Healthcare Management Toolkit

This Healthcare Management Toolkit™ contains hundreds of ideas, techniques, and tools for healthcare managers and physicians to implement patient-centered process improvements concurrently with Collaborative HealthCare Skill Clinics. These healthcare manager tools are brought together exclusively for users of Skill Clinics.

The goals of the Healthcare Management Toolkit and all Skill Clinics are to increase:

- patient satisfaction
- quality of healthcare
- teamwork
- cost-effectiveness of healthcare
- patient health-promoting behaviors

Skill Clinics

Skill Clinics are one-hour workshops delivered by local leaders to all Healthcare Professionals (HPs). After practicing proven service and collaboration skills in each Skill Clinic, the HPs apply the skills as standards on the job and receive coaching by their managers. Contact info@skillclinics.com for more information.
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10 ways to reduce healthcare costs and increase quality

The most assured way to reduce healthcare costs and increase quality is by improving patient satisfaction. According to Press Ganey, patient satisfaction and profits are positively correlated, and hospitals can increase profits by 2% to 5% by improving patient satisfaction. Here’s how the many impacts of patient satisfaction add up.

1. **$4 billion dollars in paid malpractice claims.** Dissatisfied patients are more likely to pursue litigation. Studies show that patients sue from anger not injury in the $4 billion paid out in claims each year. After customer service training, a 62,000-visit ED reduced patient complaints by 70%.

2. **$2.3 million lost in potential revenue.** Rush University Medical Center in Chicago calculated that improvements in patient satisfaction increased their revenue by $2.3 million in one year from returning patients.

3. **17% loss in patient volume.** A 2005 study over a 5-year period found that hospitals in the bottom 10 percent for patient satisfaction scores had patient volumes one-third lower than hospitals in the top 10 percent. That translated to an additional 1382 patients per year.

4. **2% reduction in Medicare payments.** CMS reduces their Medicare reimbursements by up to 2% to hospitals that fail to properly report HCAHPS survey results. In addition, CMS is implementing “value-based purchasing,” to reward hospitals an additional 2-5% for improving patient satisfaction.

5. **Preventable adverse event.** The additional cost for a pressure ulcer is $16,000 and $20,000 for a patient fall. Service improvements directly reduce these and other adverse events.

6. **Unvoiced complaints destroy your reputation.** Only one in twenty upset patients actually complain. Most just tell their primary care physician or others in the community — silently destroying your reputation.

7. **Dissatisfied are switching providers.** A Harvard University study found that 12% of patients were unhappy enough about their communication with their physician to consider switching doctors.

8. **Marketing costs.** It costs 6 time as much to get a new customer as it does to retain one. The Kaiser Family Foundation found that more than 6 out of 10 patients preferred to choose a familiar hospital over a top-rated one, and half of all patients preferred a familiar surgeon over a top-rated one.

9. **Recruiting costs.** Patient satisfaction is associated with employee satisfaction and retention, and reduced recruitment costs which average 4% of annual operating income.

10. **Operational inefficiencies.** Hospitals have shown that streamlining processes reduces length of stay, variability, errors, and costs while increasing patient satisfaction.
Overcoming physician skepticism about patient-centered healthcare

Although many healthcare organizations and providers recognize the importance of patient satisfaction, a good number of physicians remain skeptical about its value. Here are five possible objections and rebuttals for each:

**Skepticism #1: Patients are not qualified to evaluate healthcare.**
Physicians often view healthcare as the treatment of disease, while patients tend to see healthcare as a personal experience. Physicians may be upset when patients, who lack clinical expertise, evaluate them instead on non-clinical factors, such as ease of getting an appointment, wait time in the reception area, and interpersonal communication.

**Rebuttal:** Patients are consumers with increased buying power and additional say in their healthcare decisions. Whether patients have sufficient medical expertise to judge their doctors’ performance, their opinions matter and directly impact the organization's bottom line. What’s more, patient satisfaction improves compliance with physician directives and reduces malpractice lawsuits.

**Skepticism #2: Satisfaction is subjective.**
Physicians are scientists and make decisions and evaluations based on factual evidence. Satisfaction, on the other hand, is perception, so there is no objective means to evaluate it.

**Rebuttal:** Studies show that patient satisfaction can be reliably measured. It has been linked to patient compliance and better health outcomes. However patient satisfaction is defined, patients who feel that they had a quality experience are more likely to comply with medical instructions and respond more favorably toward the physician in the future.

