



Request for Applications

November 14, 2008

Lean Core Measures Improvement Initiative ***A Project of the California Health Care Safety Net Institute***

The California Health Care Safety Net Institute (SNI) has designed a program to promote the use of Lean Management principles and tools to improve and sustain performance on national hospital quality measures, or Core Measures, among public hospitals that are members of the California Association of Public Hospitals and Health Systems (CAPH). Core Measures are publicly reported measures of healthcare organization's performance on quality and service. This initiative will support leadership's efforts to build employee's skills and increase public hospital's capacity to create brilliant processes, improve reliability, decrease wasted time and effort, and continuously enhance value to patients and family members. The program is designed to introduce and spread the use of Lean as a strategy to create a patient-focused environment that supports timely delivery of treatment and other healthcare services with optimum quality and at the least cost. Through the Lean Core Measures Improvement Initiative, participating hospitals will be coached through two "Lean Value Stream Transformation Events" by a leading Lean Healthcare Consultant. Participating team members will also learn to apply and conduct future improvement events using Lean thinking and tools. This program has been generously funded by the California HealthCare Foundation.

The first phase of the initiative will seek to improve reliable delivery of discharge processes for congestive heart failure patients and reduce their preventable re-hospitalizations. This core measure set was selected because U.S. re-hospitalization rates for heart failure approach 30% within 30 days and 50% within 90 days. Additionally, overall California public hospitals performance is 20% below the national average on transition-of-care processes like discharge teaching about weight monitoring, diet, activity, medications, follow-up, and what to do when symptoms worsen. In this program, participating hospitals will utilize the skills learned during the first value stream to improve another Core Measure set in a second area of opportunity (e.g. pneumonia care, surgical care, children's asthma care, inpatient psychiatric services, hospital outpatient-department ED or Imaging, Inpatient nursing-sensitive measures, or prevention and care of venous thromboembolism).

Beginning in February and March 2009, SNI will engage a Lean consulting firm to work with SNI and four CAPH member organizations on a Lean journey to learn and experience continuous improvement by improving work processes and managing change in a new, exciting, and very effective way.

Why Now? Benefits of Lean Management in Health Care

Many hospital leaders have already begun to embrace quality and efficiency as institutional performance improvement objectives. However, healthcare continues to lag other industries at building standard work processes, standard work structures, and standard role definitions. These elements are key for supporting care providers and patients. Lack of standardization of core processes is one of the biggest problems shared by healthcare delivery organizations today. And this lack of standardization negatively impacts the ability of clinical staff to provide reliable, evidence-based care.

Applying Lean thinking to process improvement in the clinical setting will help to address these major problems. Moving to a culture of harm prevention, reliability, and

standardization requires leadership to develop an infrastructure that supports this change. Many leading public and private hospital systems are embracing and building that structure based on Lean Management principles and tools. And it is helping them improve quality and efficiency, reduce costs, and deliver the right care, at the right place, at the right time, every time. Denver Health & Hospitals and more recently the New York City Health and Hospitals Corporation have joined the ranks of the Mayo Clinic, Johns Hopkins, the University of Michigan Health System, ThedaCare, and Virginia Mason, as organizations using Lean to build their infrastructure to support this important change.

Potential benefits include:

- Increase institutional capacity to accelerate improvement
- Ability to achieve and sustain top performance on existing and future Core Measures
- Decrease preventable re-hospitalizations, LOS and mortality, and improve patient satisfaction
- Develop internal Lean healthcare experts through a learn by doing approach
- Develop a learning philosophy: Every project and activity is a chance to learn
- Bottom-up involvement in concrete projects with clear results
- Improve the bottom line when state and federal value-based purchasing programs linked to quality measures performance are implemented
- Decrease wasted time and effort through process standardization
- Increase senior management’s awareness of what Lean is and how it can be used as a powerful strategy to improve system-wide performance

Application Information

Please review carefully the sections on program requirements, timeline and application processes

Description	Dates
Request for Applications distributed by SNI	November 14 th , 2008, 5 PM PT
Completed Applications Due	December 31st, 2008, 5 PM PT
Selected Participants Notified	January 9, 2008

For questions regarding the request for applications, please contact Lance Mageno, Imageno@caph.org or phone (510) 874-7120.

Program Overview

The program will provide four public hospitals with on-site, consultant-led training and support to engage in two Lean transformation events. The lean transformation events will focus first on work processes for heart failure care and then on another Core Measure set to be selected by the hospital. The lean healthcare consultant will emphasize team training and education, as well as coaching teams through the lean event process. The consultant will also transfer the knowledge, skills, and tools necessary to develop Lean improvement team leaders and to promote self-sustainment after the scheduled program events are completed. Selected hospitals will receive technical assistance throughout the program from the

consultant and SNI. A step-by-step guide of what is involved in a Lean Transformation Event is outlined in the next section. Additionally, SNI will facilitate communications through the development of a “Lean Learning Network” among public hospital systems and bring the participating hospitals together at the end of the program to share experiences, learn from challenges, and celebrate successes.

