stay (LOS) measures the duration of a single episode of hospitalization. Through a multidisciplinary team approach, the LOS Task Force has improved performance in LOS for several top DRGs at SMC, *Figures 7.1-5 – 7.1-10*.
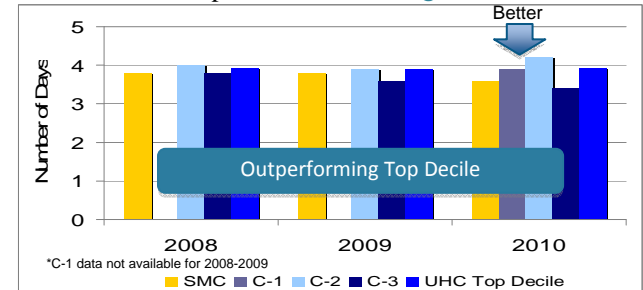
Figure 7.1-5 Average Length of Stay
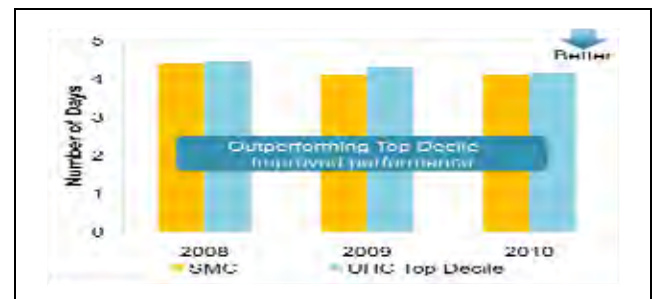
Figure 7.1-6 Length of Stay: Heart Failure

Heart failure is the most prevalent diagnosis at SMC. A Nurse Practitioner (NP) dedicated to this population was added and in 2010 a Cardiac Unit was opened that specializes in the care of the heart failure population. In addition, $67,000 was allocated for cardiac monitors with a central station. These investments have resulted in LOS improvement with performance currently better than UHC top decile.

Figure 7.1-7 Length of Stay: AMI
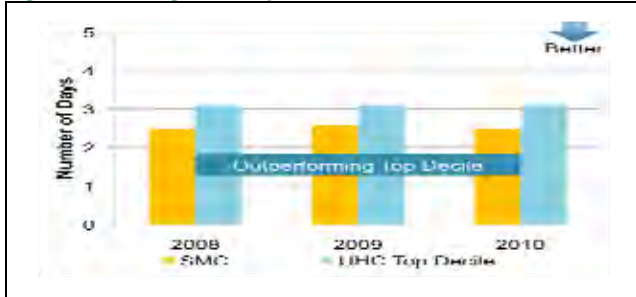
Figure 7.1-8 Length of Stay: Obstetrics

Several improvements, including the addition of a NP position in Women's Health in 2010 to address case management of OB cases, have resulted in improved LOS for two key Women's Services, *Figure 7.1-8* and *7.1-9*.
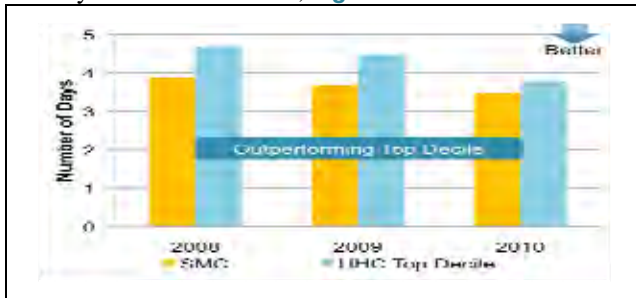
Figure 7.1-9 Length of Stay: C-Section
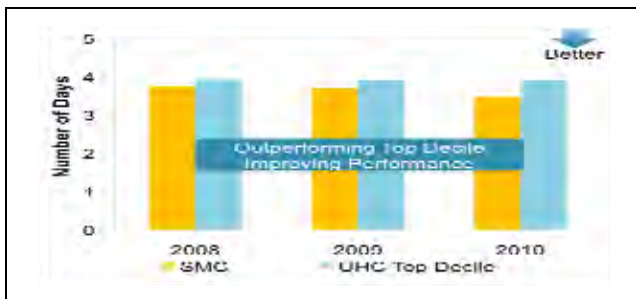
Figure 7.1-10 Length of Stay: Major Joint Replacement
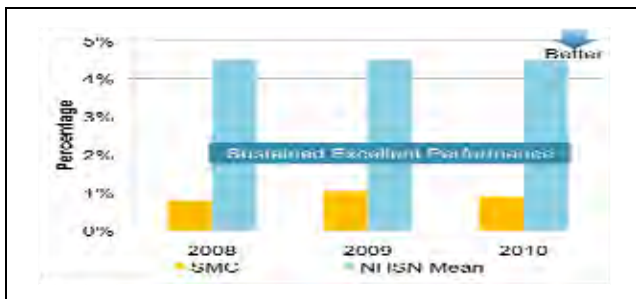
Figure 7.1-11 Overall Hospital Acquired Infection Rate

Through quality improvement and surveillance activities, SMC has reduced the risks of infection and is performing at world-class levels, *Figure 7.1-11 – 7.1-16*. Participation in the VHA MRSA Initiative and compliance with SCIP measures have kept overall nosocomial infection rates well below the NHSN Mean (top decile benchmarks not available).
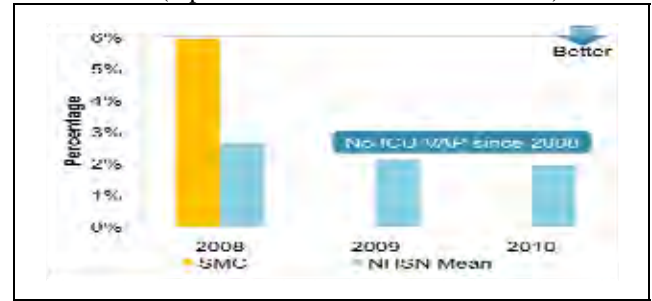
Figure 7.1-12 ICU VAP Rate

Implementation of an evidence-based Vent Bundle has resulted in world-class performance in the prevention of VAP.

	2008	2009	2010
SMC	3	0	0
CRH	0	0	0
FMH	No Data	4	3
KDH	0	8	0

Figure 7.1-13 Ventilator-Associated Pneumonia in ICU
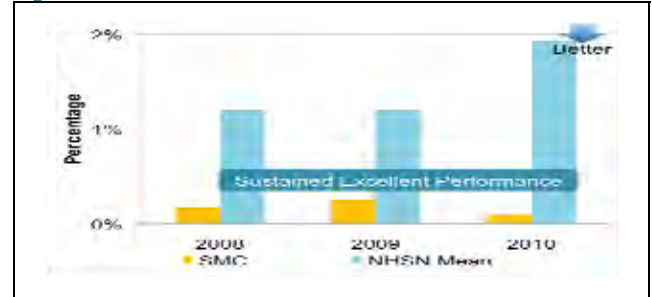
Figure 7.1-14 Overall Central Line Acquired Blood Stream Infections
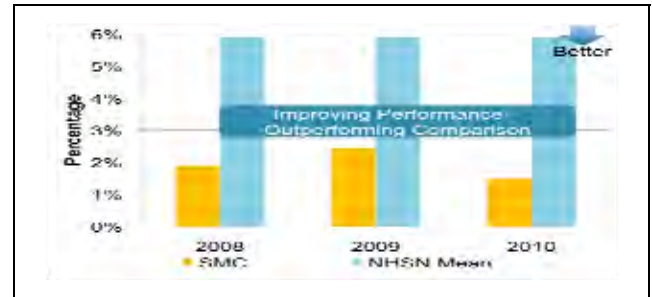
Figure 7.1-15 Overall Catheter Associated Urinary Tract Infection
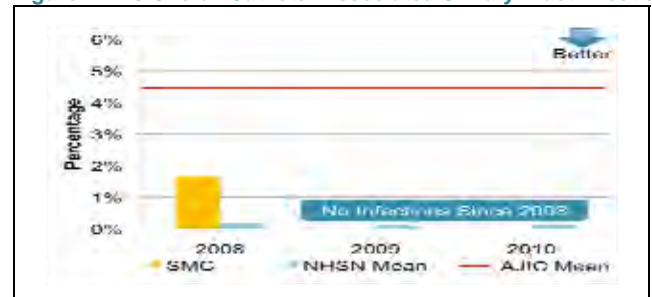
Figure 7.1-16 Bariatric Post Operative Infection Rate
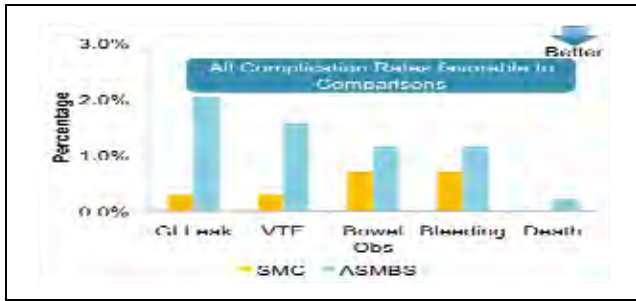
Figure 7.1-17 Bariatric – Complications Post Surgery 2010

SMC began performing weight loss surgery in 2007 using the standards of ASMBS. A FT APN is devoted to the coordination of care of patients. As a result of proper planning and implementation of evidence-based practices, SMC continues to be successful in minimizing major complications and became a Center of Excellence for Bariatric Services in 2011.
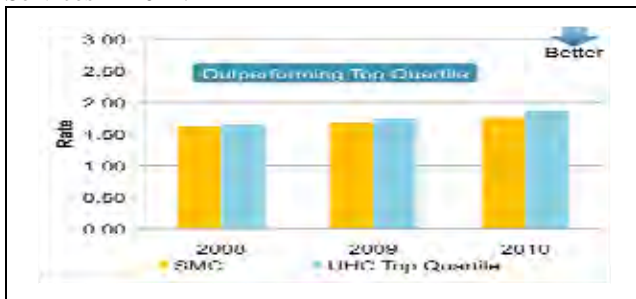
Figure 7.1-18 Expected Mortality Rate (Risk Adjusted)

Expected mortality is the predicted number of deaths in the hospital based on the hospital's patients' levels of illness. Nationwide, as the expected mortality rates are increasing due to an aging population, SMC continues to pursue top-level performance to control and improve their mortality rate.

