Volume 2

# International Hospital Benchmarking Forum

CENTRUM FÜR KRANKENHAUS MANAGEMENT

## Best Practice Management
### How to accomplish a hospital comparison

The main objective of the project "International Hospital Benchmarking Forum (IHBF)" is to recognise best practices by international comparison and to utilise them in the partner hospitals. An international network of innovative hospitals which are not afraid to share their knowledge and at the same time learn from others, as well as being stimulated by new ideas, emerged within the framework of the project, initiated by the Bertelsmann Foundation (Gütersloh, Germany) and implemented by the Center for Hospital Management (CKM, Münster, Germany).

Liz Mohn (Project Patroness), Wilfried von Eiff (CEO of the CKM) and the representatives of the IHBF partner hospitals

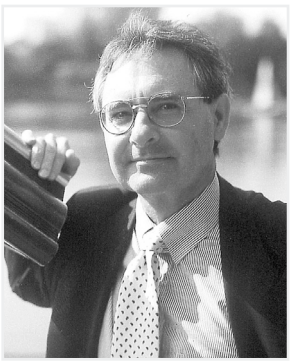
The starting point of the project was the urgently felt need to develop a concept for a corporate comparison of hospitals that on the one hand allows for the identification of those critical success factors which substantially influence a hospital's performance capacities. On the other hand such a concept must also enable the transfer of recognised parameters from one organisation to another.

The concept implemented by the CKM contains two fundamental dimensions: the corporate comparison of hospitals, specialist departments and processes (e.g. total hip replacement, bypass surgery, logistics) in terms of outcome, cost and other management ratios; and the exchange of so called best practices by the participating benchmarking partners. Best practices can refer to best performances in the areas of medical treatment and nursing, as well as administrative best performances.

The project was started in 1999. Since then a three-day IHBF Conference has taken place twice every year. Representatives of now 36 partner-hospitals from Germany, Belgium, the Netherlands, France, Great Britain, Ireland, Spain, Italy, Japan, Poland, Finland, Sweden, Denmark, Switzerland, Israel, South Africa, USA, Australia and Singapore have taken part in them.

## Benchmarking
### What it is and what it isn´t

As an universal cure-all of the "modern" manager, benchmarking has triggered an euphoric wave of new industrial management methods in the health care sector. Benchmarking fever has once more sent hospital administrators in quest of a patent remedy to get them quickly over the crisis.



Benchmarking is not meant to take the place of brainwork for managers, but it can serve as a starting point for purposeful dialogue. Benchmarking:

**"Benchmarking per se is no panacea for unimaginative managers ... but a primer for a focused dialogue across functions, corporations, professions and industries"**
**Wilfried von Eiff**

- is the targeted search for best practices. The search is based on organization and management principles, on procedures, management techniques and ways of defining customer orientation, and on objectives and processes;
- is a methodologically structured procedure consisting of problem identification, realisation and further development of others´ solutions to find one´s own best practice;
- is part of a process of cultural and organisational development supported by management;
- can degenerate into an unimaginative "me-too strategy" without creative input, without the power and the will to carry out reorganisation;
- also crosses over the borders between business sectors: it is the only way to achieve true "breakthrough innovations" and competitive advantages.

An initiative of the reform workshop "Healthcare" of the Bertelsmann Foundation and the CKM

Bertelsmann Stiftung

# TREND RADAR:
## Health Care System

Clyde Wesp (middle), Memorial Care Los Angeles (USA), exchanging experiences with colleagues at the IHBF

Clyde Wesp, the medical director of the Memorial Care Hospital Group Los Angeles (USA) and spokesperson of the working group: "Trend Radar Health System", presented the results of a survey in which the general public has been asked about their expectations concerning the quality of a health care system as well as treatment in hospitals:

• 65 % expect medical treatment which is appropriate for the specific case: no superfluous x-rays, no unnecessarily repeated examinations and no invasive diagnostic procedures.
These expectations of the general public indicate an increasing significance both of evidence-based medicine and the introduction of guidelines for treatment.