Program Requirements and Organizational Commitment

The SNI program will cover all consultant fees for each participating hospital during the program period. Estimated consultant time is 18-21 on-site days per Lean event with a timeline up to six months per event. Participating public hospital will receive meal reimbursement for Lean Team member activities, and the Lean Thinkers’ Library--a repository of 13 books about Lean transformation. **In order to be selected, organizations must commit to involve key staff and leadership in the following required program components:**

Program Requirements

- Executive and clinical leadership participation in an on-site Lean Assessment to create: (1) a common Lean understanding among senior executives, (2) establish objectives for the program and how it will support the health system’s business and strategic plan (3) a schedule for monthly project reviews to maintain senior leadership participation and support.
- Up to 25 members of leadership and selected stakeholders attend a 1-day “Introduction to Lean” session. Note: this session will be scheduled by the hospital and will take place at or near the hospital campus.
- Key process owners participation (3-8 people) outlined in the next session, including clinical and non-clinical staff caring for patients with Core Measures diagnoses (e.g. Chief of Cardiology/designee, Chief of Emergency Medicine/designee, hospitalist (if applicable), Nurse Mgr, Staff Nurse, Quality/Performance Improvement, Case Manager, Discharge Planner, etc...)
- Senior leadership to assign a small number of very smart and very interested employees to follow the Lean teacher’s every move, record the techniques and methods, and then develop a plan to systematically diffuse these across the organization (*Optional*).

For each Lean Transformation Event

- Value Stream leaders (3-8 people) are chosen for the selected Value Streams and attend a 2 day session on Enterprise Value Stream Mapping to complete the Current State, analyze the Current State and begin to draft the Future State (leadership attendance encouraged).
- Value Stream leaders/core team attends a 2 day session to finalize the Future State Map and Implementation Plan for the selected Value Stream (leadership attendance encouraged).
- Team participation in four, 3-day, sessions for implementation support and training in leading Kaizen events, 5S (workplace organization), Visual Controls, Managing to Learn Using the A3, and other topics pertinent to the implementation plan.
- Participation by hospital leadership and Lean team members in an interactive session on creating a “Lean Culture.”
- Hospital staff will maintain the lead and drive the results, with consultants serving as expert coaches and trainers to support implementation.
- Commitment to working with a Lean Healthcare consultant and SNI Program Associate to support program success and problem solve concerns.
- Gather necessary data or metrics identified during value-stream events (most Core Measures data are already being collected, but other key metrics may be identified).

- Participation in a final convening with Lean Teams and leadership from other public hospital systems to share ideas, experiences, and successes.
- Engagement with a financial analyst to determine the real financial impact on the bottom-line
- For more detail, please reference an example of a *Lean Program Approach and Steps* that is included as the second attachment in this e-mail communication.

Evaluation Requirements

An independent evaluator will be selected by the California HealthCare Foundation in consultation with SNI. SNI will work cooperatively with the evaluator throughout the entire project and up to six months after the project ends. Participating hospital will commit to the following evaluation components.

- Continue to measure and monitor selected Core Measures for quality of care, patient satisfaction and operational efficiencies, using metrics selected during Value Stream Mapping processes for up to six months after each lean transformation event.
- Participate in a program assessment surveys/interviews in partnership with SNI and CHCF evaluator.
- Contribute to a spread plan to support additional Lean events to achieve sustainability of the program.

Program Timeline

Description	Dates
RFA released by Safety Net Institute	November 14th, 2008, 5 PM PT
E-mail Intent to Apply	November 31, 2008, 5 PM PT
<u>Application due</u>	<u>December 31st, 2008, 5 PM PT</u>
Four Selected Participants Notified	January 9, 2009
Complete Initial Lean Assessment and Orientation by: Attendees: (25 max) Executive and Clinical Leadership	March 31, 2009
Begin implementation of Lean Transformation Event for Congestive Heart Failure Value Stream by: Attendees: (8 max, may include add'l observers) Value Stream Leaders/Core Team selected by Senior Leadership/Consultant during Lean Assessment	April 30, 2009
Complete Lean Transformation Event for Congestive Heart Failure by:	October 1, 2009

Build-on opportunities identified during first Value Stream to begin implementation of Second Core Measures Lean Transformation Event by: Attendees: (8 max, may include add'l observers) Value Stream Leaders/Core Team	September 1, 2009
Complete Lean Transformation Event for Second Core Measure Value Stream by:	March 31, 2010
Capstone Meeting of Lean Teams*	April 2010
Final Data Submission of Monitored Metrics due to SNI by:	May 1, 2010

*Participant travel expenses will be reimbursed by SNI.