The PACE process is used at SMC to stratify patients going for surgery into low/moderate/high risk categories. Over the past three years, over 14,000 surgeries were completed with only one death, *Figure 7.1-19*.
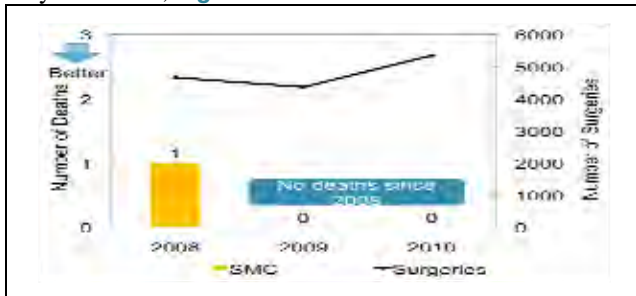
Figure 7.1-19 Mortality/Surgeries

7.1b Operational Process Effectiveness Results
7.1b(1) Operational Effectiveness

The following graphs present data on sample core measures that SMC reports to regulatory bodies. The core measures include AMI, HF, PN, and SCIP *(Figures 7.1-20-7.1-32)*. Measures are reviewed daily and monthly, and transparent scorecards are provided to nursing units and physicians to identify opportunities for education and to emphasize accountability. Order sets and protocols have been designed to address all aspects of the measures to hardwire processes. SMC is performing at top decile levels in multiple measures.
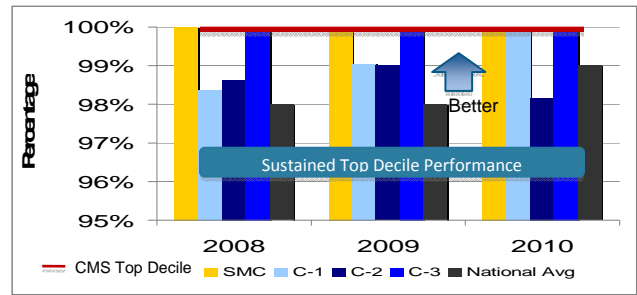
Figure 7.1-20 AMI – 1 Aspirin at Discharge
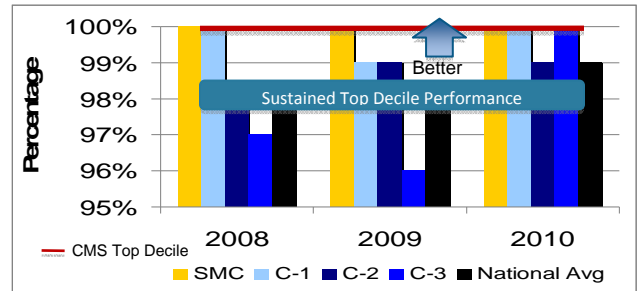
Figure 7.1-21 AMI – 1 Aspirin at Arrival
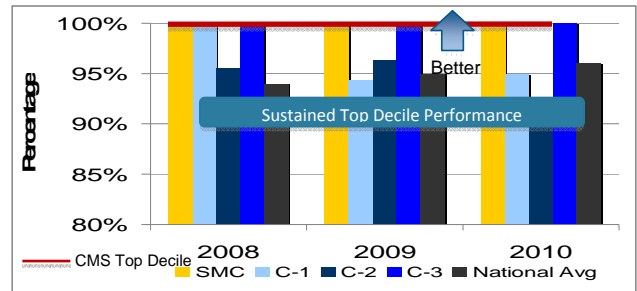
Figure 7.1-22 AMI – 3 ACEI or ARB for LVSD
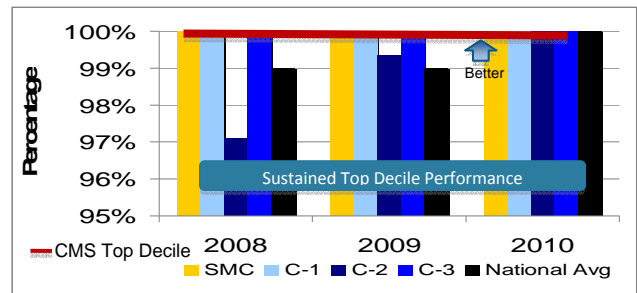
Figure 7.1-23 AMI – 4 Adult Smoking Cessation Advice / Counseling
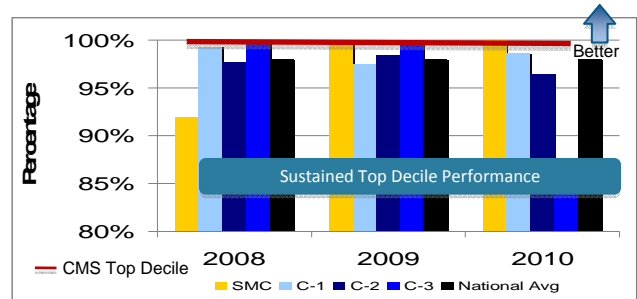
Figure 7.1-24 AMI – 5 Beta Blocker Prescribed at Discharge
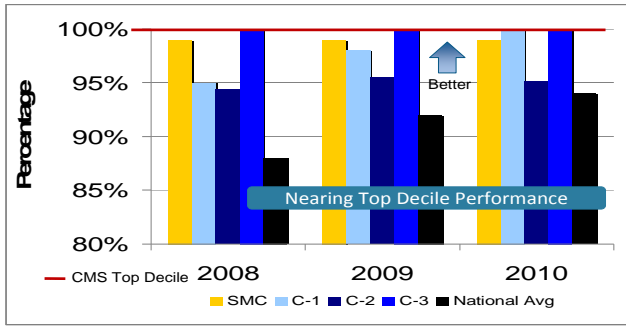
Figure 7.1-25 PN – Pneumococcal Vaccination

Figure 7.1-26 PN – 3a Blood Culture Performed within 24 Hr

Figure 7.1-27 PN – 3b Blood Culture Performed within 24 Hr

Figure 7.1-28 PN – 6 Initial Antibiotic Selection for CAP

Figure 7.1-29 PN – 7 Influenza Vaccinations

Figure 7.1-30 Initial Antibiotic Received within 6 Hours of Hospital Arrival

Figure 7.1-31 Prophylactic Antibiotic Received within One Hour Prior to Surgical Incision

Figure 7.1-32 Surgical Care Improvement Project Patients with Appropriate Hair Removal

7.1b(2) Emergency Preparedness

SMC systematically prepares for emergencies as shown in *Figures 7.1-33 – 7.1-34*. A Multidisciplinary Emergency Preparedness Team was deployed in 2010, HICS training was conducted for leadership, and a defined SIPOC and process map was developed for guidance regarding disaster response. SMC is collaborating with external sources for inputs into the emergency management preparedness efforts.

Emergency Preparedness Drills/Activities				
Activity/Event	2007	2008	2009	2010
Code Pink	2	2	2	4
Community Disaster Drill	1	1	1	2
Internal Disaster Drill	2	2	2	1
Fire Drill	12	12	12	12
Safety Rounds in Patient Care Areas	2	2	2	2
Safety Rounds in Non-Patient Care Areas	1	1	1	1

Figure 7.1-33 Emergency Preparedness Drills/Activities

Measure	Goal	Result
Time of incident to announcement	1 minute	>1 minute
Successful patient/visitor awareness	All patients/ visitors aware	100%
Lockdown of ED entrance and gift shop	Within 5 minutes	Within 5 minutes
Area in danger secured	100%	100%
Department participation	100%	100%
Police call to arrival time	5 minutes	5 minutes
Police call to department time	8 minutes	7 minutes
Receipt of mass paging	5 minutes	5 minutes

Figure 7.1-34 Drill Goals/Results for November 30th, 2010

7.1c Strategy Implementation Results

Pillar	Measure	Status
Quality of Care	Core Measures	7.1-20-32
	Mortality Rates	7.1-18 & 19
	Case Mix Index	AOS
	Door to Balloon	7.1-38
	Joint Replacement Inf. Rate	7.1-39
Customer Service	Market Share	
	• Jackson	7.5-10 & 14
	• Jennings	7.5-11 & 15
	• Scott	7.5-12 & 16
	• Washington	7.5-13 & 7.5-17
	• Bartholomew	N/A
	Press Ganey Results	
	• Inpatient	7.2-8 thru 7.2-11
	• Outpatient	7.2-12 thru 7.2-15
	• Ambulatory	7.2-16 thru 7.2-19
	• ED	7.2-20 thru 7.2-23
HR	Workforce Engagement	7.3-13, 7.3-16, 7.3-18
	Turnover Rate	7.3-1
Fiscal and Operations	Physician Engagement	7.1-37, 7.3-16
	Operational Efficiency	7.1-36, 7.1-40

Figure 7.1-35 Strategy Implementation Results

Through the Operational Rhythm and project management discipline, strategy and actions plans are continuously and systematically reviewed for progress and to identify barriers to successful and timely completion of strategies. This constant review allows for agility as needed to adjust and modify plans to achieve desired outcomes. *Figures 7.1-35* through *7.1-40* demonstrate accomplishments of key projects that contribute and support the organizational strategy and the core competency of *Patient First.*
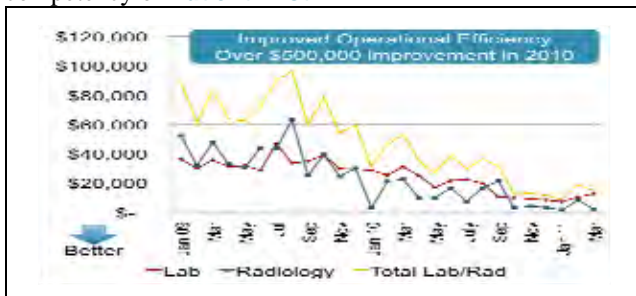
Figure 7.1-36 Medical Necessity Write-Offs

A team of outpatient staff from several departments was formed to identify opportunities and to create a systematic process to address the challenges of incomplete and missing orders. Standards were created and deployed to other care providers to standardize the process to increase efficiency and effectiveness of the process. This resulted in significant improvement in write-offs as shown in *Figure 7.1-36.*
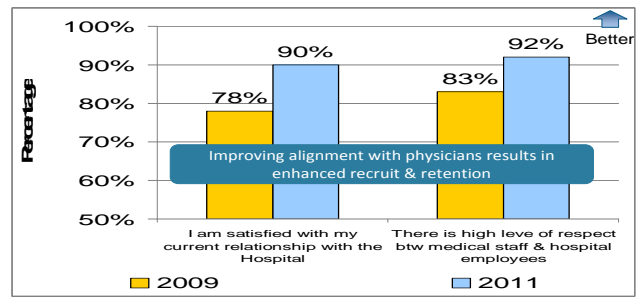
Figure 7.1-37 Physician Engagement

While physician satisfaction was already at high levels, a Physician Advisory Council was formed in 2010 to expand the collaborative relationship with the medical staff. Medical staff officers and other key physicians meet with AEC on a regular basis to collaborate on strategic initiatives and process improvements.
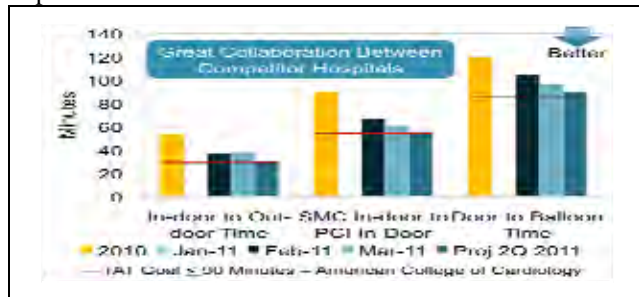
Figure 7.1-38 STEMI Process Improvements

When it comes to the heart, minutes matter. Through an ongoing collaboration with its largest competitor, SMC has been working and coordinating efforts with CRH and EMS to ensure the best possible outcomes for STEMI patients. This successful collaboration has allowed SMC to make great progress on reducing door to balloon times to world-class levels.
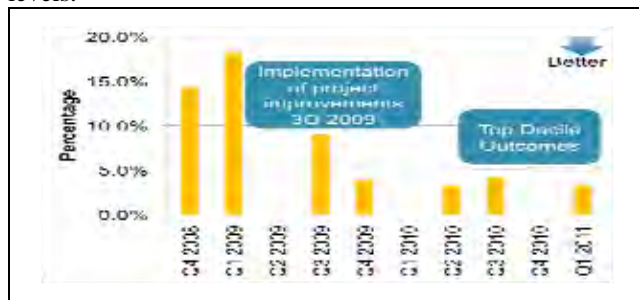
Figure 7.1-39 Total Joint Replacement Infection Rates

A Black Belt project successfully reduced and sustained low levels of joint replacement infection rates as shown in *Figure 7.1-4.*
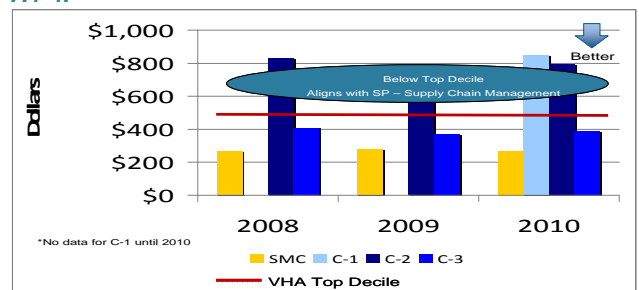
Figure 7.1-40 Total Supply Cost – Drug Cost/Case Mix Adjusted Discharge

Category Seven – Results

SCHNECK MEDICAL CENTER
Better healthcare begins here.

