2015 FLEX Program Reverse Site Visit: Pathways To Value

Navigating the Pathways to Value...and Winning

June 23rd, 2015 Dan Collard, Senior Leader



a Huron Healthcare solution

Today's Objectives:

- Learn the components of a framework for value
- Understand how an emphasis on customer service, employee engagement and overall accountability can dramatically improve quality
- Learn about the value of coaching for rural hospital leaders and managers
- Leverage strengths of rural providers and communities to navigate the pathway to value



"May You Live in Interesting Times" ~ Ancient Chinese Curse

Environmental Drivers: The Game Changers

- Weak Economy
- Changing Demographics
 - Increased Regulation
- Politics of Deficit Spending & Reduction

Industry Pressure Points

- Increased Uncompensated Care
- Declining Commercial Volumes
 - More Physician Employment
 - Reimbursement Cuts

The New Operating Reality



Why Do We Need a Culture of High Performance?

The external environment demands it

Our Rural Health values will not let us do anything different



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All Businesses are Susceptible to Inflections

Inflection Point

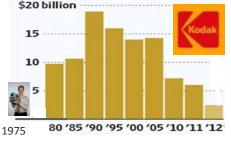
That which causes a business to make a fundamental shift in their strategy

- New Technology
- Regulatory Change
- Affordability
- Customer
 Convenience



- When is the Right Time to Change and How Do You Do It Without Disruption?
- Industry transformation is neither predictable nor linear
- Established organizations have difficulty overcoming resistance and/or try to wait for the perfect time to change (which may

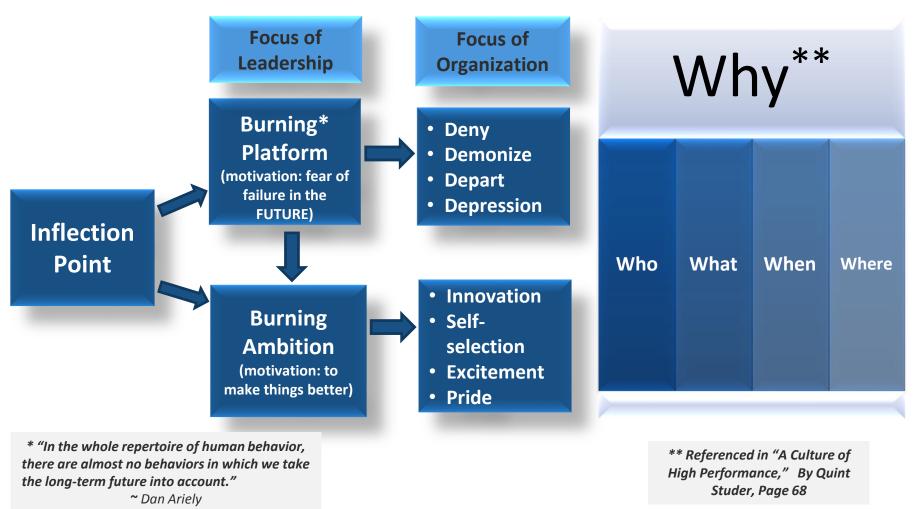
be too late)



Source: A Crucial Conversation About Healthcare Acquired Inflections; Nathan Kaufman, Managing Director, Kaufman Strategic Advisors, LLC,



Culture: Successfully Dealing with Inflection Points



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StuderGroup^{*}

Studer Group Mission and Vision

Mission:

To make healthcare a better place for employees to work, physicians to practice medicine and patients to receive care.

Vision:

To be the intellectual resource for healthcare professionals, combining passion with prescriptive actions and tools, to drive outcomes and maximize the human potential within each organization and healthcare as a whole.



Best Small

WORK[®] Workplaces 2014

FORTUNE



About Studer Group

What We Do

- Apply evidence-based tactics to achieve and sustain exceptional clinical, operational, and financial outcomes
- Develop web-based software solutions for operational alignment and process efficiency
- Provide a wealth of educational resources—including books, training videos, webinars, and institutes

Awards

- Received the 2010 Malcolm Baldrige Quality Award
- Sixty percent of Baldrige healthcare recipients are partners
- Ranked #5 on Great Place to Work[®] 2014 Best Small & Medium Workplaces List

By The Numbers

- Works with hundreds of healthcare organizations worldwide
- Employs over 80 professional coaches and 40 speakers



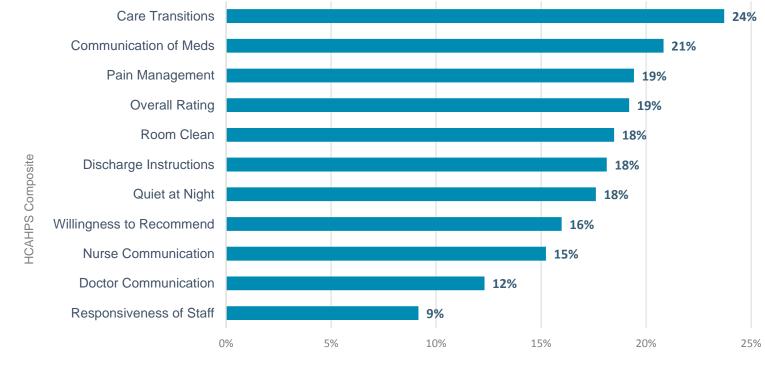
Sampling of Studer Group Partners





Organizations Coached by Studer Group Consistently Outperform the Nation on HCAHPS

