Integrated leadership for physicians, health care executives, hospitals and health systems

J. James Rohack MD FACC FACP
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Learning Objectives

At the end of this program, you will be able to

• **Assess** the concepts of the principles of integrated leadership and how they can positively impact the culture within a hospital or health system

• **Recognize** how these principles correlate with and support individual competencies espoused by the AHA, AMA, AAPL, ACHE and AONE and are important in system-based health care delivery

• **Examine** how the principles might be applied within your organization

• **Identify** areas in which the leadership structure in your organization may benefit from implementation of the principles of integrated leadership
Integrated leadership

- Collaborative discussions between AHA and AMA
- Opportunity to redefine care delivery to achieve the Triple Aim through new care and payment models
- Many organizational models are successful, but essential to those is a structure with collaborative and integrated leadership between physicians, nurse executives, health care executives and hospitals
Background of the initiative

- AHA - AMA Joint Leadership Conference on New Models of Care (October 2013)
- Proceedings from the Joint Leadership Conference published (April 2014)
- Health Affairs Blog post published (April 2014)
- AHA - AMA Expanding the Physician-Hospital Integrated Leadership meeting (October 2014)
- AHA - AMA Principles of Integrated Leadership for Hospitals and Health Systems published (June 2015)
- AHA and AMA begin collaboration with AAPL, ACHE and AONE (October 2015)
What is successful integrated leadership?

- Requires functional partnership between organized physicians, nurse executives, leadership and hospitals

- Requires capability to accept and manage clinical and financial risk, improve quality and reduce cost

- Management decisions on quality improvement and population health agenda should be made jointly between physicians, executives and hospitals
Integrated Leadership for Hospitals and Health Systems: Principles for Success

1. Physician and hospital leaders with:
   - shared vision and mission
   - similar values and expectations
   - aligned financial and non-financial incentives
   - goals aligned across the board with appropriate metrics
   - shared focus on engaging patients as partners in their care
   - shared responsibility for financial, cost, and quality targets
   - service line teams with accountability
   - shared strategic planning and management
2. An interdisciplinary structure that supports collaboration in decision-making, preserving clinical autonomy (defined as putting the needs of the patient first) needed for quality patient care while working with others to deliver effective, efficient and appropriate care.
Integrated Leadership for Hospitals and Health Systems: Principles for Success

3. Integrated leadership at all levels and participation in key management decisions
   ▪ Teams accountable to and for each other and can commit for each other
   ▪ Teams of clinicians and administrators leading together at every level
4. A collaborative, participatory partnership built on trust
   - Sense of interdependence and working toward mutual achievement of the Triple Aim
   - Physicians and hospital leadership trust in each other’s good faith and abilities
5. Open and transparent sharing of clinical and business information by all parties across the continuum of care
6. Clinical information system infrastructure that allows capture and reporting of key clinical quality and efficiency performance data and accountability across the system to those measures.
Key elements for the Physician Organization to Organize under formal self governance and management

- Inclusive governance process overseeing competencies in quality management, practice efficiency, clinical discipline, clinical and financial risk management

- Process for leadership selection, support, and training

- Structures outlining membership requirements, including professional conduct, clinical protocols

- Development and annual review of physician organization’s overall strategy and guidelines for employment or affiliation arrangements

- Leading in the adoption of clinical information technology and resources necessary for effective population and patient care management

- Robust member communication strategy and plan
Both physician and hospital leaders must possess the knowledge, skills and professional attitudes to be effective leaders and managers in empowerment-oriented, and consensus-based management models. Trusted, capable with support and respect of peers.

**Physician leader skills**
- Mission and strategy development, alignment and deployment
- Understanding of patient and consumer expectations
- Quality measurement and improvement
- Team building, negotiation and management
- Effective adoption of health care clinical information technology
- Risk, finance and cost management in various types of practice organizations
- Understanding payment based on care, quality, outcomes and accountability
- Population health management

**Hospital leader skills**
- Understand medical professionalism, care delivery processes and clinical decision making
- Knowledge of physician practice finances and workflow
- Ability to achieve consensus with physicians
- Understand need for physicians to advocate for patients
- Accept need for physician clinical decision autonomy in specific settings while expecting physician accountability for overall institutional success
- Willingness to create true integrated leadership model by sharing management responsibilities and accountabilities
Cultural needs - the way an organization does business that is predictable, known to all and consistent with mission and values

- A focus on health of entire population served by integrated health system
- Common mission, vision and values - serves as the touch point to help resolve the inevitable future conflicts
- Mutual understanding and respect despite different training and perspectives
- Sense of common “ownership” of integrated health system and its reputation
- Joint commitment to performance measurement and improvement
- Focus on individual patient’s care over time and across the continuum
- Performance data that is understandable, timely and trusted
- Fair financial and non-financial incentives aligned to improve care and manage costs across the organization
- Shared governance and involvement in decision making
- A sense of responsibility for the integrated health system
- Consensus decision making between all parties
Challenges to success of integrated healthcare leadership

