| A picture containing grass, sky, outdoor, city  Description automatically generated  HBR CASE 1  Cleveland Clinic: Improving the Patient Experience | Group 2 (Spring 2022)  Course:[22:799:696:60](https://rutgers.instructure.com/courses/171316) HealthCare Services Management  **Professor**  **Dr. Xin (David) Ding**  **Students**  Adam Elias  Bhagyarathi Raman  Zhen Li |
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## **Background**

*The Cleveland Clinic: Improving the Patient Experience* is an article that demonstrates the trials and tribulations a hospital faces. The article introduces the Cleveland Clinic (CC). The CC is a non-profit healthcare organization. Since its establishment in 1921, the CC has grown to be one of the finest medical centers in the US. Today, the hospital employs over 1,700 physicians and over 3,000 nurses. The CC has over 1,000 beds and would perform over 50,000 surgeries annually. The medical center provides many educational programs, including the Cleveland Clinic Lerner College of Medicine at Case Western University, one of the few medical schools that do not require students to pay tuition. The CC has been ranked amongst the highest medical institutions in the US by multiple articles and news reports.

Despite the CC's prestigious honors and accomplishments, the hospital still runs into problems, like Bob Jones. Bob Jones is a patient at the Cleveland Clinic who suffers from many comorbidities and mental illnesses. Mr. Jones has been verbally abusive to hospital staff and fails to attend scheduled appointments. Mr. Jones often criticizes the hospital and the team despite their efforts to treat him. If Mr. Jones were picked randomly for a survey, it could tarnish the hospital's reputation. The clinic's staff was tired of the patient's irrational behavior. Many people suggested "firing" Mr. Jones as a patient to free the CC from any medical obligations and save the hospital's reputation. While this seemed like a logical decision for the hospital, Dr. James Merlino, surgeon and chief experience officer for the CC, did not think it was that easy of a decision. Merlino did not believe it was morally right to release Bob Jones from the Hospital. Firing Mr. Jones as a patient would ultimately lead to his fatal death. Dr. Merlino now had a dilemma in his hands. Should Dr. Merlino "fire" Bob Jones as a patient, or should he treat him and risk the Hospital's stellar reputation?

## **Problems**

1) **Improving patient-centered care without compromising the possible damage to hospitals.** For instance, in the case of patient Jones, he was non-compliant and irrational but blamed the healthcare professionals. No matter how good the care was, patients like Jones are ultimately unsatisfied and complain. This affects the hospital's reputation and eventually leads to a penalty.

2) **Effective and efficient communication of healthcare professionals.** Hospital administration with the patients is necessary to improve the patient experience. Patient experience starts from the point of appointment to the discharge. This period involves healthcare professionals and hospital administration.

3) **Healthcare administration policies to move towards patient experience.** Mrs. Gruzenski's helpless experience with her husband's hospitalization reminded Berwick that small things matter the most, and the patient is suffering.

4) **Rise of economic challenges in healthcare while understanding the patient experience was a spotlight.** In August 2010, Cosgrove mentioned the healthcare cost was more than 17 percent of GDP and 60% of admitted patients covered by Medicare and Medicaid, which reimburse only 90.1% and 89%, respectively.

5) **Quality improvement makes the hospital suffer.** In 2010, *The New Yorker* quoted, "The Crazy World of hospitals economics does not offer many incentives to change." Practicing fee-for-service wastes more resources and is not motivated to improve quality.

6) **Awareness of HCAHPS in hospital employees significantly improves the quality of care.**

The nurse said that she was not aware of HCAHPS and how it affects overall hospital management and each healthcare professional performance in the article. Unawareness of the HCAHPS is an incompleteness to patient care.

7) **Adjusted HCAHPS score in the severity of illness reduced 20-30 points in the overall percentile ranking.**

## **Analysis**

The patient experience is a whole package comprising physical, emotional, and effective communication with empathy and understanding. Quality healthcare includes the patient experience.

The Cleveland Clinic was unlike any other traditional hospital. As most doctors were on a fee-for-service budget, the Cleveland Clinic coordinated its care by group practice. The hospital adjusted salaries for physicians based on their annual performance, rather than their desired quota. This systematic change was an evolutionary way to help satisfy patient needs and provide the highest level of care at low costs.

