




**1E – Developing a Cross-Continuum Scorecard**

QHN Summer Camp for QI  
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Jane Taylor, EdD

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**Balancing Stakeholder Values**




*Pilobolus dance theater*

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Balancing Unintended Consequences




*If each part of a system, considered separately, is made to operate as efficiently as possible, then the system as a whole will not operate as effectively as possible.*

Ackoff, R. L. (1971). "Towards a System of Systems Concepts." Management science 17(11): 661-671.

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Dimensions of Organization Performance



### The Balanced Scorecard

**Customer**

"To achieve our vision, how should we appear to our customers?"

Objectives	Measures	Targets	Initiatives

**Financial**

"To sustain financial performance, how should we appear to shareholders?"

Objectives	Measures	Targets	Initiatives

**Learn & Grow**

"To achieve our vision, how should we sustain our ability to change and improve?"

Objectives	Measures	Targets	Initiatives

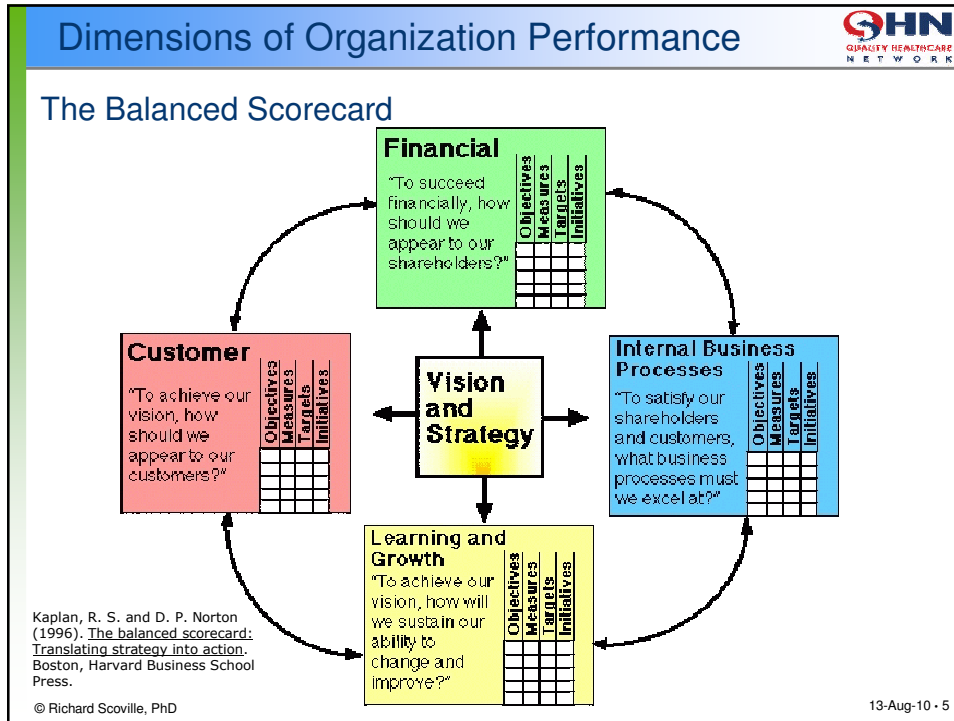
Measurement should enable "double-loop learning" (Chris Argyris) that produces a change in people's assumptions and theories about cause and effect relationships.

The balanced scorecard contributes to this by:

- Articulating the relationship among stakeholder values
- Providing a feedback system
- Making explicit the tradeoffs and dynamics of the 4 dimensions

Kaplan, R. S. and D. P. Norton (1996). *The balanced scorecard: Translating strategy into action*. Boston, Harvard Business School Press.

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### Balanced Scorecard for a Clinic

A balanced view of processes and outcomes focuses attention on gaps in performance, and the need for targeted improvement.

Nelson, E. C., P. Batalden, et al. (2007). *Quality By Design*. San Francisco, CA, Jossey-Bass.

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#### Key Processes

Aim	To do the right things at the right time for the patients.
Measure	Shared decision making (SDM): Diagnosis-specific patients checked out either the Herniated Disc or Spinal Stenosis video. Access: Preferred appointment met for patients seeing a surgeon for the first time.
Action plan	SDM: No current plan to improve the process. Access: Scheduling/access workgroup formed in January 2002.