Difference in Average Percentile Ranking between Studer Group Partners and Non-partners 1Q13-4Q13

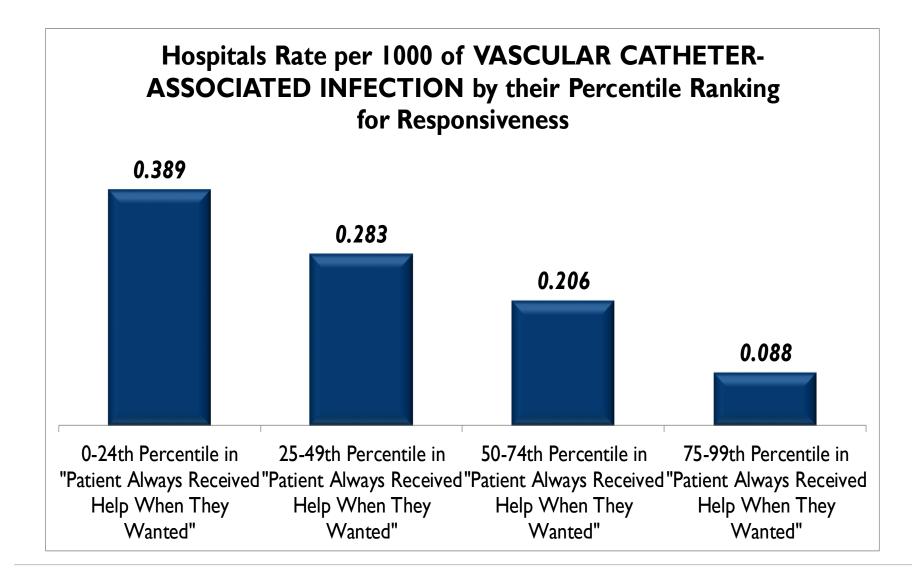


Percentile Points Difference



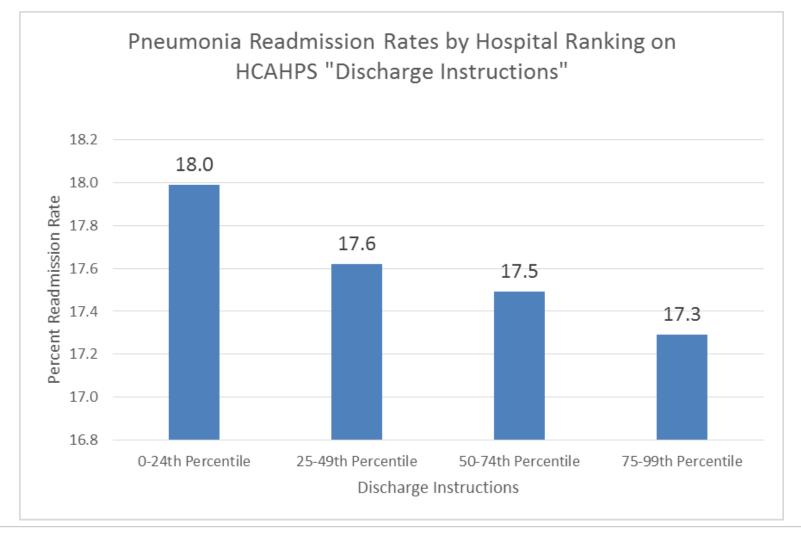


Patients' Perception of Care = Quality



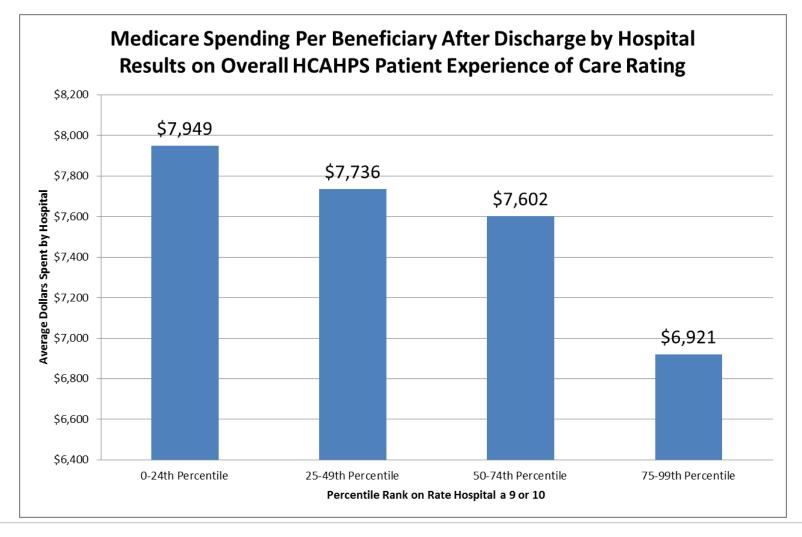


Readmissions by Hospital Ranking on HCAHPS Discharge Instructions



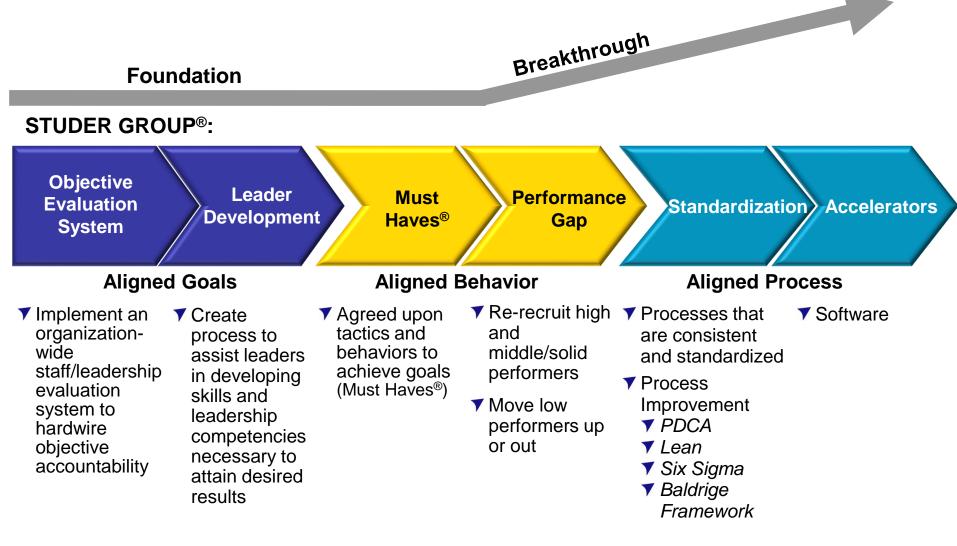


Hospitals with Better Patient Experiences Are Less Expensive





Evidence-Based LeadershipSM





Evidence-Based LeadershipSM Breakthrough Foundation STUDER GROUP[®]: **Objective** Leader Must Performance **Evaluation** Standardization Accelerators **Development Haves**[®] Gap **System Aligned Goals Aligned Behavior Aligned Process** Hardwire Implement **V** Better **V** Sequence Retain High tools and objective Performers, align consistency accountability training to techniques Coach Mid ▼ Improve outcomes Performers, system survivability Help deal with low performers