As mentioned by the CC President and CEO, Dr. Cosgrove, "we changed our organizational structure from the typical profession-oriented organization designed around physician competencies, such as surgery, to a patient needs-oriented approach, such as the Heart and Vascular Institute. We are the only Hospital to be completely organized around patient needs." (pg. 3). Dr. Cosgrove made it the hospital's mission to completely shift into a patient-centered system. During the 21st century, there have been plenty of technological breakthroughs in the healthcare sector. Advancements of treatments, protocols, and delivery methods were modern improvements to create a more efficient hospital. However, these vast improvements in the healthcare industry have come at the expense of patient experience. Many devices have made a very detached and impersonal connection with the patients.

When Dr. Cosgrove attended a Harvard course in 2006, he evoked this issue after hearing Kara Barnett's story. Ms. Barnett explained that her father was in desperate need of medical attention. Ms. Barnett's father needed a vital valve repair back in 2000. After conducting research, Mr. Barnett decided to admit into the Mayo Clinic hospital in Minnesota. A hospital with a slightly worse mortality rate than Cleveland Clinic, as Ms. Barnett recalls, "My father made his decision based on reputation and anecdotal evidence." (pg. 4). The family's decision was based not only on the Hospital's clinical outcomes but also on patient care. This story opened Dr. Cosgrove's eyes. Dr. Cosgrove was unaware of how critical other criteria were, besides clinical outcomes. Thus, the Office of Patient Experience (OPE) creation came to life.

The OPE was created by the Cleveland Clinic to help promote and organize quality care for the hospital's patients. The Cleveland Clinic was one of the first hospitals to make the patient experience a priority. Created in 2007, the OPE organized various programs that focused on improving services, operations, or facilities that ensured patient satisfaction. The OPE helped the Cleveland Clinic discover that high-quality care can be delivered at a low cost, as mentioned in the article “Merlino had observed during his tenure that many of the most effective initiatives were simple and low-cost measures to make employees feel that they had a stake inpatient experience.” (pg. 6-7). The OPE was an evolutionary idea proven to be an effective system at low-cost measures. The CC believes that this program was not only morally ethical, but it was also a business necessity.

Even though the OPE has been successful, there have also been quite a few challenges from the program. One of the challenges faced by the OPE stemmed from the HCAPHS scores. HCAPHS was a performance metric used by the federal government to award or penalize hospitals for their work. The OPE relied on the HCAHPS to stay on top of its performance tier. The HCAHPS was also helpful in improving initiative metrics and monitoring new programs. The HCAPHS helped the OPE determine if particular renovations were beneficial towards the clinic's score.

While HCAPHS was helpful in many areas for the OPE, it was also a troubling concern for the program. In the article, Dr. Merlino explains his fears regarding the HCAHPS, saying, "the 'perception metrics' collected through the HCAHPS unfairly penalized certain hospitals — CC included— for variables outside of their control." (pg. 9). The HCAHPS score was adjusted based on the severity of illness and the length of stay for a patient. It is known that larger hospitals tend to perform worse than smaller hospitals on the HCAHPS as well. These components could significantly tarnish a hospital's reputation. This type of structure could negatively misrepresent an accomplished hospital, like Cleveland Clinic, that uses a patient-centered system. Even though the primary goal of the OPE is to help improve patient experience, it often comes at the expense of the hospital's reputation.

The healthcare industry was well aware of this issue. Before the intense pressure of shifting the healthcare industry into a patient-centered system, many fee-for-service hospitals had minimal incentive to change. Hospitals earned more economically by consulting, assessing, and prescribing more patients in a fee-for-service world. There was no motivation in improving technology, management efficiency, or productivity. The improvements in quality of operations could oftentimes hurt the hospital and generate less revenue in the end.

The example regarding the Children’s Hospital in Boston helps explain the contradicting notion in healthcare economics. The Children's Hospital created a new systematic approach that focused on the care and improvement of patients. With the bundled-up system, the readmission rates dropped significantly for the hospital. It appeared to benefit the hospital and patients but led to a loss of revenue. The fewer patients admitted, the less profit the Hospital accumulated. This improved system could ultimately be the demise of the children's health clinic.

Scenarios like this often scare institutions from improving their systems. However, the main priority of a hospital should be the patient itself. Every day, the Cleveland Clinic runs into problematic patients, like Bob Jones. The hospital can "fire" patients like Mr. Jones, but this would not reflect the hospital motto of "patient first." The patient is more important than the Hospital's reputation. However, there must be a better way to help reflect hospitals like CC that encourage the patient-centered dynamic. As of right now, these are the types of issues that need to be solved in order to move toward a Value-Based system. The changes in the HCAHPS and the improvements in Cleveland Clinic's OPE will help persuade other hospitals to lean toward the Value-Based goal. In order to make patient-centered care and innovative business work together, we must find a better way.