**Skepticism #3: Satisfaction reports don’t help improve clinical care.**
Many physicians feel that satisfaction surveys are not useful because they don’t measure clinical care or expertise. Physicians feel the findings in patient satisfaction surveys do not provide them with information that’s applicable to their own behavior.

**Rebuttal:** Patient satisfaction scores are most influenced by communication skills. Physicians’ overall skills and abilities are greatly impacted by their communication skills. Consider patient satisfaction more as a measure of the quality of communication skills, vs. clinical expertise.

**Skepticism #4: Patient satisfaction is most impacted by staff.**
Many physicians believe that low satisfaction scores have little to do with them personally since they provide exemplary care. Negative patient satisfaction survey findings, therefore, apply only to nonclinical staff, administrators or other professionals.

**Rebuttal:** Everyone affects patient satisfaction. It is important to work as a team and cooperate on improving patient experiences. Physicians can greatly influence staff and support people by recognizing that patient satisfaction requires a team effort.

**Skepticism #5: Patient satisfaction efforts are just public relations campaigns.**
Many providers are cynical about the value of patient satisfaction, especially when larger organizations publicize patient satisfaction efforts and use ratings in their advertising. These doctors consider patient satisfaction to be a public relations ploy rather than a genuine, ongoing effort to improve care.

**Rebuttal:** Now that the federal government is paying attention, patient satisfaction requires much more than a public relations campaign. The federal government and many insurers reimburse organizations and individuals based on measurable patient satisfaction ratings.
HCAHPS: 9 things you need to know

Most hospitals are now required to report patient satisfaction data from a government-sponsored survey called HCAHPS. Here are 9 things to know about HCAHPS:

1. **HCAHPS stands for Hospital Consumer Assessment of Healthcare Providers and Systems.** It is sponsored by the Centers for Medicare and Medicaid Services (CMS) and was developed by the Agency for Healthcare Research and Quality. Both agencies are part of the U.S. Department of Health and Human Services.

2. **HCAHPS is unique because it provides a standardized comparison** of hospitals across the country. Since patients in all hospitals respond to the same questions, consumers can make an “apples to apples” comparison of various hospitals’ patient experiences and outcomes.

3. **The survey is designed to provide a more objective assessment** of care than traditional satisfaction surveys conducted by private firms. Patients are not asked how well something was done (which is usually considered a subjective assessment); instead they are asked how often something was done. Patients answer questions with terms like “always,” “usually,” “sometimes,” and “never.”

4. **HCAHPS rates hospitals on 3 different aspects of care:** processes of care, outcomes of care, and patient perceptions.

5. **Hospitalized patients, age 18 and older, are asked to rate their perception of care** in five areas: communication with doctors and nurses, staff responsiveness, the cleanliness and noise level of the environment, pain management and instructions about medication and discharge.

6. **CMS also collects hospital data on 27 “process of care” measures.** This data tracks surgical care improvements and the frequency with which hospitals give recommended treatments for heart attack, heart failure, pneumonia, and asthma in children. The data is collected from patient records and is converted to percentages.

7. **CMS rates hospital patient outcomes using a national scale** called a 30-day risk-adjusted death rate. Hospitals comparisons on this scale show whether death rates for patients suffering heart attack, heart failure or pneumonia are higher or lower than the national average. Presumably, hospitals with ratings lower than the national average provide better care. The rates are “risk-adjusted” to account for patients whose conditions are more critical, or are at higher risk.

8. **HCAHPS results are posted quarterly.** The public can access the data on the Hospital Compare website at www.hospitalcompare.hhs.gov.

9. **HCAHPS scores impact payments.** Since October 2008, hospitals requesting full payment for providing treatment to inpatients covered by Medicare and Medicaid are required to report patient perception of care data using HCAHPS. Beginning in 2012 and based on HCAHPS scores starting in 2011, CMS, under its Value Based Purchasing may withhold up 2-3% of reimbursements based on HCAHPS scores and other quality measures. The difference in medical reimbursement cannot be passed along to the patient. Instead, the gap between cost and reimbursement must be borne by the healthcare facility.
6 business lessons for healthcare organizations

The business community has long understood that customer service is critical to success. In contrast, healthcare organizations often disregard service, saying their mission is providing care, not catering to customers. Healthcare has a lot to learn from business. Here are 6 important lessons:

1. **Standardize.** Large businesses use standardization, best practices, and quality-control techniques to increase efficiency and reduce costs. Healthcare tends to depend on the individual judgments of physicians rather than establish standardized practices. Unfortunately, this shows in the many variations in treatment and the high cost of healthcare. Look for innovative healthcare organizations that use evidence-based practices to standardize care and adapt process redesign techniques, such as Six Sigma, for lessons in how to standardize practices. Standardization will also make it easier for your organization to implement and manage customer service initiatives.