SMC has historically been able to achieve top results as shown in **Figure 7.1-40** for controlling expenses including supply cost through standardized processes and procedures and monthly budget variance reviews and accountability.

7.2 CUSTOMER-FOCUSED OUTCOMES

To evaluate the extent to which SMC is successfully leveraging their core competency of **Patient First**, they evaluate multiple forms of VOC including HCAHPS, Press Ganey scores, and patient comments. Survey results are segmented by customer segments and are further drilled down to focus areas. Unit-level results are reviewed and managed monthly by unit managers and are aggregated to department and hospital level reports that are shared quarterly with physicians, AEC, department directors, Board, patients and families, and the entire SMC workforce.

7.2a(1) Patient and Stakeholder Satisfaction

SMC has sustained high levels of performance in all areas of HCAHPS. Results obtained through PGA for HCAHPS are compared to Indiana peer organizations and with the Malcolm Baldrige recipient index. This index includes all healthcare Baldrige recipients and represents world-class performance. As demonstrated in **Figures 7.2-1** through **7.2-7,** SMC outperformed both Indiana Peers and the Baldrige Index organizations in all areas in 2010, demonstrating benchmark performance. Where available, direct competitor comparisons were captured from the *Hospital Compare* website.
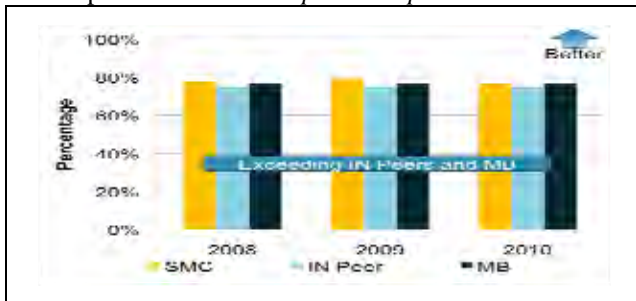
Figure 7.2-1 HCAHPS Nurses Listen Carefully to You
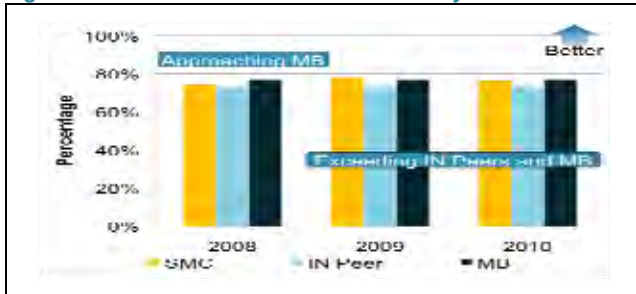
Figure 7.2-2 HCAHPS Nurses Explained to You in a Way You Understand
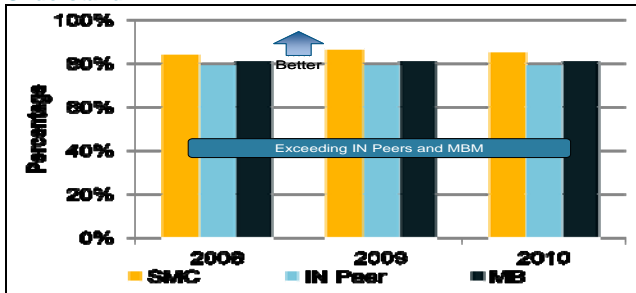
Figure 7.2-3 HCAHPS Doctors Listen Carefully to You
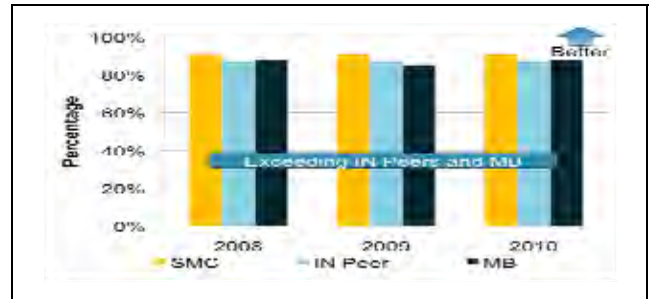
Figure 7.2-4 HCAHPS Doctors Treated with Courtesy and Respect

Figure 7.2-5 HCAHPS Doctors Explain in a Way You Understand
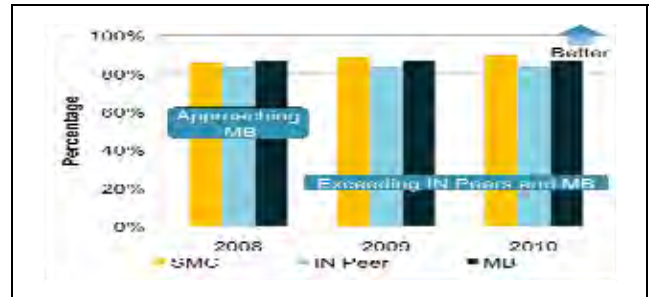
Figure 7.2-6 HCAHPS Discharge Instructions
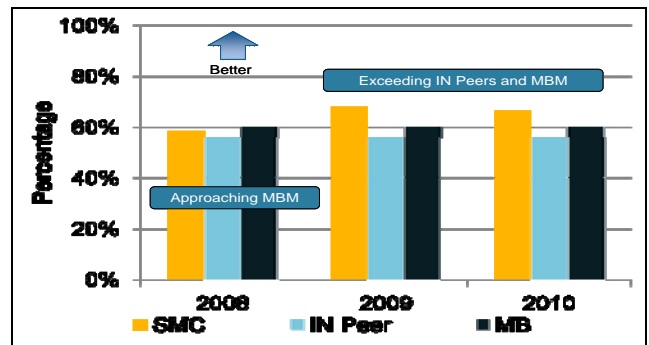
Figure 7.2-7 HCAHPS Quietness of the Hospital
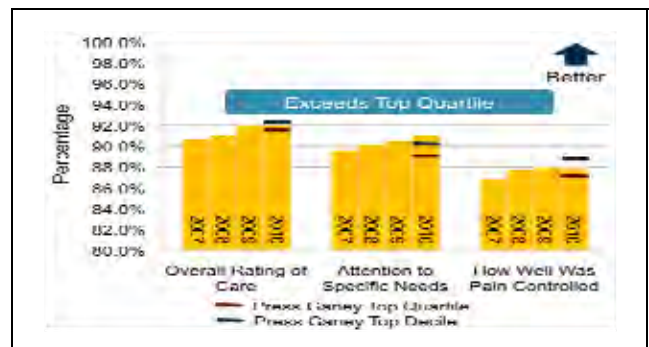
Figure 7.2-8 Inpatient Quality of Care

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SMC also partners with Press, Ganey Associates (PGA) to measure patient/family satisfaction and engagement. SMC compares to all hospitals within the PGA database, hospitals within the region, and hospitals of similar size. For segmented information in specialty areas, SMC uses comparisons to the Baldrige recipient index. SMC's long-term goal is to achieve and maintain top decile of performance in all patient segments. The organization is at top quartile levels in most indicators and at the top decile goal in several. *Figures 7.2-8* through *7.2-27* represent the positive outcomes of continued AIDET training for all hospital staff, hourly rounding, and customer services scores linked to employee compensation.

Figure 7.2-9 Inpatient Family Support
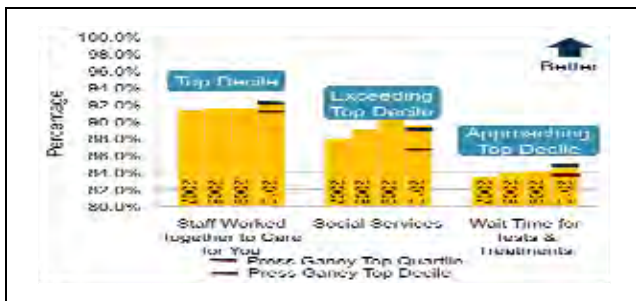
Figure 7.2-10 Inpatient Coordination of Care
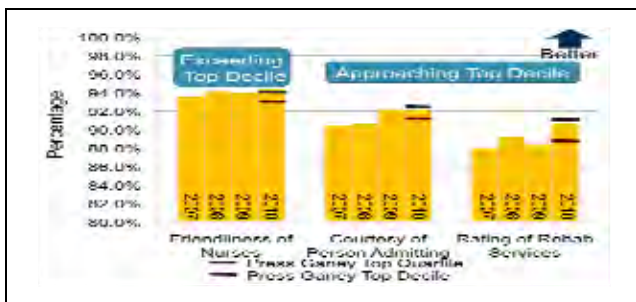
Figure 7.2-11 Inpatient Customer Service
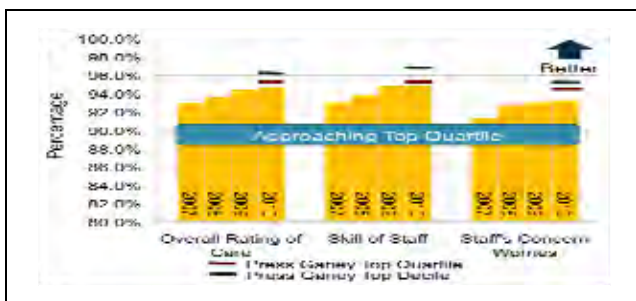
Figure 7.2-12 Outpatient Quality of Care

Figures 7.2-12 through *7.2-15* reflect positive trends in all outpatient areas. A Provider of Choice multidisciplinary team was formed in 2008 to improve outpatient satisfaction. Since consumers are becoming more selective in making healthcare

decisions, SMC is committed to ensuring that they continue to meet and exceed patients' expectations and needs. The positive patient perception from these efforts is reflected in the following results.

