



Don't Face the Risk Apocalypse:
Practical Approaches to Implementing and Integrating ERM and Compliance
with Quality

HCCA Compliance Institute - March 29, 2017



Quality and Compliance Starts with the
Patient Experience!



We are the Patient Experience!



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Chief Quality Officer
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Agenda



- About JPS Health Network
- JPS Organizational Culture
- Our ERM Journey
- The JPS Quality and Patient Safety Program
- Combining ERM and Quality
- Questions

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About JPS Health Network



At John Peter Smith Hospital, in Fort Worth's Near Southside, we provide emergency services and trauma care at Tarrant County's only Level 1 Trauma Center; urgent care, inpatient care (including intensive care for infants and adults), emergency and inpatient psychiatric care and a full range of outpatient services located across Tarrant County.

JPS medical staff credentials

650 MDs
109 DOs
17 DDS
5 PhDs
4 DPMs
1 DMD



818 physicians with privileges

As our community grows and industry standards, regulations, academic requirements and new technology emerge, JPS too must evolve to meet the demands.

Get the latest update at
www.jpshealthnet.org/bonds

JPS Health Network is...

- » Tarrant County's only Level 1 Trauma Center
- » 2.3 million square feet of facility space
- » 6,500 team members
- » 11 residency and fellowship programs
- » 573 bed acute care hospital
- » More than 40 primary, specialty and school-based health centers
- » Tarrant County's only Psychiatric Emergency Center

223 emergency visits per day in 2009
312 emergency visits per day in 2015



\$1.7 billion In economic activity generated by JPS in 2012

14,489 geriatric patients cared for in 2015

54 languages can be heard in the halls of JPS on any given day

58 police officers in the Tarrant County Hospital District police department

9th largest employer in the county

5,000 BABIES are born at John Peter Smith Hospital EVERY YEAR

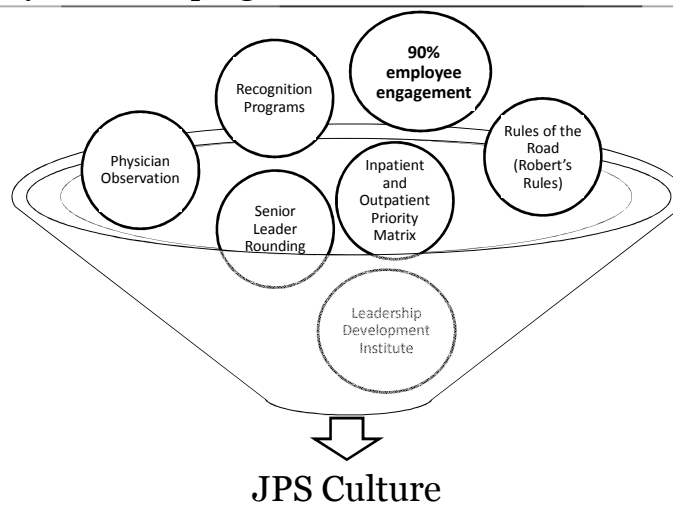
20,000 PATIENTS seen at the Psychiatric Emergency Center each year.

Organizational Culture: Tone at the Top

**JPS Rules of the Road****Own It****Seek Joy****Don't be a Jerk**

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Elements of culture leading to improved Quality and ERM programs