Eligibility and Use of Funds

Eligible Applicants

County owned and operated hospitals that are members of CAPH are eligible to apply. Applicants must currently participate with CHART or have completed a CEO commitment letter to join CHART. For more information on joining CHART, contact the CHART Helpline at 415-514-0218. All applicants considered for participation must demonstrate the competency and organizational ability to successfully develop and implement the grant-funded activities. Four CAPH-member organizations will be selected as participants.

Use of Funds

Participant Funding: SNI will manage payments to consultant(s) on behalf of participating hospitals. Hospital leaders and teams will be reimbursed for any travel expenses associated with participating in this program. Funds for meeting and training expenses such as food and facility rental will also be covered.

Technical Assistance Services

In addition to the time spent on-site by the Lean healthcare consultant, selected hospitals will have access to the consultant through e-mail and phone consultation at anytime throughout the program. SNI will also provide logistics support to the hospitals through a new program associate position. The program associate will facilitate data management, conference calls, consultant sessions, and information sharing. Lance Mageno, SNI Senior Program Associate and Project Director, may also be contacted at anytime for questions or concerns related to the program.

Application Process

Applications received by the **December 31st, 2008** deadline will be reviewed to determine their alignment with the goals, criteria and priorities of the initiative. Any and all costs associated with preparation or submission of an application will be the sole responsibility of the applicant and will not be reimbursed by SNI.

Applications must be fully complete at the time of submission and include all required information and documentation. Incomplete applications will not be reviewed. The review committee will make recommendations for funding to SNI. Evaluation of proposals will be based on multiple criteria, including but not limited to:

- Organizational capacity
- Readiness and willingness to learn and apply Lean Management principles and tools

As part of the application evaluation process, SNI and the review committee may perform site visits or conduct follow-up phone calls to organizations submitting proposals.

The application deadline is **December 31, 2008**. Completed applications and letters of support may be e-mailed to Lance Mageno at Imageno@caph.org or faxed to (510) 874-7111. We are also requesting that you e-mail your intent to apply by November 31, 2008.

For more information about the initiative or application process, please contact Lance Mageno at (510) 874-7120.

Application Information

I. Contact Information

CAPH Member Hospital/Health System: _____

Address: _____

Primary Application Contact	Name:	Email:
		Phone:
Executive Director/CEO	Name:	Email:
		Phone:
Chief Medical Officer or Clinical Champion	Name:	Email:
		Phone:
Chief Operating Officer	Name:	Email:
		Phone:
Chief Nursing Officer / Designee	Name:	Email:
		Phone:

Quality Officer/Director	Name:	Email:
		Phone:
Chief of Cardiology / Designee	Name:	Email:
		Phone:
Chief of Emergency Services / Designee	Name:	Email:
		Phone:

II. Narrative Questions

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Please provide brief answers to the following questions by typing in this document.

1. Board, Executive Team and Clinical Leadership Commitment

a.) Describe how participation in the program aligns with the hospitals' strategic plan.

b.) This program is designed to provide a framework and orientation for senior leaders and give two teams the opportunity to pilot Lean events. If this program works well for your organization, how will this experience catalyze your hospital to embrace Lean for future improvement efforts?

c.) The program offers hospitals the opportunity to choose which Core Measures area of care they would like to select for the second Lean transformation event. Of the following options, what area of care would the hospital select, and why? (*Surgical Care Improvement Project, Heart Attack, Pneumonia, Pregnancy, Hospital Outpatient Department Quality Measures, Children's Asthma Care, Hospital Based Inpatient Psychiatric Services, Nursing Sensitive Care Measures, Prevention and Care of Venous Thromboembolism, or Blood Management*)

2. *Desired Outcomes*

- a.) Describe your hospital's desired outcomes from participation with the Lean Core Measures Improvement Initiative.

III. Letters of Support

Please include a letter of support from each of the following hospital leaders. If it is preferred, one letter signed by these executives is acceptable. Letters should describe the leader's support for key managers/staff (3-8 people) to participate in two Lean transformation events as outlined in the program requirements and described in the example of a *Lean Program Approach and Steps* included as the second attachment in this e-mail communication.

- 1. Chief Executive Officer
- 2. Chief Medical Officer/Medical Director

Please note: By design, this initiative requires the Lean consultant to transfer skills and knowledge to the selected team members in addition to leading and coaching the team through the Lean Transformation events. Because of this, the program activities demand a large time commitment from selected hospital team members. The consultant will spend approximately 18-21 business days on location per lean event. Lean team participants will spend a large part of this time with the consultant. Training and improvement team sessions typically take place over 2-3 day blocks of time. Gaps between training and event sessions range from two to four weeks.

SNI recognizes this will be a new and very different way to improve and implement rapid change in our member hospitals. Every effort will be made to scope the projects and schedule event sessions so they are manageable, balanced to meet the objectives, and provide maximum benefit for the participating hospitals and their respective teams.

For any additional information or questions, please contact:

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