Figure 7.2-13 Outpatient Timeliness
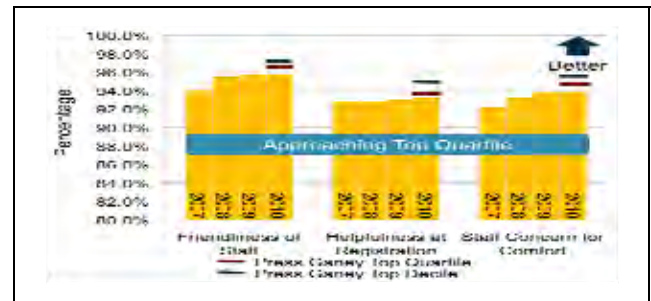
Figure 7.2-14 Outpatient Customer Service
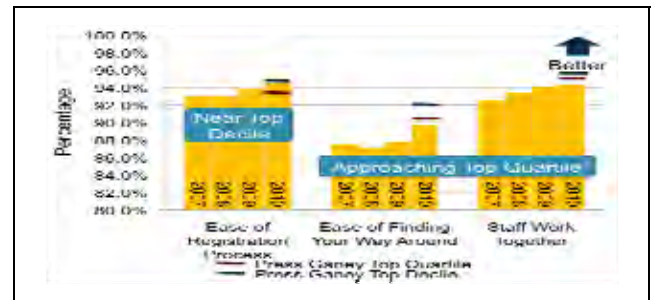
Figure 7.2-15 Outpatient Ease of Use
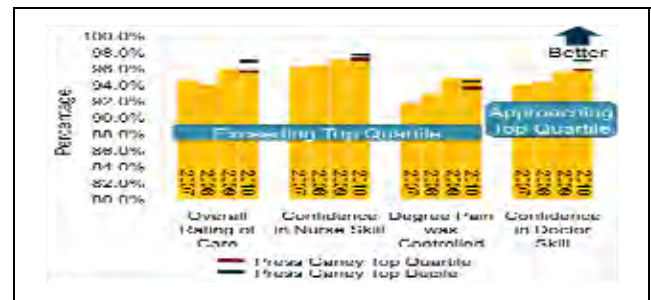
Figure 7.2-16 Ambulatory Quality of Care
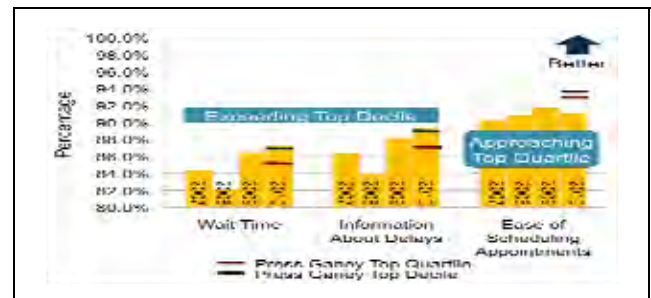
Figure 7.2-17 Ambulatory Timeliness

Efforts to drive improvement in ambulatory care have resulted in steady improvement in outcomes for almost all questions,

and performance is consistently above top quartile levels and in several areas at top decile levels.
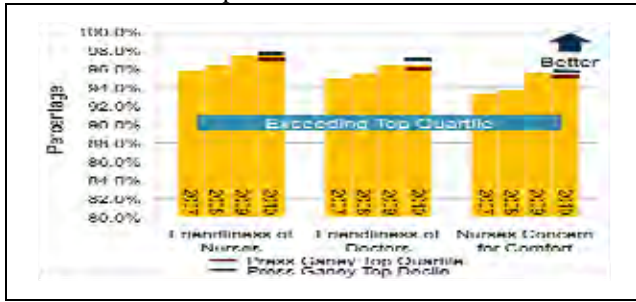
Figure 7.2-18 Ambulatory Customer Service
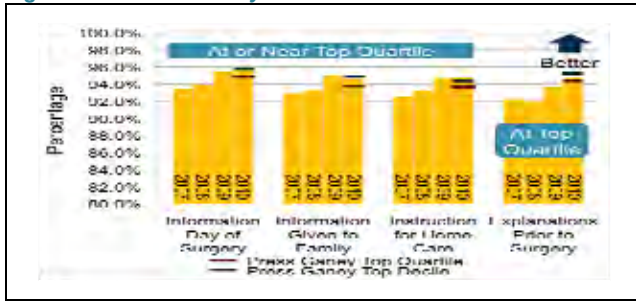
Figure 7.2-19 Ambulatory Education

Significant resources are currently being invested in improving processes, training staff, and improving workflow to improve customer satisfaction and engagement scores in the ED to achieve top decile goals. A new nurse manager is aggressively working to introduce evidence-based best practices from other organizations to achieve desired outcomes.
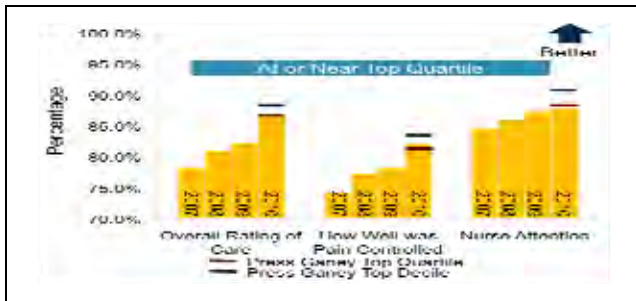
Figure 7.2-20 ED Quality of Care

Figure 7.2-21 ED Timeliness
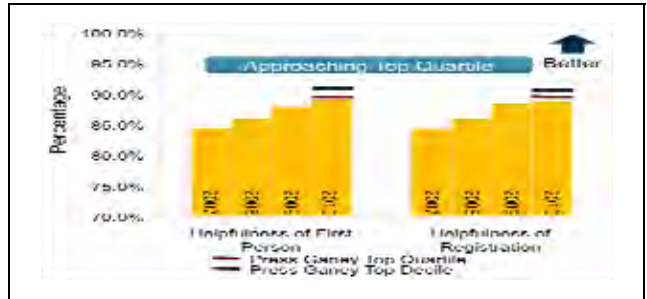
Figure 7.2-22 ED Customer Service
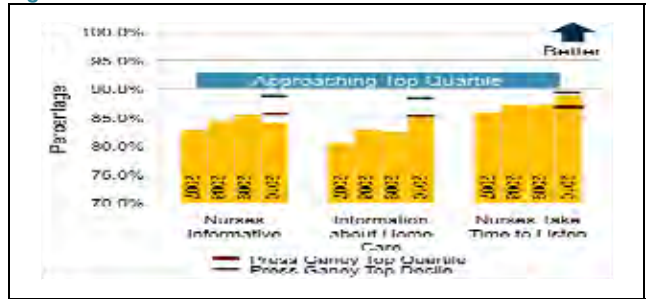
Figure 7.2-23 ED Education

Figures **7.2-24** through **7.2-27** displays satisfaction results segmented by focus services (products). This information is not sent to SMC; instead these are customized reports that are created and downloaded from the PGA website. Data are not available for all focus service lines because of low "N." Top quartile and decile levels are not always available for these segmented results. In those instances, SMC compares to the Baldrige index. Additional segmentation by unit is AOS.
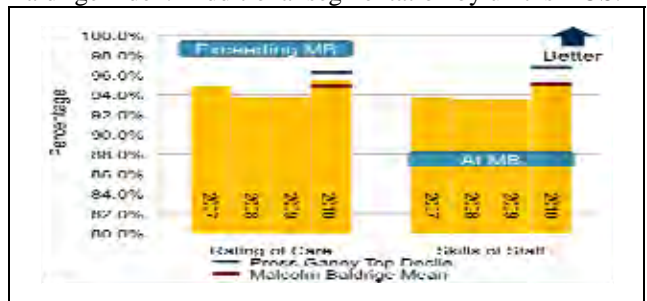
Figure 7.2-24 Oncology (Cancer)
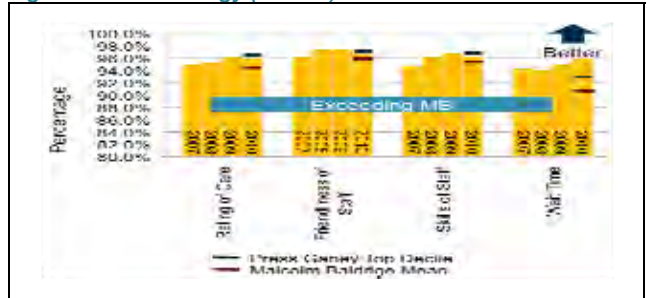
Figure 7.2-25 Mammography (Women's Services)
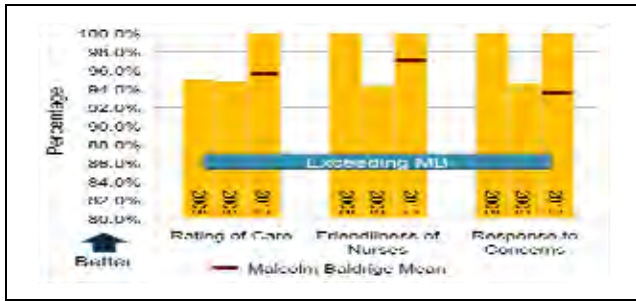
Figure 7.2-26 Bariatric (Weight Loss Surgery)

Figure 7.2-27 Orthopedics (Joint Replacements)

Patient comments are captured through various mechanisms. The comments are recorded in Feedback Manager and are shared with the appropriate departments. If the comment is a complaint or grievance, SMC has a policy in place that requires the department to contact the patient in a timely manner and resolve the issue to the satisfaction of their customers.
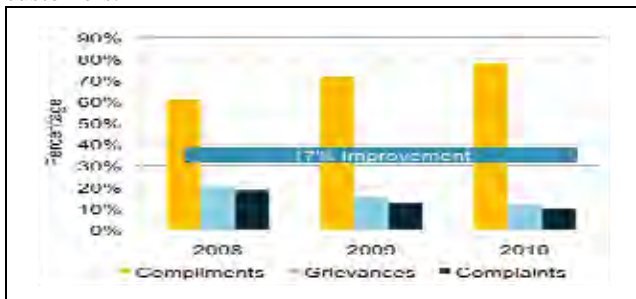
Figure 7.2-28 Customer Comment Tracking

7.2a(2) Patient and Stakeholder Engagement

Patient and stakeholder engagement is tracked and managed to ensure long-term sustainability of the hospital. *Figures 7.2-29* through *7.2-31* demonstrate sustained high performance in these areas.

Figure 7.2-29 HCAHPS Recommend Hospital

Figure 7.2-30 Likelihood to Recommend

Figure 7.2-31 Likelihood to Recommend Focus Areas

7.3 WORKFORCE-FOCUSED OUTCOMES

Achieving the SMC vision, *To Be a Healthcare Organization of Excellence…Every Person, Every Time,* requires that SMC has an engaged, empowered workforce.

7.3a *Workforce Results*
7.3a(1) *Workforce Capability and Capacity*

Figure 7.3-1 All Staff Turnover

Figure 7.3-2 Nurse Leader Certification

SMC's investments in training and development, knowledge sharing, and workforce engagement has resulted in positive capability and capacity outcomes as shown in Figures *7.3-1* through *7.3-3*. These investments ensure that SMC can rapidly respond to changing capability and capacity needs often experienced in the ever-changing healthcare environment. Successful management of capability and capacity solidifies SMC's ability to ensure sufficient staffing levels to accomplish its work processes and successfully deliver products to their customers, including the ability to meet varying demand levels. Turnover comparisons are not

currently available, but will become available during 2011 with information provided by a new vendor.

As part of the Magnet journey, nursing has focused on developing transformational leaders through investment in training, workshops, and modeling. To role-model the commitment to learning and development, nurse leader certifications have increased significantly over the last three years as shown in *Figure 7.3-2*.