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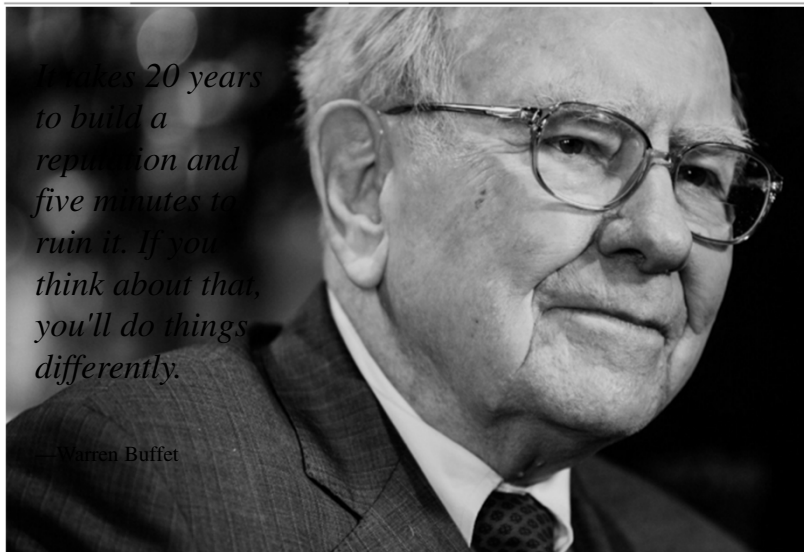
Our ERM Journey

ERM Helps Manage Reputational Risk



*It takes 20 years
to build a
reputation and
five minutes to
ruin it. If you
think about that,
you'll do things
differently.*