• Patients and their families and friends are becoming more and more informed and self-confident: 29 % obtain information about doctors and hospitals from the Internet before their stay in hospital: Health Grades (The Rating Experts) has differentiated data readily available concerning mortality rates, doctors' surgical experience, etc.
• The trend which has been prognosticated by the working group: In future the health care system will become increasingly "customer-driven".
• In most countries there is a marked increase in the readiness to complain, especially when it comes to taking cases to court. In the future risk-management will be an important field of work for hospitals.

# "99.9% Safe is not Enough"
## Risk management in hospitals


Cathy Jones, risk manager at St. Vincent´s hospital Melbourne, explains the hospital´s new integrated quality and risk management program to Prof. Dr. Dr. Wilfried von Eiff

On average, 6 % of all patients are subject to an "adverse event" during their time in hospital. In 70 % of these cases the patients affected suffer only minimal permanent injury or none at all, but in 16 % of cases these events result in the patient suffering permanent damage, and 14 % of these "undesirable" loss-generating events result in the death of a patient.
The risk potential is, according to investigations by the American Institute of Medicine, also unnecessarily increased because about one third of medical treatments are superfluous and jeopardise patients through iatrogenic risks. These performance indices derived from the international hospital comparison on risk management document the need for action, which was recognised and formulated by health experts at the 6th International Hospital Benchmarking Forum (IHBF) which took place in Berlin in April 2002. According to calculations by the Center for Hospital Management (CKM) at the University of Münster which is responsible for the specialist leadership of this international platform for dialogue, one in every 3,846 patients is involved in a medication error resulting in an event which could lead to legal action. This claim is based on the systematic assessment of risk according to Heinrich's Law, which states statistically that 300 minor errors, oversights or the wasting of time, material or ideas, form the basis for 29 near misses, which are only prevented at the very last moment. In turn, 29 such near misses sow the seeds for a catastrophe. In only about 30 % of cases terminating in the death of a patient (according to an American study) medical faults can be proven. At the same time about 55% of erroneous treatment results can be categorised as avoidable. There are about 40,000 alleged malpractice accusations yearly in Germany. Of these, 15,000 are recognised as such under law. 60 % of these accusations refer to medical treatment in hospitals.
"The range of possible accidents extends from medication errors to patient falls, insufficient monitoring of patient liquid intake, self-inflicted catheter injuries to patients and preventable bed sores", said Prof. von Eiff.
He recommended bolstering hospital risk management by employing tried and tested quality assurance methods, such as the FMEA approach used in the aerospace and automobile industries. "Even a 99.9 % level of risk prevention results in unacceptable risks", von Eiff emphasised.
Surveys from Germany and the USA showed that at this level of safety it would be tacitly accepted that every day 12 babies are sent home with the wrong parents, 291 cardiac pacemakers are fitted incorrectly and 20,000 incorrect prescriptions issued every year, 500 surgical operations are wrongly performed each week and that on every third day a severe undesirable medical incident resulting in legal action occurs and is publicly discussed.
Privately practising physicians are less likely to be the target of legal action as patients tend to have a much closer personal relationship with their GP, making them more reticent about initiating legal proceedings.

At the centre of the conference though, was "learning from a bad practices": an instructive example was the sensational "baby switch process" which provoked a countrywide quality offensive in the USA.

# The NHS-Ranking

**In the "Reform Workshop: Monitoring Health Care System", Amanda Colledge and Sharon Robson (London) from the working group "Transparency through Corporate Comparison of Hospitals" reported "mixed" experiences with the NHS-Ranking in England:**

• The lowest mortality rates in England, weighted according to the degree of severity, are found in hospitals with an above-average ratio of doctors per 100 occupied beds. The Chelsea and Westminster hospital (in 5th position according to the updated DrFoster ranking in England) has a rate of 64/1000 with a mortality index of 82 (ranging from 68 to 119 in the UK).
• Quality continues to be demonstrated by the number of operations performed: for angiographies a minimum of 500 is required per year to guarantee procedural reliability.

• The Chelsea and Westminster is recognised as a "state-of-the-art-hospital" in England known for, among other things, its excellent customer care in all areas, its internationally recognised innovations in AIDS therapy and its popular obstetrics unit (almost 5,000 births per year). At the same time this hospital ranks among those with the highest rate of complaints of all NHS-hospitals: 14 per 1,000 patients, which negatively impacts on its overall ranking.