Capability levels have improved across all work areas through a focused approach to training. To increase training availability, a strategic investment has been made in online training that allows access to development regardless of shift or schedule. Completion of online training in key areas has increased capability and helped to achieve the outstanding health care outcomes reported in Item 7.1.
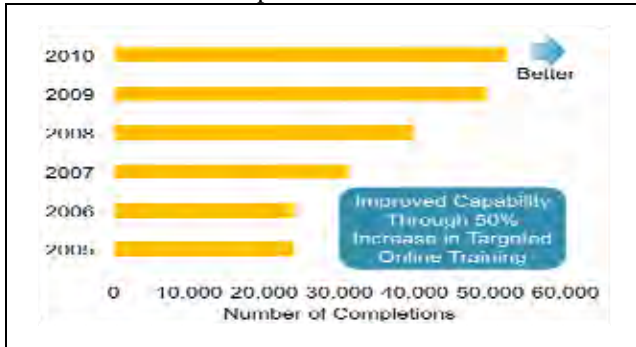
Figure 7.3-3 Five-Year Snapshot of Online Education and Instructor Led Training

7.3a(2) Workforce Climate

A happy, healthy workforce is a more productive workforce. SMC supports a safe and productive environment through systematic processes, training and education on patient safety, and several creative programs to encourage and support employee safety and wellness. As a result of these efforts, performance in key measures of safety have shown steady improvement, with levels currently better than U.S. benchmarks.
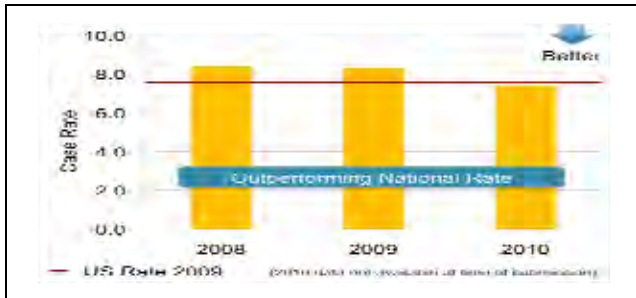
Figure 7.3-4 OSHA Recordable Injury and Illness Cases per 100 Full-Time Employees
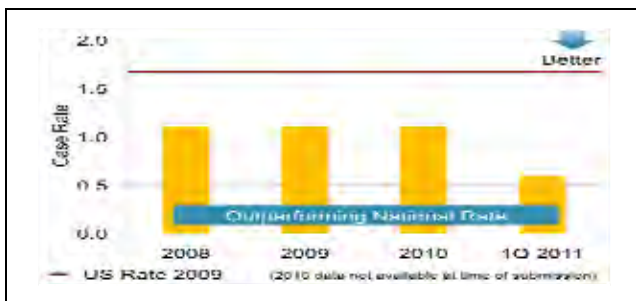
Figure 7.3-5 Cases Involving Days Away from Work per 100 Full-Time Employees

In 2009 the SMC Return to Work Policy was updated. In the earlier version, employees with any restrictions were not allowed to return to work. In the updated policy, employees may return to work with restrictions as long as their restrictions do not place the employee or others in danger while performing the essential functions of their position. This change has resulted in a dramatic decrease in lost workday case rate, *Figure 7.3-5*.

Figure 7.3-6 Job Transfer/Restriction per 100 Full-Time Employees

Emphasis on safety and wellness helps to ensure that every employee has a safe, secure, and healthful work environment. Strategies available to the workforce include a dedicated Employee Health Nurse, education, and ergonomics assessments.
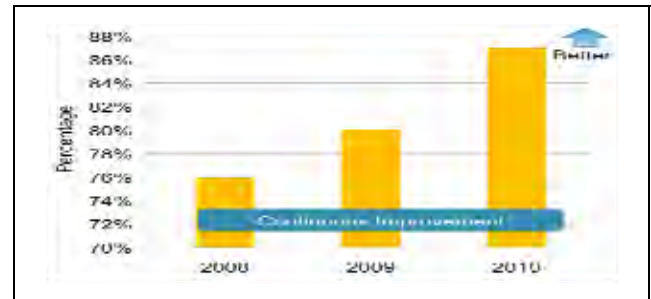
Figure 7.3-7 Seasonal Flu Vaccinations for Employees

Figure 7.3-8 Employees Working Well Results

The Working Well program was implemented in 2009. Wellness screenings and risk assessments are offered to all full time and part time employees at no charge. Employees on the hospital's health plans that participate in the program and meet health-related goals receive a 20% reduction in their health premium. A dedicated Employee Health Nurse provides free individual health coaching, along with opportunities for additional guidance from hospital dieticians and with off-site personal trainers at a corporate rate discount. Approximately 80% of employees participate in the program. *Figures 7.3-8* and *7.3-9* show the success of the program after just one year.
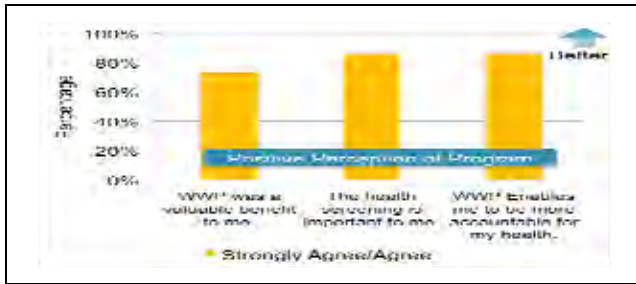
Figure 7.3-9 2009 – 2010 Working Well Program Opinion Responses

In an innovative improvement to the benefits plan, a key business plan was executed during 2008 to develop and deploy a prescription plan for employees and their families. Employees are able to purchase prescription and over-the-counter medications at a reduced rate. *Figure 7.3-10* shows that the average cost per prescription has continued to decrease. The program resulted in one-year employee savings of $1,008,285 in 2009 and a company savings of $575,957 in co-pay cost of drugs.

Figure 7.3-10 Employee Pharmacy

In response to decreasing revenues resulting from increases in charity care and bad debt, SMC made the decision to modify employee benefits in order to be able to preserve jobs and sustain the organization through the tough economic period. Senior Leaders were transparent and sought feedback from the workforce about possible changes. Based on workforce input, SMC leaders reduced some benefits. Even with these changes, employees satisfaction with benefits and pay remained at high levels, reflecting the fact that even with the 2010 changes, SMC still has one the most robust benefit packages in the state.
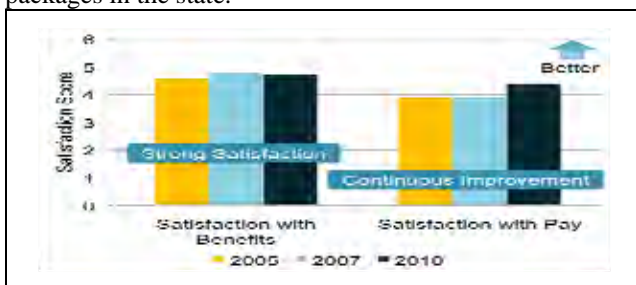
Figure 7.3-11 Satisfaction with Compensation and Benefits

7.3a(3) Workforce Engagement

An "engaged" workforce member is one who is fully involved in, and enthusiastic about, his or her work, and thus will act in a way that supports the goals and strategy of SMC and their core competency of *Patient First*. *Figures 7.3-12* through *7.3-21* demonstrate workforce engagement in key workforce segments to include employees, physicians, volunteers, and students. Additional segmentation is available on site by location, gender, ethnicity, length of service, etc.

	Comparisons to 2007	Best Practice (80th Percentile)	World-class (90th Percentile)
Overall Results	Improved: 35 of 52 Questions Equal: 16 of 52 Questions Negative: 1 of 52 Questions	• Participation • Manager • Engagement	• Teamwork • Senior Leaders • Communications • Productivity • Dept. Director • HR Programs

Figure 7.3-12 2010 Employee Engagement Outcomes

Figure 7.3-13 Employees Recommend Employment
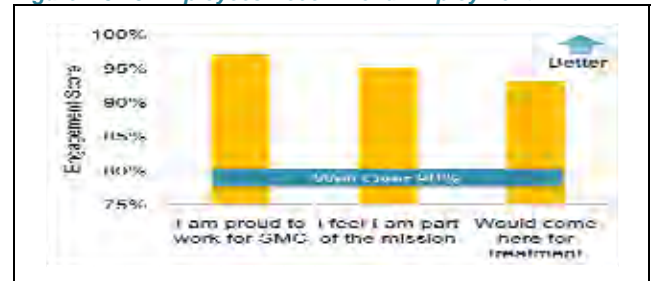
Figure 7.3-14 2010 Employee Engagement Results
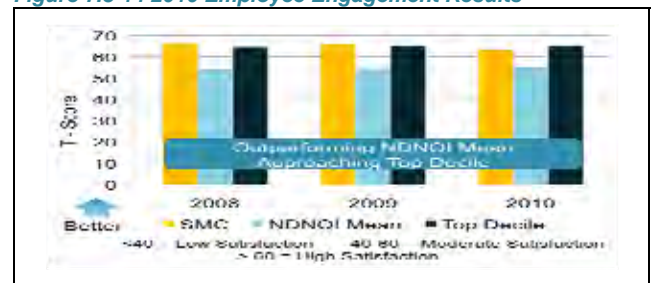
Figure 7.3-15 RN Satisfaction with Nursing Administration
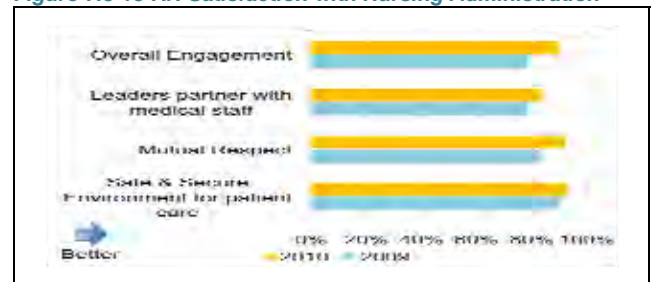
Figure 7.3-16 Physician Engagement Factors

Based upon Baldrige feedback, in 2009 SMC fielded a Physician Satisfaction and Engagement survey to assess strength of relationship with this key stakeholder. Information gathered in that survey revealed high levels of satisfaction and engagement. To further enhance this strength, the Physician Advisory Council was formed in 2010 to leverage and further expand the collaborative relationship with the medical staff. *Figures 7.3-16* and *7.3-17* demonstrate the effectiveness of efforts to better engage and align physicians with SMC with increased results in all areas.