— Warren Buffet



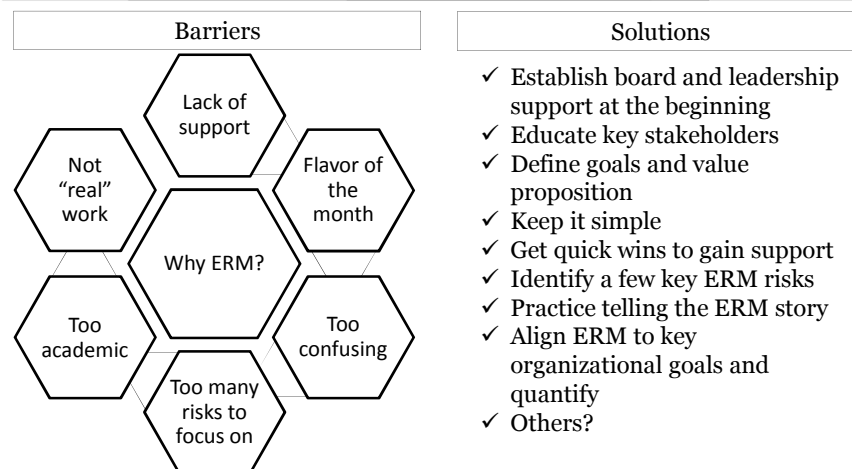
ERM Timeline



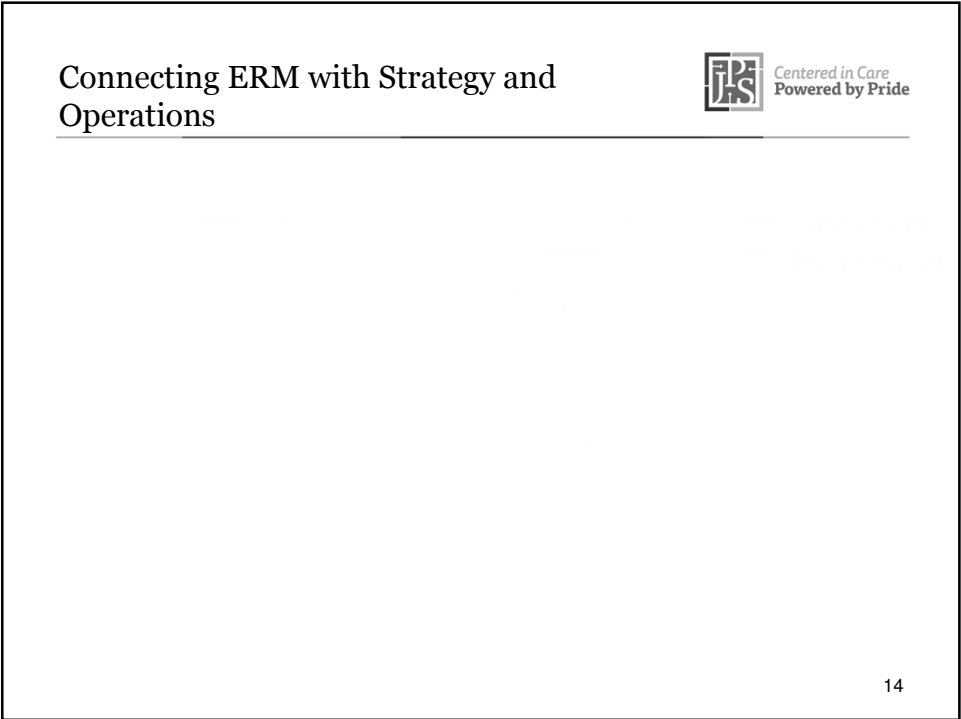
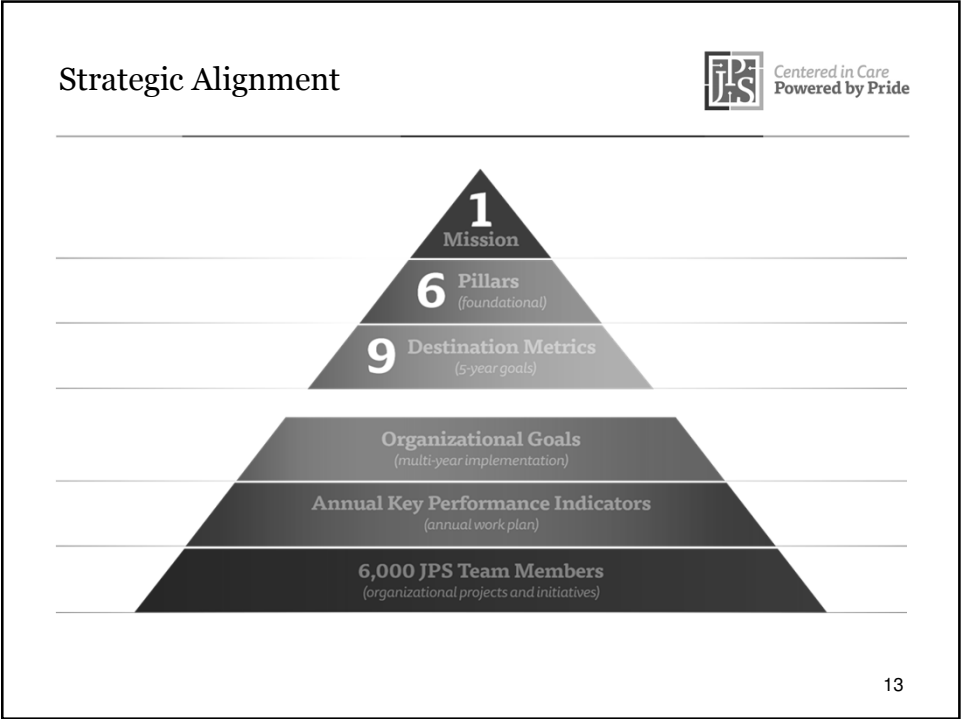
- SVP, ERM and Chief Compliance Officer position created in 2015 reporting directly to both the Board and CEO
- 9 JPS Board members appointed by the 5 elected County Commissioners
- Board meetings open to public and streamed live on the Internet
- Board wanted to develop an ERM program to give them more visibility on organization-wide risks. Board did not have a good understanding of ERM
- First ERM risk assessment conducted from September 2015 – January 2016
- Met with executive leaders and Board to prioritize top 10 ERM risks
- Currently building risk profiles for each of the top ERM risks and implementing GRC software
- Implementing ERM communication plan and reporting

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Overcoming ERM Organizational Barriers