• This demonstrates the problematic nature of performance comparisons based on management ratios, as the Chelsea hospital has an excellently organised complaints management, which aims to register each and every cause of complaint. The patients are repeatedly encouraged to express proposals for improvements and their grievances. Other NHS hospitals do not apply this active model of complaints management and may boast "positive" figures.

| Chelsea and Westminster-Healtcare NHS Trust | Chelsea and Westminster Hospital |
|---|---|
| **Region** London<br>**CEO** Heather Lawrence | 369 Fulham Road, London SW 10 9NH<br>Tel 0220 8746 8000 |
| **Mortality index 82**<br>**Doctors/100 beds 64**<br>**Nurses/100 beds 169**<br>**Trust the doctors N/A** | **Beds** 490<br>**Amenities** |
| **Waiting time performance**<br>Inpatients 81 %<br>Outpatients 88 %<br>Breast cancer n/a | **Diagnostic** CT, MRI<br>**Services** A&E, ICU, rapid access chest pain clinic, thrombolysis in 30 mins, maternity, private treatment<br>**Children** Ward, 24-hour paediatrician, operations |
| **Day case hernia ops n/a** | One of the teaching centres for the Imperial College School of Medicine, this state-of-the-art hospital, opened in 1993, offers a wide range of services for local people and specialist care for referrals from all over the UK. Specialist services include excellent children's medical and surgical care. Children's A&E treats 20,000 patients each year: maternity delivers 4,000 babies a year. An internationally respected HIV/Aids service treats more than 20% of HIV-positive patients in the UK. Widely praised for its innovative Hospital Arts organisation, presenting paintings, sculpture and performances in the atrium to create a healing environment. The Chelsea and Westminster hosted the world's first hospital music festival in 1996, held every year since. The hospital missed year-end targets to reduce waiting lists but is committed to meeting them this year. About 72% of A&E patients were allocated a bed within two hours of a doctor's decision to admit them. A cancer unit provides specialist care for 800 newly diagnosed patients a year.<br>**Charter marks** Intensive care; nursing development unit.<br>Unicef certificate |
| **Complaints/1,000 patients**<br>14 Clear-up in 4 weeks 72 % | |
| **Analysis** The mortality rate is 18% below itsprojected figure, the fifth lowest in England and has fallen by a quarter over the past five years – a decrease bettered only by three other trusts. It is well staffed, too – second in England for doctors: fifth for nurses – and boasts one of the best records on outpatient waiting times. Only five trusts do better for outpatients, although against inpatient targets the trust's position is about 50th. Despite this, the number of complaints is among the highest in England. | |

**Chelsea and Westminster:** Example of a hospital description in the NHS comparison

# COMMUNICATION: Critical Success Factor Within Benchmarking Processes

## Exchange of experiences with the benchmarking guru

At the poster fair participants convincingly communicate best practices

Dr. Robert Camp and Prof. Dr. Dr. Wilfried von Eiff exchanging experiences in the Best Practice Institute, Rochester (USA)

Dr. Robert C. Camp and Prof. Wilfried von Eiff quickly agreed that management ratios are of limited suitability for benchmarking. "You have to look behind the figures: What are the processes like? How is continuous improvement used to enable that quality be improved and, at the same time, cost reduced? What kind of corporate culture facilitates the innovative search for excellence?"

Robert Camp is regarded as the founder of systematic benchmarking. Over the last ten years he has carried out a world-wide organised search for best practices, covering almost all industries and working for numerous organisations such as Xerox and FedEx - only the health care system did not belong to his field of work.