A Day in the Life...





Reimbursement changes, technology changes, procedures change, medications change, events and people change, the most important skill is to create a culture that has the agility and ability and to **adapt** to the changes.



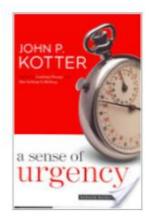
Change not always bad or feared





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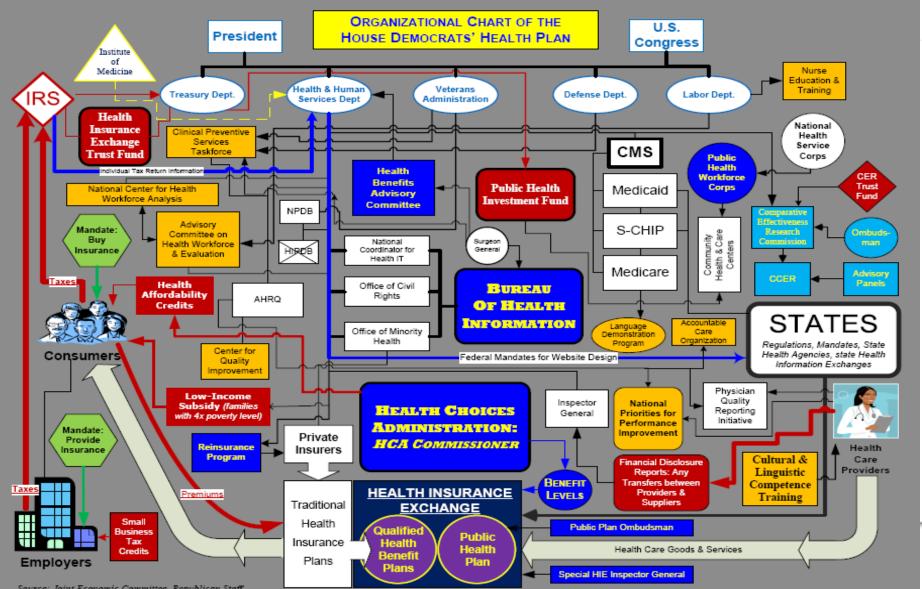
"The biggest obstacle in achieving high performance is not achieving the needed urgency for change."



Kotter, John P (2008) A Sense of Urgency. United States: Harvard Business Review Press.



... because at the center of it all:



Source: Joint Economic Committee, Republican Staff Congressman Kevin Brady, Ranking House Republican Member

Thank You !

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