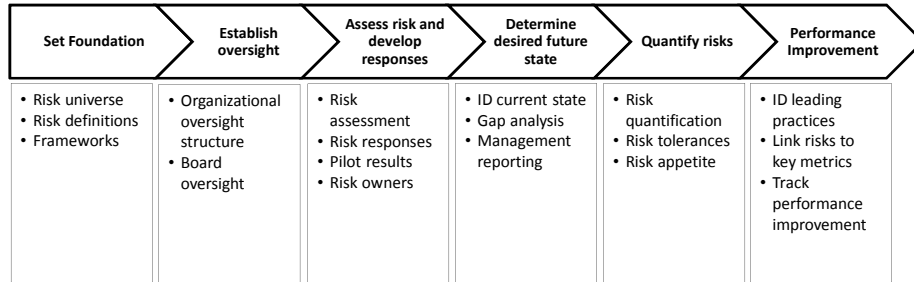
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ERM Road Map



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Source: Adapted from the Guide to Enterprise Risk Management: Frequently Asked Questions, Protiviti, Inc., 2006.

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ERM Risk Universe

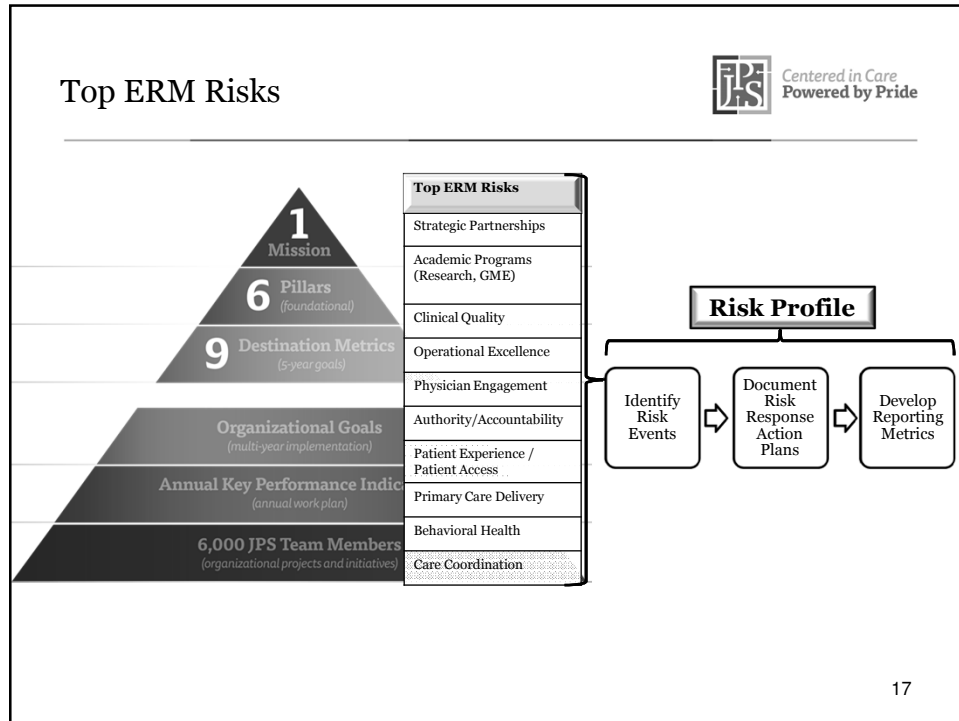


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JPS Enterprise Risk Universe

	JPS Enterprise Risk Universe		
	External	Internal	Compliance
Strategic Risks	Industry	Strategic Alignment	Compliance Risks
	Catastrophic Loss	Organizational Structure	
	Political/Legislative	Change Readiness	
	Competition	Board Governance	
	Strategic Partnerships	Business Planning	
Operational Risks	Stewardship	People	Quality
	Operational Excellence	Leadership	Clinical Quality
	Margin/Cost Control	Project Management	Patient Safety
	Accounting	Resource Availability	Care Coordination
	Systems/Data Integrity	Employee Competence	Accreditation
	Systems Infrastructure	Employee Satisfaction	Academics
	Disaster Recovery	Authority/Accountability	Research
	Philanthropy	Performance Management	Academic Programs
	Physician Engagement	Management Development	GME Support
	Supply Chain		Academic Leadership Development
	Capital Management		
	Billing and Collections		
	Transaction Processing		
	Facility and Equipment Maintenance		
			Service
			Patient Experience
			Patient Access
			Population Health
			Primary Care Delivery
			Behavioral Health
			Maternal and Neonatal Health
			Geriatric Care
			Community Collaborations
			Health Insurance Plan

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How Mature Are Our Capabilities to Manage each ERM Risk?