## **Alternatives and Recommendations**

For the Cleveland Clinic, we suggest the hospital employees empathize and provide answers to the patients to improve the patient experience. Each patient is different, uncertain, and nervous about their health issues. It is essential for healthcare professionals and hospital employees to empathize, educate, and understand the patients. Dr. Merlino initiated building the Office of Patients Experience and had good progress in educating the patients, emotional and spiritual needs. It did not go as expected because the health professionals and nurses did not have much time to spend on each patient. In the case study, Dr. Merlino spent 80% in OPE and 20% in surgery. They might have less time to listen and talk to each patient. There could be a team built solely to listen, empathize, and educate the patients.

Further, the relevant information is available in the system as a record. It reduces the provider's and nurse's burden and improves the patient's experience. Apart from that, the employees in the Hospital must also practice communication and be aware of the HCAHPS.

### **Alternative one: To "fire" the patient Bob Jones, and leave him to find medical care elsewhere.**

Dr. James Merlino, chief experience officer for the Office of Patient Experience (OPE) at Cleveland Clinic (CC) understood that keeping Jones would affect the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) score. In the HCAHPS Survey, some measures such as Communication with Nurses, Communication with Doctors, Responsiveness of Hospital Staff, Communication about Medicines, Overall Rating of Hospital would probably receive a low score if CC decided to treat patients like Jones. In order to maintain a great score on the HCAHPS. The CC could refer Mr. Jones to another hospital and free the CC from all medical obligations.

### **Alternative two: To treat Jones.**

"Patients First" had been the slogan of CC in 2004. Although CC was well within its rights to "fire" Jones, doing so meant he would deteriorate rapidly or die. It is crucial to understand how the Centers for Medicare & Medicaid Services (CMS) calculates Total Performance Score (TPS). CMS weights each domain at 1/4 of TPS. Domain Score is the sum of the HCAHPS Base Score and the HCAHPS Consistency Score. The HCAHPS Base Score is the sum of the eight HCAHPS dimension scores (0–80). To calculate a person and community engagement score. A hospital must accumulate at least 100 completed surveys during the performance period. Hospitals like CC must have over 100 complete surveys during the performance period. So one patient, like Mr. Jones, really would not affect the outcome as long as CC treats the rest of the patients with "courtesy and respect".

Furthermore, the HCAHPS Consistency Score calculate by comparing one Hospital's HCAHPS Survey dimension rates to all hospitals' HCAHPS Survey rates from the baseline period. The hospital awarded 20 consistency points if its performance is at or above the achievement threshold on all HCAHPS dimensions. CC had consistently set down one of the top hospitals in the U.S. The achievement threshold is the 50th percentile and should be easy enough for CC to achieve.

### **Lessons learned**

Clinical Outcomes, Safety, Person and Community Engagement, and Efficiency and Cost Reduction are four domains used to calculate the TPS. CMS also allows hospitals with sufficient data in only three domain scores to calculate a TPS. So the current formula,

TPS = 25% \* (Clinical Outcomes + Safety + Person and Community Engagement + Efficiency and Cost Reduction)

Or

TPS = 33.3% \* (Domain 1 + Domain 2 + Domain 3)

To further generate substantial savings and improve quality and health equity, we suggest splitting the Efficiency and Cost Reduction domain into two and modifying the formula as follows:

TPS = (Clinical Outcomes + Safety + Person and Community Engagement + Efficiency) / Cost Reduction

According to the OECD, the United States spent the most ($10,586) on healthcare per person in 2018. A study in 2013 by UCLA researchers and colleagues in Canada reveals that the United States healthcare system ranks near the bottom (22nd out of 27 high-income nations) in Efficiency of Healthcare Spending. Thus, increasing "Efficiency" and "Cost Reduction" Domain Weight was put forward to encourage hospitals further to reduce cost and improve efficiency.

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## **Conclusion**

Improving patient experience requires all hands together. Practicing patient-centered care is demanding for the hospitals, and their result is unsatisfactory. More steps are required to improve patient-centered practice in comprehensive hospitals and healthcare professionals. It is important for medical institutions, like the Cleveland Clinic, to help inspire other hospitals. In order to push the US healthcare industry into a Value-Based system, the federal government must help the hospitals that are pursuing a patient-centered care dynamic. Like the CC and Mayo Clinic, hospitals must be rewarded for their change from the fee-for-service. It is imperative for hospitals to continuously improve.

Works Cited

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