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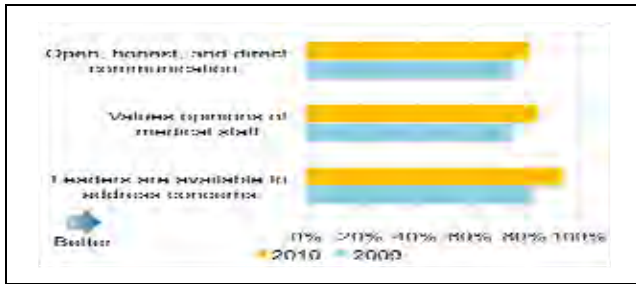
Figure 7.3-17 Physician Communication Factors

In a cycle of improvement in 2009, SMC also fielded a volunteer survey to capture information for this important segment of the workforce. All segments of volunteers show high levels of satisfaction and engagement with SMC.
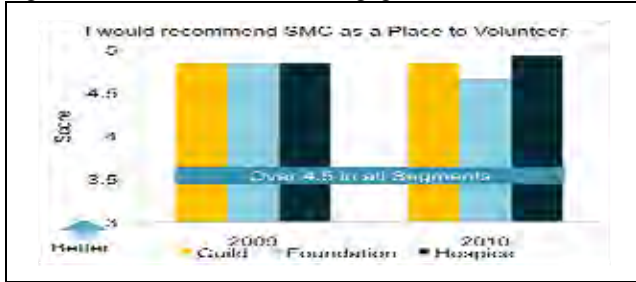
Figure 7.3-18 Volunteer Recommend Place to Volunteer
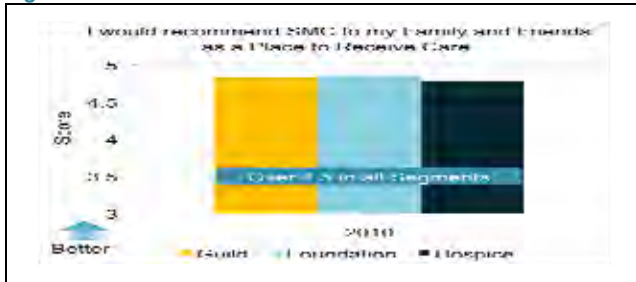
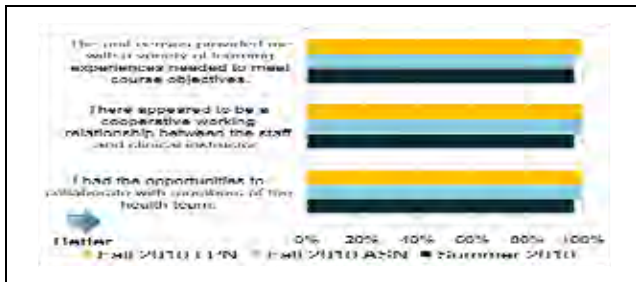*Figure 7.3-19 Volunteer Recommend Place to Receive Care*
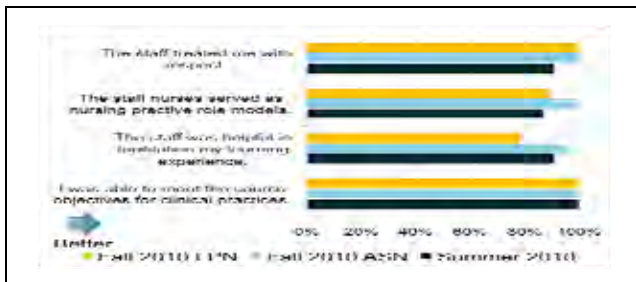

Figure 7.3-20 Nursing Student Survey

Figure 7.3-21 Nursing Student Survey

Again, based upon Baldrige feedback, in 2010, SMC began surveying the student segment of their workforce. Surveys were given three times last year to three different groups of nursing students. All results showed high levels of satisfaction with the hospital, staff, and learning environment, *Figures 7.3-20 and 7.3-21*.

7.3a(2) Workforce Climate

SMC supports learning and development through multiple professional development opportunities and programs. *Figure 7.3-22* shows tuition assistance continues to rise due to the increased educational requirements within the facility and also as a result of recent changes in the policy that allow increased flexibility and expanded opportunities for assistance.

Figure 7.3-22 Employee Tuition Assistance

Completion of Learning and Development Opportunities 2010 & 2011	
Management Institute (Directors & Manager)	96%
Transformational Leadership (Directors)	100%
DMAIC (Directors)	99%
Six Sigma Black Belt (National Certification 7/7)	100%

Figure 7.3-23 Completion of Learning and Development Opportunities

Training has recently focused on enhanced leadership skills, key process management, and methodology for problem solving, *Figure 7.3-23* .

Figure 7.3-24 Leadership Benchmarking Assessment

Figure 7.3-25 RN Satisfaction with Leadership Development

7.4 Leadership and Governance Outcome

The SMC Board of Trustees (BOT) is the governing body of the hospital. They play a key role in strategy development and deployment, and ensure that proper governance is maintained.

7.4a Leadership, Governance, and Societal Responsibility Results
7.4a(1) Leadership
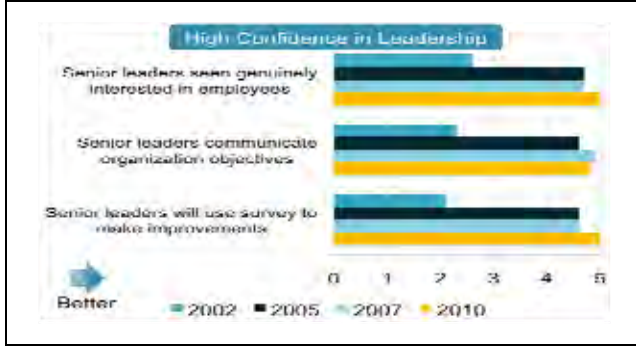
Figure 7.4-1 Employee Satisfaction with Senior Leaders
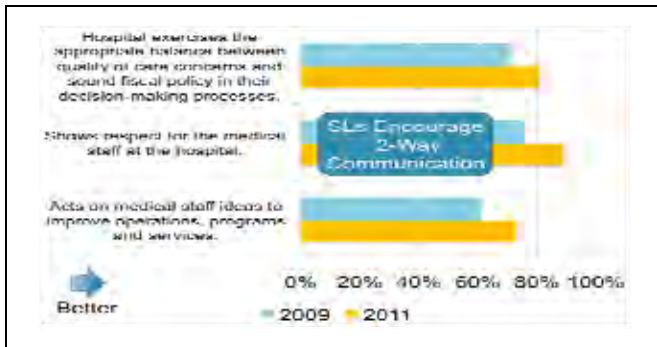
Figure 7.4-2 Physician Satisfaction with Senior Leaders

In 2010, employees expressed benchmark levels of satisfaction and confidence in senior leaders based upon communication and workforce engagement as shown in **Figure 7.4-1**. Physicians expressed similar satisfaction and confidence in senior leaders as shown in **Figure 7.4-2**. Senior leaders meet with physicians routinely to ensure successful fulfillment of the hospital's strategies.

7.4a(2) Governance

Every other year the BOT completes a comprehensive governance self-assessment through a national program of The Governance Institute, a group that works with many not-for-profit healthcare organizations. This assessment allows the BOT to evaluate their performance and compare their performance levels to those organizations performing at top decile. The assessment revealed that, for the last two assessments, the BOT is outperforming top decile organizations in eight of the ten measures, **Figure 7.4-3.**
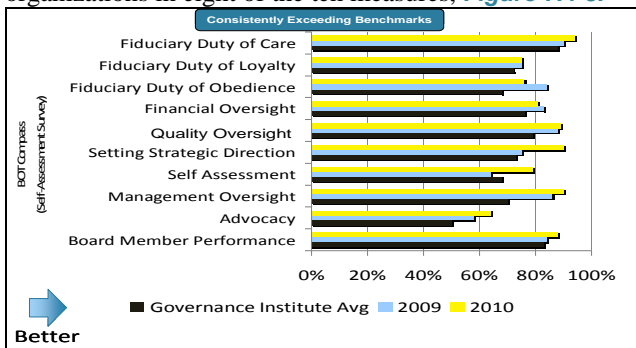
Figure 7.4-3 BOT Compass

In only one of the past ten years has the annual hospital financial audit disclosed a needed correction to internally reported data. In 2008, inventory was restated by $224,870 to account for a packaging string error on one single inventory

item. In addition, over the past 10+ years SMC has not been cited during the audit for any internal control deficiencies.

	Financial Audit Findings
2006	No audit adjustments. No material control weaknesses or deficiencies.
2007	No audit adjustments. No material control weaknesses or deficiencies.
2008	One audit adjustment of $224,870. No material control weaknesses or deficiencies.
2009	No audit adjustments. No material control weaknesses or deficiencies.
2010	No audit adjustments. No material control weaknesses or deficiencies.

Figure 7.4-4 Financial Audit Findings
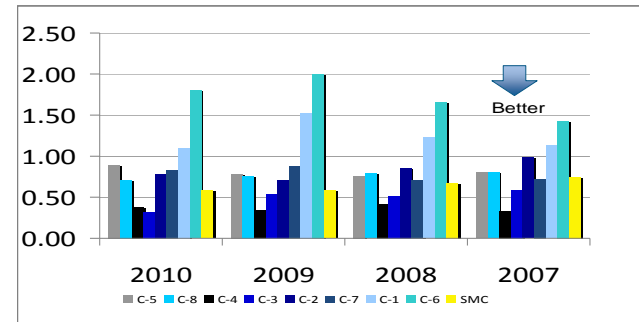
Figure 7.4-5 MOD Rates

A measure of the Ensure Safety key process is the MOD rate, **Figure 7.4-5**. The MOD rate is a mechanism designed to determine whether an entity's claim activity is better or worse than the average risk during the experience rating period. SMC's MOD rate has continued to decline, in part due to their Culture of Safety, Good Catch Program, and ongoing education and improvements in patient safety and communication.

7.4a(3) Law, Regulation, and Accreditation

SMC participates with The Joint Commission. The Joint Commission is regarded as the industry's gold standard in accreditation. The Joint Commission has the highest established identity and reputation, accrediting 91% of U.S. hospitals. The Joint Commission evaluates and accredits more than 16,000 U.S. healthcare organizations and conducts unannounced surveys at randomly selected hospitals every year. SMC historically has performed at top levels in all areas of accreditation figures and is meeting 100% of all licensing and accreditation goals **7.4-6 and 7.4-7**.
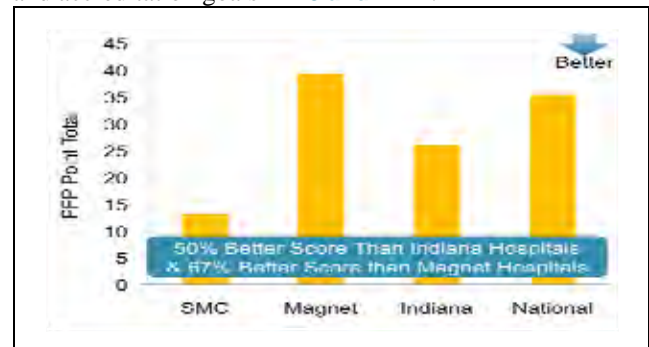

Figure 7.4-6 Joint Commission Overall Priority Focus Process

Agency	Purpose	Result
State of IN	Licensing	Licensed through 2011
CMS	Licensing	Licensed through 2012
EEO	Federal Law	Fully compliant, No findings
DOL	Federal Law	Fully compliant, No findings
DOH	Federal Law	Fully compliant, No findings
HHS	Federal Law	Fully compliant, No findings
TJC	Accreditation	Full Accreditation
SRC	Accreditation	Full Accreditation
ACR	Accreditation	Full Accreditation
ACOS-COC	Accreditation	Full Accreditation
ACPS	Accreditation	Full Accreditation
AACVPR	Accreditation	Full Accreditation
ANCC	Magnet Recognition	Recognized in 2006
QRC	Advanced Certification	Full Certification
MQSA	Federal Law	Fully compliant, No findings

Figure 7.4-7 Licensing and Accreditations

7.4a(4) Ethics

Organizational ethics express the values of an organization to its employees and/or other entities through their organizational behaviors and business ethics. SMC's ethics are interdependent with their culture.

	2008	2009	2010
Ethics/Compliance Issues	2	3	1
HIPAA Complaints	0	6	1
Compliance Training Completion	100%	100%	100%
Signed Conflict of Interest	100%	100%	100%

Figure 7.4-8 Ethics/Compliance Issues Identified & HIPAA Complaints

7.4a(5) Society

SMC contributes significantly to the communities in which they have a presence. This contribution takes many forms, from money donated to support community activities, to hours of volunteer service, to healthcare education, to providing free or discounted services for those who are unable to pay. Results are shown in *Figures 7.4-9* through *7.4-12*.