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	CONTINUUM	CAPABILITY ATTRIBUTES	METHOD OF ACHIEVEMENT
PROCESS MATURITY	Optimized	(Continuous Feedback) Risk management a source of competitive advantage	<ul style="list-style-type: none"> Increased emphasis on exploiting opportunities "Best of class" processes Knowledge accumulated and shared
	Managed	(Quantitative) Risks measured / managed quantitatively and aggregated enterprise-wide	<ul style="list-style-type: none"> Rigorous measurement methodologies and analysis Intensive debate on risk/reward trade-off issues
	Defined	(Qualitative /Quantitative) Policies, processes and standards defined and hardwired	<ul style="list-style-type: none"> Process uniformity applied across the organization / rigorous methodologies Remaining elements of infrastructure in place
	Repeatable	(Intuitive) Process established and repeating; reliance on people continues	<ul style="list-style-type: none"> Common language Quality people assigned with defined tasks Initial infrastructure elements
	Initial	(Ad Hoc/Chaotic) Dependent on heroics; Institutional capability lacking	<ul style="list-style-type: none"> Undefined tasks and relies on initiative "Just do it" attitude Reliance on key people

Source: Adapted from the Capability Maturity Model: Guidelines for Improving the Software Process, Carnegie Mellon University Software Engineering Institute, 1994 and the Guide to Enterprise Risk Management: Frequently Asked Questions, Protiviti, Inc., 2006.

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Risk Profile Elements



1. ERM Risk Name / Executive Risk Owners
2. Risk Definition
3. Risk Category (JPS Pillar / Strategic / Regulatory)
4. Risk Drivers
 - *External / Internal*
5. Risk Events
 - *(Rating: Impact / Significance / Velocity)*
6. Risk Mitigation Strategies
 - *(Effectiveness of Current & Proposed)*
7. Risk Maturity Current and Desired
8. Risk Tolerance / Risk Appetite
9. Evaluative Metrics

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Building Relationships and Support



- Understand the business
 - Operational rounding
 - Off-site meetings and retreats
 - Goal setting and strategy meetings
 - Financial performance and incentives
- Understand the cultural and political environment
 - Backgrounds of board and senior leaders
 - Fast-paced or deliberative decision making process
 - Stated and hidden agendas
 - Key influencers
 - Historical organizational challenges

The effectiveness of an ERM program depends on the relationship the risk leader has with the board and senior leadership.

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2017 ERM Goals



- ❖ Develop risk profiles for the top 10 ERM risks
- ❖ Implement GRC Software
- ❖ Develop ERM reporting package for the Board, Executives, and broader management
- ❖ Collaborate to transition the management of the top ERM risks to the risk owners
- ❖ Align ERM with JPS goal setting and budget processes

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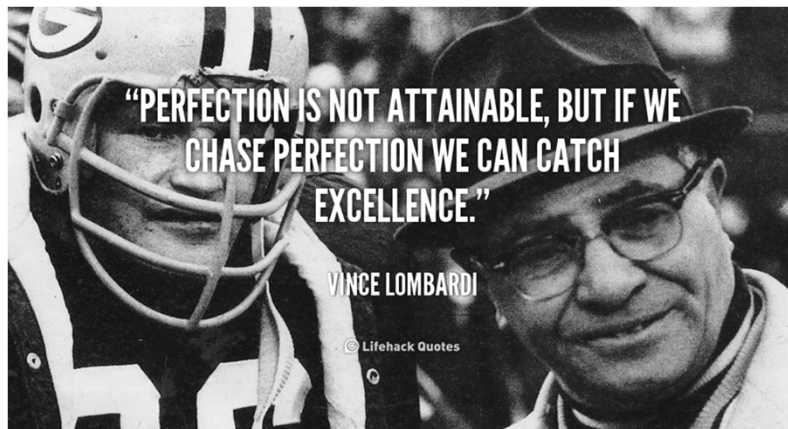


The JPS Quality and Patient Safety Program

We are on our Journey to Excellence in
our Quality and Patient Safety Program!