2. **Listen to the customer.** Corporations understand that the customer experience and perspective is valuable. They understand it in marketing, product development, and customer service. In healthcare, the patient experience is often not considered part of care. That’s changing now that patient satisfaction scores are being used by government and private payers. This means patient perception trumps what hospital leaders, clinicians and staff believe is true about the organization. It’s time to listen to what your patients are saying and respond to them.

3. **Improve customer service.** The best organizations know that customer service programs promote long-term customer loyalty and ultimately boost organizational outcomes. The cost of customer service programs will be recouped through improved word-of-mouth marketing and reduced cost of patient turnover and malpractice claims.

4. **Use communications technology.** Businesses recognize the importance of using multi-media to talk with and listen to their customers. They adopt innovative communication strategies and invest regularly in technology to support them. In contrast, many healthcare customers still cannot communicate with their providers via email or websites and their providers cannot communicate with each other. Invest in technology designed to improve communication and prevent medical errors, such as electronic medical records. Provide opportunities for customers to connect with you via email and the Internet.

5. **Pay for performance.** Businesses routinely motivate employees with incentives and reward top performers with bonuses. The same approach can be successfully applied to healthcare. Make patient satisfaction a priority by including customer service as a component of employee reviews and a factor in their compensation formula. Reward employees who consistently provide excellent customer service.

6. **Seek excellence.** Don’t settle for good enough; strive to be better than you think you can be. While high patient satisfaction scores may be a validation of the things you are doing right, they can also obscure what you can do better. Even if you are scoring in the 95th percentile, talk with the 5 percent of patients who think you can do better and set goals based on their feedback. Continuously improve because you can.
Fixing the 10 most common patient complaints

In a recent study of 1,216 patient complaints from two Boston hospitals, researchers found that 19% identified unprofessional conduct and 17% reported poor provider-patient communication. In general, patients tend to complain about the same issues, regardless of the setting. Here are strategies to help you “fix” the top 10 patient complaints:

1. **Difficulty scheduling an appointment.** Fix: Review your schedule to see if your practice or organization is scheduling more patients than staff and physicians can reasonably handle. Consider expanding the organization or forming reciprocal relationships with similar organizations that will accept referrals when patient demand exceeds capacity.

2. **Long wait times.** Fix: Review your processes. What is causing the delays? Is the doctor routinely late? Are office staff overwhelmed by last-minute, call-in patients? Once you have a good sense of the problem, you can redesign your processes to be more efficient.

3. **Rude or uncaring staff.** Fix: Train staff in communication and customer service skills. Review organizational staffing: Are you serving more patients with the same number of staff? Overloaded staff may appear rude or uncaring to patients.

4. **Lack of coordination of care.** Fix: Obtain contact information on other care providers your patients see. Assign a staff member to forward patient records to other providers, set up diagnostic testing, follow-up on test results, and inform the patient about what’s been done. Periodically review the information to make sure the process is thorough and efficient, and if not, step in personally to contact other providers and coordinate care.

5. **Poor/ineffective treatment.** Fix: Provide a process for patients to complain anonymously; act immediately to resolve complaints.

6. **Uncomfortable or unclean environment** (small room, unclean waiting area, etc.). Fix: Move the patient to resolve the immediate problem. Study the organization’s cleaning and inspection procedures: Are your standards clear? Is staff adequately trained? Is performance being measured? Adapt your systems as necessary to fix the problem permanently.

7. **Billing problems.** Fix: Clarify your billing policy upfront and train staff to answer billing-related questions. Designate a point person to handle more complex billing complaints and recommend improvements to your billing process.

8. **Unprofessional conduct.** Fix: Provide a means for patients to voice their complaints anonymously; put patients in touch with a patient advocate if necessary.

9. **Poor patient-provider communication.** Fix: Ask all patients if they have questions about either their appointment or their health, and follow-up to be sure their questions are answered. Use patient-friendly language to explain diagnoses, treatments, medications, and prognosis. Ask patients whether they’ve fully understood your explanation and offer to provide further sources of information.

10. **Unreturned calls.** Fix: Resolve to return calls within 24 hours. Set aside time, and if necessary, assign staff to help manage the process.