The geographical area that SMC supports has been hit hard by the economic downturn. Charity care cases have increased substantially as shown in *Figure 7.4-9*. While this has a negative effect on overall financial performance, SMC is committed to supporting their communities.
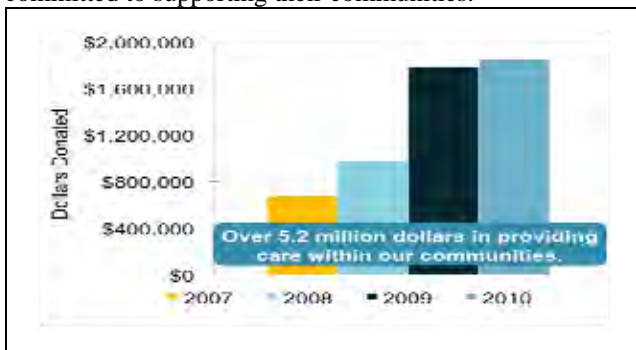
Figure 7.4-9 Charity Care
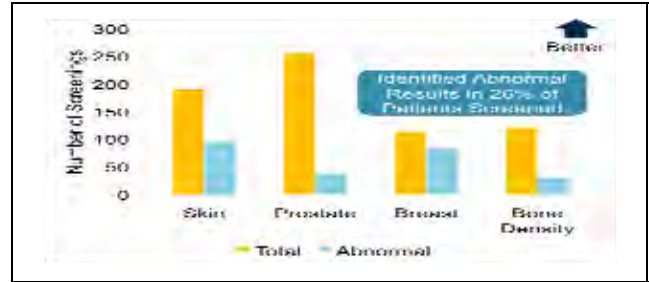
Figure 7.4-10 Free Community Cancer Screenings

Figure 7.4-10 shows the free cancer screenings that have been completed since 2008. Breast and Bone Density screenings were added in 2010. This free service has had a significant impact in the quality of care of the 26% of individuals that were diagnosed early in their disease process as a result of these free screenings.

Education Programs and Health Fairs 2010		
Program	# of Attendees	% New
Colon Cancer Program	22	27%
Stress & Coping Program	33	31%
Arthritis Program	33	31%
Arthritis Program #2	26	19%
Incisionless Reflux Program	42	50%
Journey to Arthritis to Joint Replacement	4	100%
Interventional Pain Procedures	43	42%
Using Your Medications Wisely	16	25%
Integrative Approaches to Cancer Prevention	63	49%
Friends Don't Let Friends Drive Drowsy	27	41%
Health & County Fairs 2010		
Schneck Health Fair, Mother's Health Fair, Medora Health Fair, Crothersville Health Fair, Women's Health Fair, Brownstown Health Fair, Washington County Fair, Scott County Fair, Jennings County Fair		

Figure 7.4-11 Community Relations Educational Programs

Figure 7.4-11 shows the different educational programs that were offered in 2010 and the number of potential new patients who attended. These programs assist the hospital with the initiation of the customer relationship building process. The educational programs give the attendees the opportunity to hear about new and enhanced services and introduce them to various caregivers within the hospital.

Leadership is encouraged to be active in the local communities. Directors participate in an Annual Day of Caring in which they help entities spruce up and repair community parks, cemeteries, etc. Most recently, all divisions competed in a successful food drive to stock the local food pantries. Support is demonstrated in *Figure 7.4-12*.
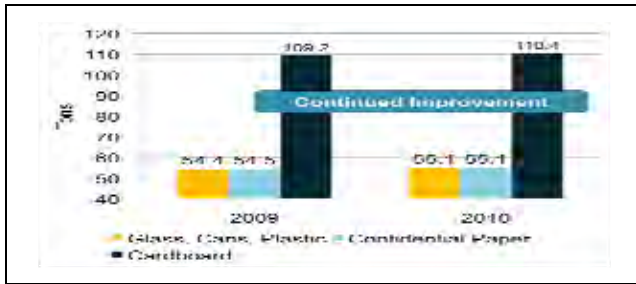

Figure 7.4-12 Community Benefit

Figure 7.4-13 Glass, Cans, Plastic, Cardboard, and Confidential Paper Recycling

SMC's Green Team is a hospital-wide committee working to protect the environment by focusing on the ways to reduce, reuse, and recycle resources. The success with "green" initiatives is illustrated in *Figures 7.4-13* through *7.4-16*.

Figure 7.4-14 Recycling Volume -- Linens

In 2010, nursing began to evaluate how much linen was actually needed in a patient's room. Before the evaluation, nurses would leave more than enough linens, but when the patient was discharged, the linen was required to be washed whether it was used or not. In 2010 after measuring how much was actually being utilized, nursing began to cut back on the linen delivered in each room.
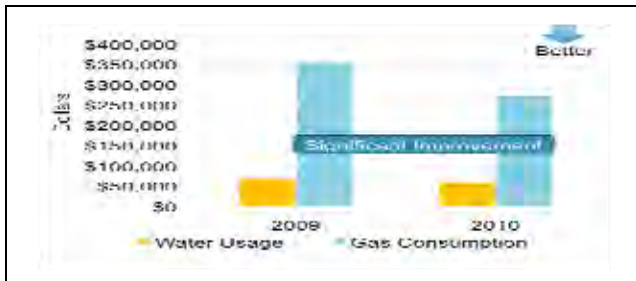
Figure 7.4-15 Water, Electric, and Gas Consumption

In 2008 all employees were given insulated mugs to use in the cafeteria. When employees use the mugs in the cafeteria they are able to purchase drinks for just $0.25. This program has incentivized employees to move away from the usage of foam cups as demonstrated in *Figure 7.4-16.*
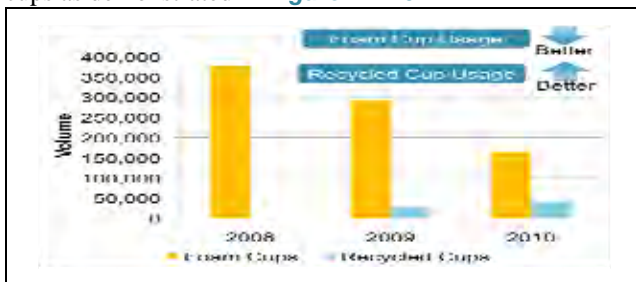
Figure 7.4-16 Foam/Recycled Cup Usage

Additional evidence of SMC's recycling efforts is shown in the reduction of solid wastes shown in *Figure 7.4-17*.
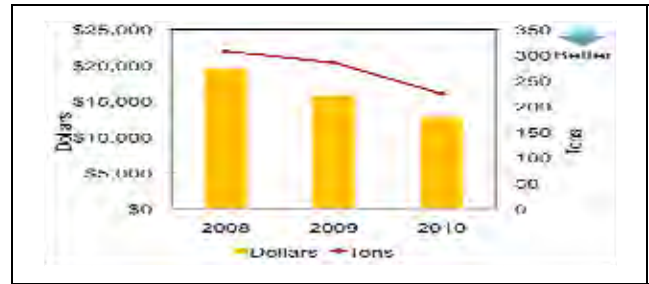
Figure 7.4-17 Solid Waste

7.5a Financial and Market Results

SMC has historically enjoyed a strong financial foundation far surpassing industry best practice in multiple measures. In 2009 and 2010, SMC experienced increases in bad debt, charity care, and Medicaid patients as a result of the declines in the local economy. Because of a strong financial position, SMC's AEC made the decision to weather this difficult financial time without executing a reduction in staff, a strategy that was practiced at many surrounding hospitals. As a result, the Operating Margin showed a decline, but through efficient management of resources and expenses, the Operating Margin has improved.

7.5a(1) Financial Performance

In 2009 the Operating Margin was impacted by changes in the economy and investment values. Although operating margin was strong in 2008, the significant downturn in the worldwide financial markets resulted in investment losses, lowering gross margin. As the markets improved in late 2009, gross margin began to increase.
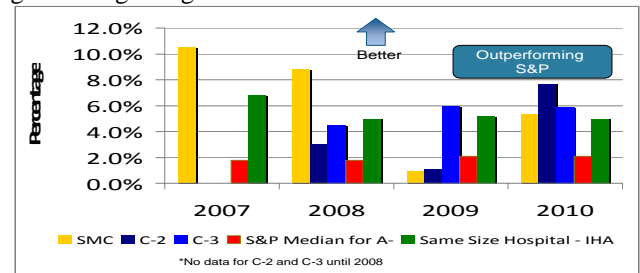
Figure 7.5-1 Operating Margin

SMC has continued to maintain a strong cash position.
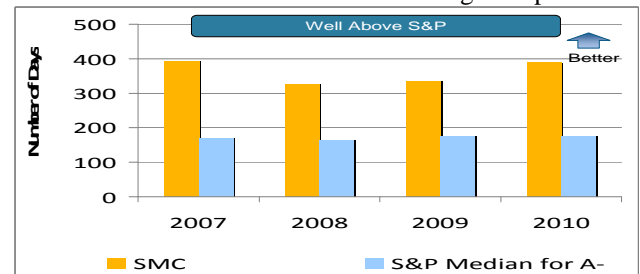

Figure 7.5-2 Days Cash on Hand

Debt to Service coverage is the amount of cash flow available to meet annual interest and principal payments on debt. While declines in the operating margin had contributed to reducing SMC's debt coverage ratio, the ratio was still well below bond covenant requirements and has continued to exceed S&P.

Figure 7.5-3 Debt Service Coverage

SMC's average age of plant, **Figure 7.5-4**, has declined and surpassed industry benchmarks due to completion of a $60 million building project in 2009.
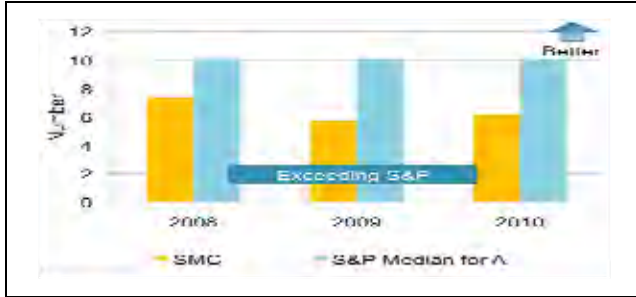

Figure 7.5-4 Average Age of Plant

SMC's Debt to Capitalization ratio, **Figure 7.5-5**, is comparable to A- rating for hospitals, even though the hospital issued new debt of $35 million in 2006 to partially finance the recently completed expansion project.
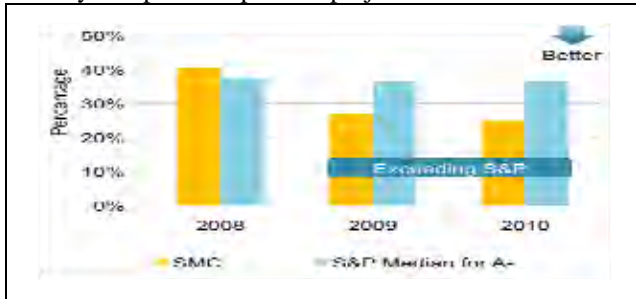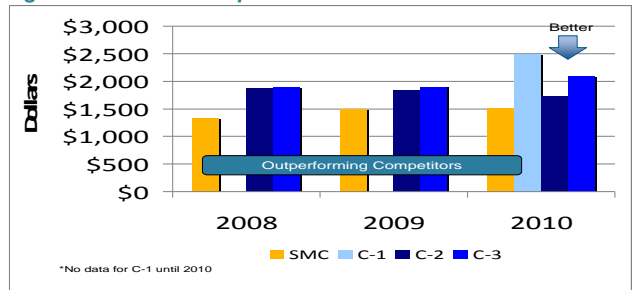