DESTINATION 
an important mile marker along Our Journey to Excellence



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Excellence Begins with High Reliability



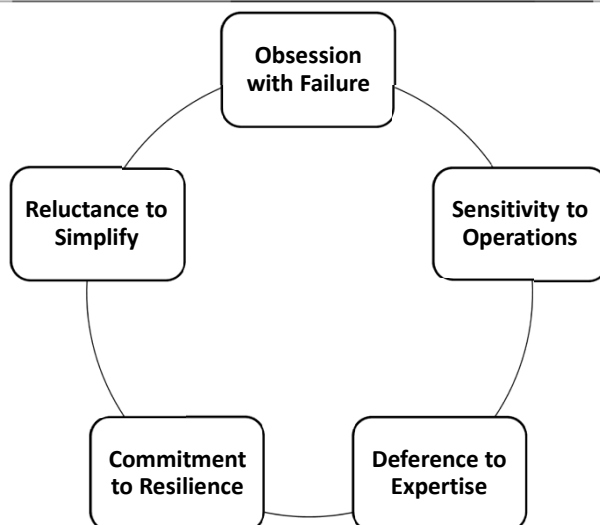
THE POWER OF
ZERO:
STEPS TOWARD
HIGH RELIABILITY
HEALTHCARE

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Elements of a High Reliability Organization



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Source: Adapted from numerous scholarly journals and organizations including the Joint Commission and the Studer Group.

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We are building an environment of psychological safety



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Psychological safety begins with the right leadership behaviors



Leadership Behaviors for Cultivating Psychological Safety

- Be accessible and approachable
- Acknowledge the limits of your knowledge
- Show you are capable of making mistakes; be fallible
- Invite participation
- Failures are learning opportunities
- Be direct and clear. No uncertainty in communication.
- Set boundaries for behavior
- Accountability

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We celebrate patient safety wins along the way!



- ✓ Across JPS there were zero central line blood stream infections (CLABSI) in over 7 months
- ✓ CDU had zero patient safety events for 7 months
- ✓ Clinical unit on P5 had no catheter associated urinary tract infections (CAUTI) for over a year



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How do we measure progress?



Quality Metrics

1. Reduce falls with injury score greater than 4
2. Reduce annual catheter associated urinary tract infections (CAUTI(s))
3. Reduce annual central line blood stream infections (CLABSI(s))
4. Reduce 30 day all cause readmission rate
5. Reduce hospital acquired pressure injuries greater than or equal to Stage 3
6. Decrease annual surgical site infections
7. Reduce selected patient safety and adverse events
8. Improve procedural safety
9. Increase percentage of patients having a post discharge follow up appointment within 14 days
10. Maintain an annual average ED boarding hour target per bed requests

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How do you achieve a safe system?



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Source: Images courtesy of US News and World Report, OLAP.com, and Odgers Law Group

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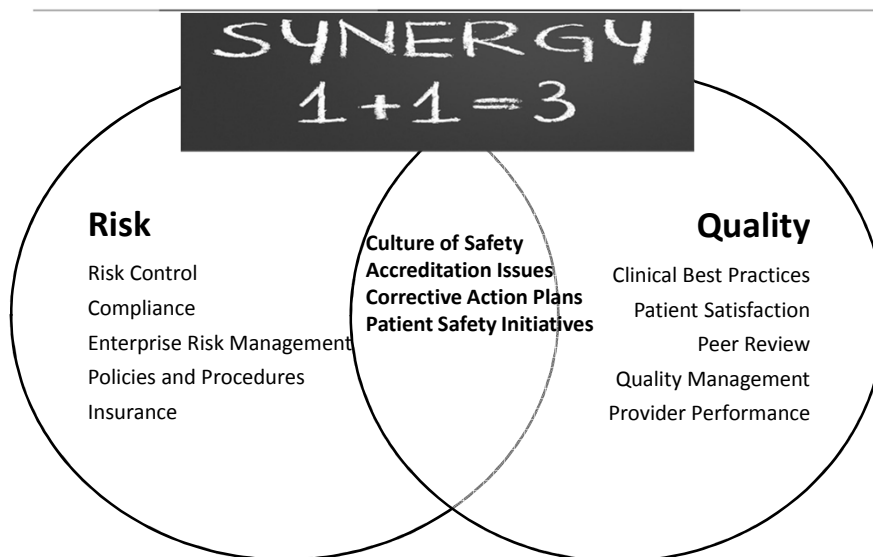
Combining ERM, Quality, and Compliance