- Commitment to business model transformation
- Differing mind sets
- Lack of clarity on values
- Lack of more “accessible” and generalizable models of physician organization
- Lack of integrated leadership and management skills
- Need for robust of primary care involvement
- Need for payer partnering and new payment models
- Legal and regulatory issues
- Contractual issues
- Ancillary services issues
- Coordination of the organized medical staff
American College of Healthcare Executives

- Interdisciplinary membership
  - Healthcare executives, physician leaders, nurse leaders and other clinical colleagues
- Leadership development activities
  - Across the career continuum
  - Through multi-disciplinary education and networking
- ACHE programs track principles of integrated leadership
  - Communication and relationship management
  - Professionalism
  - Leadership
  - Knowledge of healthcare environment
  - Business skills and knowledge
Leadership competencies

- Competency: a cluster of skills, knowledge and abilities necessary for success based on the requirements (challenges) of a position. They are often demonstrable, transcend organizational settings and are applicable across the environment.

HLA Competency Directory
Healthcare executives should demonstrate competency in all five domain areas.

Source: ACHE Healthcare Executive Competencies Assessment Tool 2014©
Healthcare leadership core competencies

- Governance and organizational structures
- Human resources
- Finance
- Healthcare technology and information management
- Quality and performance improvement
- Laws and regulations
- Professionalism and ethics
- Healthcare
- Management
- Business
New skills and demands

- Innovation and change leadership
- Entrepreneurship
- Business strategies and fiscal oversight
- Clinical integration
- Data analytics
- Emotional intelligence
- Coaching and motivating
Preparation is key

- 70% of behavior change takes place “on the job”
- 20% through people and connections
- 10% through education (workshops, applied learning)

Making it happen: 3 strategies
- Seek challenging assignments - get out of your comfort zone
- Seek experiential learning and practice
- Invite a mentor to keep you accountable
## Future now?

<table>
<thead>
<tr>
<th>Today</th>
<th>Future</th>
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<tbody>
<tr>
<td><strong>Focus</strong></td>
<td>Community health</td>
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<tr>
<td>Individual patient</td>
<td>Coordinated, longitudinal care</td>
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<tr>
<td><strong>Care</strong></td>
<td></td>
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<tr>
<td>Fragmented, episodic treatment</td>
<td>Achieving wellness</td>
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<td><strong>Goal</strong></td>
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<tr>
<td>Treating sick</td>
<td></td>
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<tr>
<td><strong>Rewards</strong></td>
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<tr>
<td>Volume driven (FFS)</td>
<td>Value, outcome driven</td>
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<tr>
<td><strong>Setting</strong></td>
<td></td>
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<tr>
<td>Institutional base; hospital oriented</td>
<td>Community based; range of settings</td>
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<tr>
<td><strong>Leadership</strong></td>
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<tr>
<td>Managing departments/divisions</td>
<td>Systems thinking/ integrated processes</td>
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Source: FutureScan 2016–2021
Meeting needs across the continuum of care
Dyad leadership combinations: Traditional versus distributed

- Traditional Physician/Operational Leader Dyad
- Distributed or Situational Physician/Operational Leader Dyad

Situations:
- Physician Leader
- Operational Leader
- Scope of Influence

Intersections:
- Physicia
- Operational Leader
Five key domains

- Leading self
- Leading others
- Leading change
- Leading for results
- Leading for collaboration
## Emerging competencies for leading change

<table>
<thead>
<tr>
<th>Lead Self</th>
<th>Core</th>
<th>Applied</th>
<th>Strategic</th>
<th>Transformational</th>
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<tbody>
<tr>
<td>Lead Others</td>
<td>Lead Organizations</td>
<td>Lead Communities</td>
<td>Experience</td>
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**Academic Preparation**
Change requires leadership

“Leadership and learning are indispensable to each other.” ~John F. Kennedy

“You don’t lead by hitting people over the head— that’s assault, not leadership.” - Dwight D. Eisenhower
<table>
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<tr>
<th>Leadership competencies</th>
<th>Leadership</th>
<th>Professionalism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Communication and relationship management</strong></td>
<td><strong>Trust and respect</strong></td>
<td><strong>Accountability</strong></td>
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<tr>
<td>Collaborative function</td>
<td>Motivate others</td>
<td>Judgment</td>
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<tr>
<td>Develop relationships</td>
<td>Influence</td>
<td>Integrity</td>
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<tr>
<td>Team building</td>
<td>Strategic perspective</td>
<td>Humility</td>
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<td>Conflict management</td>
<td>Critical appraisal skills</td>
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<td>Adaptability</td>
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Management skills