Figure 7.5-5 Debt to Capitalization

Figure 7.5-6 Total Expense per Adjusted Patient Day
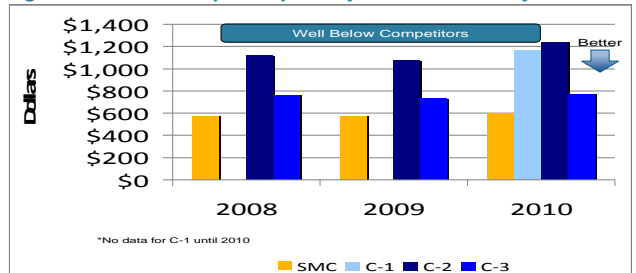
Figure 7.5-7 Total Supply Cost – Case Mix Adjusted Discharge
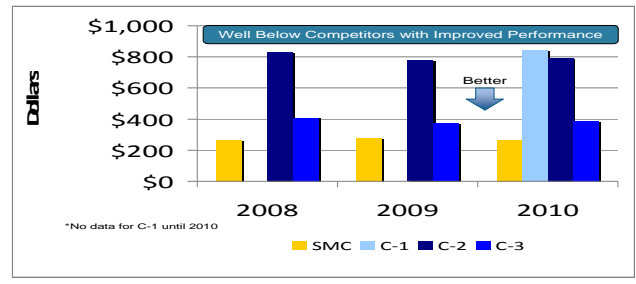
Figure 7.5-8 Total Supply Cost – Drug Cost/Case Mix Adjusted Discharge

Despite the economic downturn, SMC has sustained good levels for Expense per Adjusted Patient Days due to efficient and effective process in supply chain management, **Figures 7.5-6, 7.5-7,** and **7.5-8.**
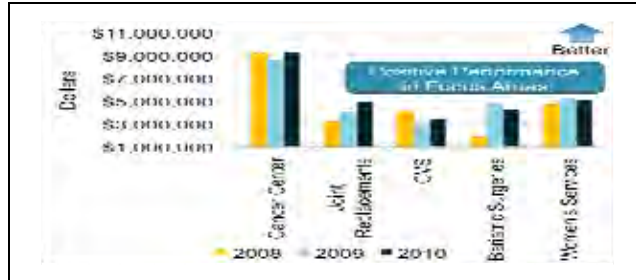
Figure 7.5-9 Gross Revenue Focus Areas

Figure 7.5-9 demonstrates the outcomes from intelligent risks that were taken to expand services and grow revenue to strengthen sustainability so SMC can continue to provide for their patients and community for the next 100 years.

7.5a(2) Marketplace Performance

SMC strives to retain market share via positive service experiences, improved and expanded services, and excellence in quality care, **Figure 7.5-10**. The increase in share in 2008 in both the Jackson and Jennings counties markets, **Figure,7.5-11,** was due to the flood of Columbus and closing of CRH for most of the summer and fall of 2008.
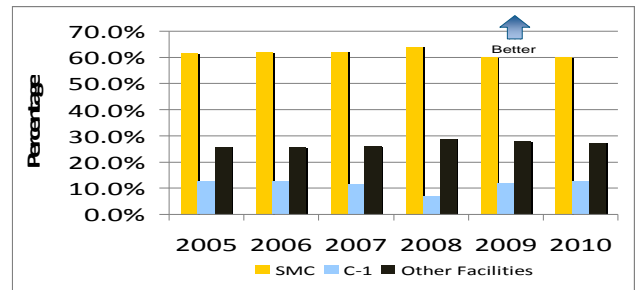
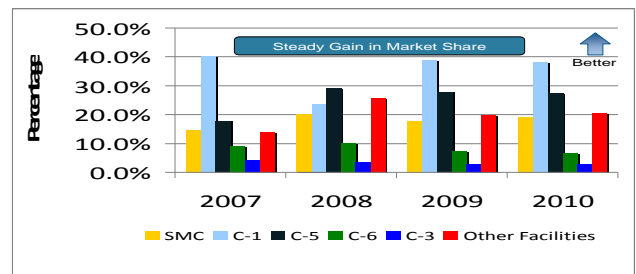

Figure 7.5-10 Inpatient Market Share – Jackson

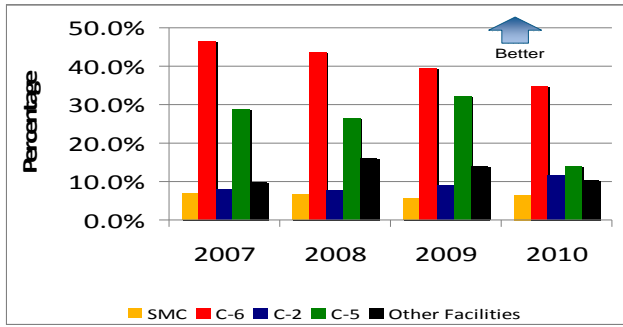**Figure 7.5-11 Inpatient Market Share – Jennings**

SCHNECK MEDICAL CENTER
Better healthcare begins here.

Figure 7.5-12 Inpatient Market Share – Scott
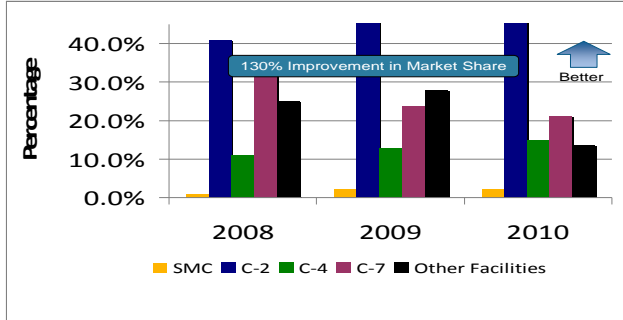
130% Improvement in Market Share

Figure 7.5-13 Inpatient Market Share – Washington

SMC experienced an increase in market share in Jackson, Jennings, Scott, and Washington counties in 2010.
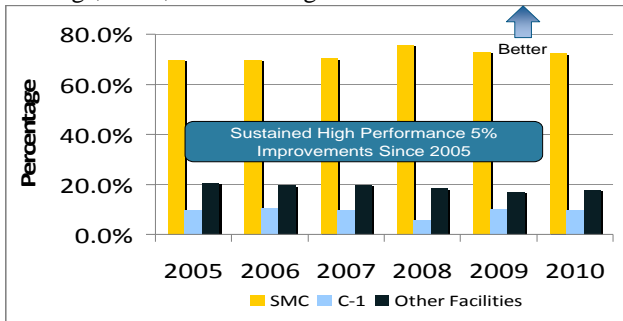
Sustained High Performance 5% Improvements Since 2005

Figure 7.5-14 Outpatient Market Share – Jackson

6% Improvement in Market Share
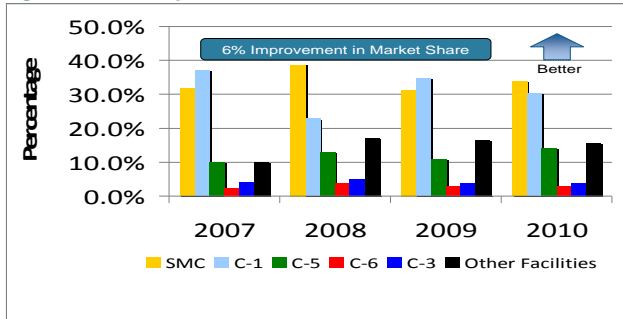
Figure 7.5-15 Outpatient Market Share – Jennings

25% Gain in Market Share
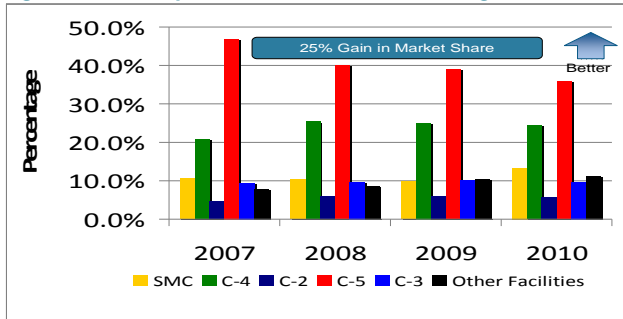
Figure 7.5-16 Outpatient Market Share – Scott

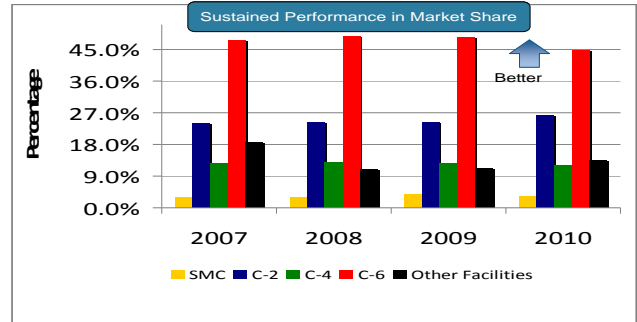*Sustained Performance in Market Share*

Figure 7.5-17 Outpatient Market Share – Washington

Outpatient ambulatory service also has increased in 2010 and has historically sustained levels above competitors.
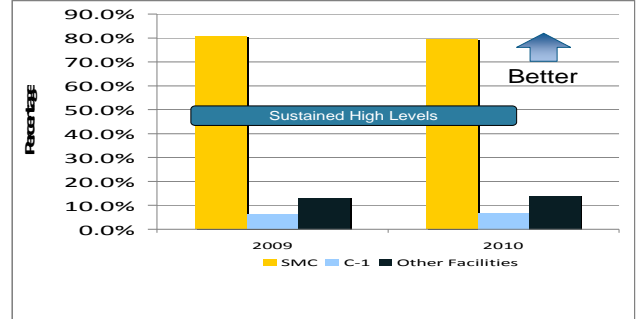
Sustained High Levels

Figure 7.5-18 Outpatient Ambulatory Market Share – Jackson

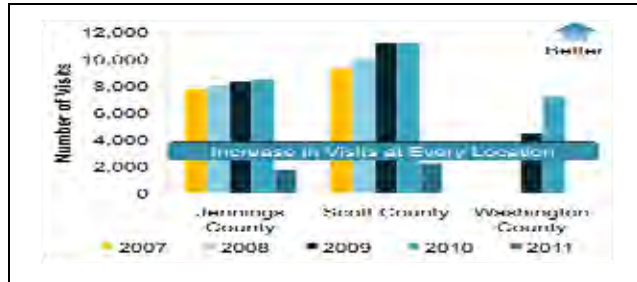*Increase in Visits at Every Location*

Figure 7.5-19 Convenient Care Visits

Convenient Cares were systemically opened in secondary markets to fill a void of lack of primary care and to initiate the Relationship Development and Building System *(Figure 3.2-3)* process to engage potential, current, and former patients. This strategy has proven to be successful as evidenced by increases in visits each year at the CCs and increases in market share in all of the counties where the CCs are located.

"Thank you so much for taking good care of me. All took good care of me - it was like I was the only one on the floor. Everyone gave me good support all the time.... I loved all the nurses - day and night. Everyone who took blood or other things told me step by step what I would feel and what they were doing. Made me feel very safe. If I had someone in the room they would come back after my visitors left. Very good to my family. I got some news that made me cry and the nurses sat with me and made me feel better.