Integration is about tearing down silos!



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Risk and Quality Synergy is Essential



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Clinical Quality ERM Risk Profile Summary



RISK DEFINITION	RISK OWNERS	PILLAR	MATURITY	TREND
Clinical quality failures, reflected through patient outcomes and satisfaction, significantly affect the organization's reputation, efficiency, compliance and accreditation status, and reimbursement	Frank Rosinia, M.D. James Johnson, M.D.	Quality	Current: Initial Desired: Defined	Establishing Baseline

TOP RISKS	RISK MITIGATION STRATEGIES
<ol style="list-style-type: none"> 1. Inadequate Clinical Documentation (High) 2. Inconsistent Care Coordination (High) 3. Medical Errors (High) 4. Resident Supervision (High) 5. Hospital-acquired infections (High) 6. Medical alarms are not responded to timely (Medium) 7. Hospital readmissions (Medium) 8. Clinical Staff Competencies (Low) 9. Patient falls/trauma (Low) 10. Mortality (Low) 	<ol style="list-style-type: none"> 1. Clinical Documentation Improvement initiatives 2. Improvements to inpatient access 3. Identify patient safety risks common to JPS patient population (falls/CAUTIs/CLABSI/SSI) 4. Strategic Recruitment 5. Infection Control 6. Continuing Education for all clinicians 7. New Leadership in Academic Affairs

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ERM Internal Communication Plan



The Quality ERM risk profile was presented to the following:

- CEO Senior Management Meeting
- Compliance Committee
- Patient Safety & Quality Committee
- Project Governance Committee
- Leadership Connection
- Medical Executive Committee
- Board Governance Committee

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ERM and Quality Collaboration Success Stories



❖ Board Influence



❖ Quality Outcomes



Source: Images courtesy of Level Five Executive and Chan Soon-Shiong Medical Center at Windber

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ERM Lessons Learned



- ☐ Keep it simple and layer complexity over time
- ☐ Determine and advocate for appropriate resources for the ERM program
- ☐ Tell the ERM story in the context of the organizational culture
- ☐ Relate ERM to major business initiatives and the budget cycle
- ☐ Develop ERM champions at each level in the organization
- ☐ Utilize various forms of internal and external education
- ☐ Evaluate the use of technology to prioritize risks and implement program
- ☐ Don't be the only one telling the ERM story
- ☐ Develop an ERM reporting package for each key stakeholder group (board, executives, operational leaders, etc.)
- ☐ Don't get frustrated with implementing ERM more slowly than you expected...it's a marathon, not a sprint

What other communication approaches or tips have you found effective?

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Quality and Risk Synergy Lessons Learned



- ☐ Seek senior leadership support for aligning the patient safety, risk, and quality functions
- ☐ Alignment of quality and risk activities with strategic goals
- ☐ Assess current activities to clarify responsibilities and reduce duplication
- ☐ Establish structure to ensure patient safety activities are addressed in a coordinated manner involving the risk and quality functions
- ☐ Learn from each other
- ☐ Periodically evaluate the roles of quality and risk and change as needed

Adapted from Economic Cycle Research Institute: Patient Safety, Risk, and Quality, 11/18/14

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Victory comes from strong leadership to foster an environment of change



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Questions



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