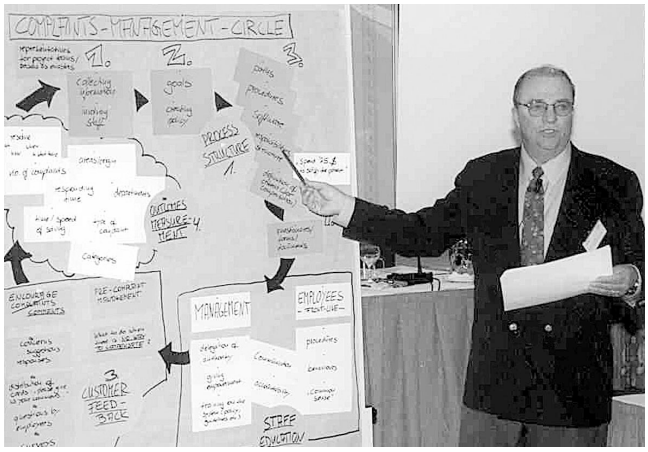
This was the motive for extending invitation to an exchange of ideas in the Benchmarking Headquarters in Rochester. Prof. von Eiff presented the International Hospital Benchmarking Forum (IHBF) which has been organised by CKM since 1999.

The main emphasis was on how to communicate best practices successfully, in order to gain acceptance for a fast and smooth implementation of this concept. The concept of the "poster fair" also convinced Robert Camp. In the future he will actively support the activities of the CKM as a member of the board of experts.

# Patients' Complaints: A Chance to Improveme

**"Patients who complain are mostly moaners and wingers…"**
**"We don't have any complaints, our patients are content…"**

These conclusions seem justified because less than 1 % of hospital patients complain (compared with 13 % in regard to municipal authorities). Is therefore a patient, in general, more satisfied than a citizen who uses a municipal service? Can our hospitals be seen as "complaint-free zones", as a model for customer service? The first results of the CKM study on patients' complaint behaviours on an international scale shows a completely different picture: Only about 0.8 % of all patients complain. At the same time though about 21 % (i.e. every fifth patient) expressed that they saw at least one cause for complaint during their hospital stay. It can be further noted that only every 25th dissatisfied patient really expresses a complaint.
Considering that released patients, depending on the reason of complaint, communicate their experiences to between 11 (regarding "lighter" grievances, e.g. food) and 19 (in cases of discontentment with medical treatment) other people, a time bomb is ticking here which, in the long term, could impact negatively on a hospital's reputation. This response of "silently voting with ones feet" seems only logical: after all, almost 80% of the people who lodge complaints are dissatisfied with the way their complaint was handled.
Australian, American and English hospitals have long recognised the opportunity of using active complaints management as an instrument for quality assurance and public relations (including brand mark creation for hospitals) and have implemented practical organisational concepts.




**John Mobley, Vice President of the Bone & Joint Hospital Oklahoma City (USA), explains the "Complaints Management Circle" at the IBHF in Berlin**

In the Bone & Joint Hospital (Oklahoma) John Mobley, Vice President, is interested in registering as many fields of disturbance as possible for patient satisfaction. The hospital´s OFI programme (Opportunities For Improvement) promotes positive terms like "proposal", "idea" or "initiative" instead of terms such as "weak point" or "complaint".

Ideas, suggestions and constructive criticism are stimuli for improvements in processes and behaviours, which can be utilised for:

1. **increasing patients' satisfaction**
2. **cost and quality improvement of internal processes**
3. **an boosting staff motivation**

# Necessity for International Networking

Many management instruments for realizing an employee and customer oriented organisational culture are currently being discussed in professional circles.
International networking and organisational comparison promise to deliver operational excellence, flexibility, a competitive orientation and with them economic success. Reciprocal learning from the best has a long tradition in business and has long since led to new constellations between suppliers, producers and consumers. The "lone wolf" cannot hold his own in the long-run. Mutual exchange of information, an orientation towards best practice, continuous quality management, giving creativity more free rein, and motivation and identification with the job and the hospital are the keys for future success.
The international network and organizational comparison between hospitals, initiated in 1999 by the Bertelsmann Foundation in cooperation with the Center for Hospital Management (CKM, Centrum für Krankenhaus-Management), gave a significant impetus in this promising, future-oriented direction. The results and constructive dialogue give us cause for great optimism that reforms are also possible in the field of public health and hospital care, making new perspectives and an increase in efficiency possible for all participants – management, hospital personnel, patients and society.

**"The International Hospital Benchmarking Forum project presents a challenge and an opportunity for decision-makers in health care to enter into a co-operative dialogue." Liz Mohn, Project Patroness**

# Project Initiative

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