- Patient satisfaction, brand and product awareness, and communication strategies
- Governance, strategic planning and managing risk
- Operational performance management
- Workforce and talent management
- Finance, economics and payment
- Business intelligence and metrics
Changing skill requirements

- Personal leadership skills
- Management skills
- Technical skills

Relative Skill Importance

High

Low

Professional/Individual → Manager → Leadership
Nine essential elements for patient-centered care

- Quality-centered
- Safe for all
- Streamlined and efficient
- Measurement-based
- Evidence-based
- Value-driven
- Innovative
- Fair and equitable
- Physician-led
American Organization of Nurse Executives

Nurse executive competencies

- Communication & Relationship Management
- Professionalism
- Knowledge of Health Care Environment
- Business Skills and Principles

Leadership
Communication and relationship building

A. Effective communication
B. Relationship management
C. Influencing behaviors
D. Diversity
E. Community involvement
F. Medical/staff relationships
G. Academic relationships
Knowledge of the health care environment

A. Clinical practice knowledge
B. Delivery models/work design
C. Health care economics and policy
D. Governance
E. Evidence-based practice/outcome measurement and research
F. Patient safety
G. Performance improvement metrics
H. Risk management
Leadership

A. Foundational thinking skills
B. Personal journey disciplines
C. Change management
Professionalism

A. Personal and professional accountability
B. Career planning
C. Ethics
D. Advocacy
Business skills

A. Financial management
B. Human resource management
C. Strategic management
D. Information management and technology
Texas Care Alliance Integrated Leadership Assessment Results

4/29/2016: Total Responses = 55

- Physician in leadership role = 45%
- Trustee = 29%
- Health System Executive = 16%

- Employed = 56%
- Affiliated = 15%

- Health System with mix of employed and independent physicians = 87%
TCA Integrated Leadership Assessment Results: >20% Disagreement with a Integrated Leadership Principle

• **My health system’s information system infrastructure effectively captures and reports on quality and efficiency measures.**
  – Total disagree = 44% (Physician in LR=64% Trustee=25% Healthcare Exec=56%)

• **Accountability for clinical quality and efficiency performance data is shared among physicians and health system executives**
  – Total disagree = 40% (PLR=24% Trustee=19% HE=11%)

• **The physicians and health system executives have adequate training and/or experience in leadership and management skills**
  – Total disagree = 35% (PLR= 40% Trustee=19% HE=44%)
TCA Integrated Leadership Assessment Results: >20% Disagreement with a Integrated Leadership Principle

• **Clinical and business information is openly shared by all parties to improve care.**
  – Total disagree = 35% (PLR=52% Trustee=13% Healthcare Exec=22%)

• **Physicians and health system executives trust in each other’s abilities to deliver the Triple Aim**
  – Total disagree = 33% (PLR=40% Trustee=19% HE=33%)

• **Physician organization associated with my health system operate under a formal self-governance that is separate from the health system**
  – Total disagree = 31% (PLR=36% Trustee=31% HE=11%)

• **Physicians and health system executives share responsibility and accountability for developing shared goals and incentives for the health system**
  – Total disagree = 22% (PLR= 28% Trustee= 6% HE=22%)
Concluding remarks
Integrated leadership for physicians, health care executives, hospitals and health systems

Appendix
AHA and AMA resources

- Integrated Leadership for Hospitals and Health Systems: Principles for Success
- Proceedings from the AHA-AMA Joint Leadership Conference on New Models of Care
- Webinar: AMA-AHA Integrated Leadership Principles
- Physician leadership education
- Blue Ribbon Panel Report: The governance of physician organizations
- Webinar: Physician Leadership Education 2.0
AAPL resources

- Leadership competencies
- Publications
- 100+ leadership and management courses
  - 4x live institutes
  - Customized distance education platform
  - Onsite leadership education forums
- Physician leadership assessment tools and careers services program
- Board certification by CCMM
  - Certified Physician Executive program
- Four masters degree programs with affiliate universities
- Variety of specialty certificate programs
- CMO and CEO academies
- Distance education specialty series (e.g. patient safety)
- Whitepapers, journal publications and books
ACHE resources

- Education programs:
  - Clinical leadership
  - Creating Readiness for Change: Preparing Physicians and Administrators for Collaboration
  - Creating a Leadership Development Program in Your Healthcare Organization course
- Physician Executive Forum
- Publications
AONE resources

- Nurse Executive Competencies and Assessment Tool
- Certification Exams:
  - Certified in Executive Nursing Practice
  - Certified Nurse Manager & Leader
- Education Programs:
  - Health Care Finance
  - Dynamic Leadership for Shared Governance
- Guiding Principles:
  - Excellence in Nurse/Physician Leadership
  - Future Patient Care Delivery
  - Mitigating Violence in the Workplace