#### Innovation & Learning

Aim	To create a stimulating and enriching research setting and education of staff.
Measure	
Action plan	Grant writing in progress.

#### Satisfaction Versus Need


Aim	To meet the expectations of our patients.
Measure	
Action plan	No current plan.

#### Financial

Aim	To be a fiscally solvent specialty clinic.
Measure	<div style="display: flex; justify-content: space-around;"> <div style="width: 45%;"> </div> <div style="width: 45%;"> </div> </div>
Action plan	No current plan.

Quality Healthcare Network

## Scorecards




- Balanced Scorecard began as a recommended set of measures that went beyond the traditional management focus on financial measures—answered the question “What classes of measures should senior managers use?”
- They have been extended to healthcare to include clinical and operational dimensions (Caldwell, Nelson)
- Scorecards provide a means to coordinate key measures—initially answered the question “What methods should senior managers use to interact with key measures?”
- You can use dashboard tools to display and structure measures listed in a Balanced Scorecard

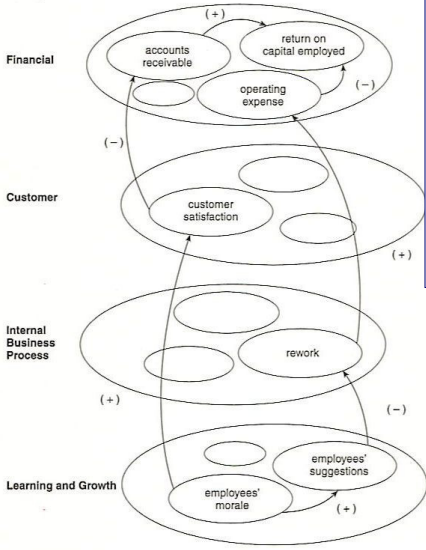
Source: Kevin Little, Ph.D., IHI Improvement Advisor, 2005

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## Interactions Among Scorecard Measures




*How One Company Linked Measures from the Four Perspectives*



Underlying the Scorecard is a theory about cause and effect: Learning and Growth drives Internal Business Processes to greater efficiency, reliability and precision, and fosters customer satisfaction. Better processes and satisfied customers drive financial performance.

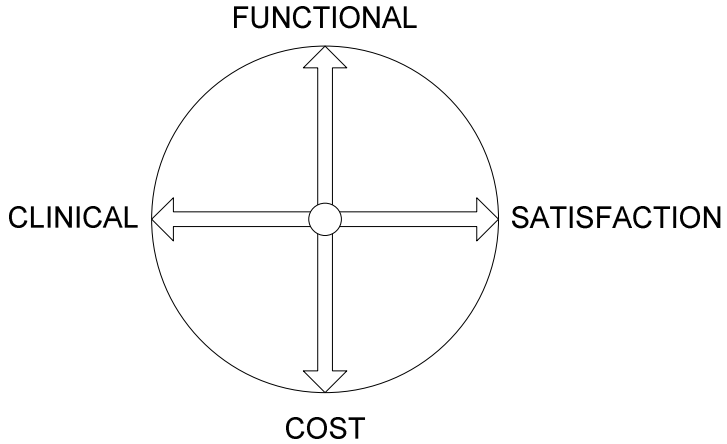
R.S. Kaplan and D.P. Norton (1993), “Using the Balanced Scorecard as a Strategic management System,” *Harvard Business Review* January-February 1996.

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## Dimensions of Patient Outcomes

### The Clinical Value Compass

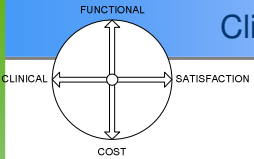


Nelson, E. C., J. J. Mohr, et al. (1996). "Improving health care, Part 1: The clinical value compass." *Jt Comm J Qual Improv* **22**(4): 243-58.

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## Clinical Value Compass: Dimensions



### Clinical

- ✓ Mortality and morbidity (such as signs, symptoms, treatment complications, diagnostic tests results, laboratory determinations of physiologic values).

### Functional

- ✓ Physical function, mental health, social role function, and other measures of health status (such as pain, vitality, perceived well-being, and health risk status).

### Satisfaction

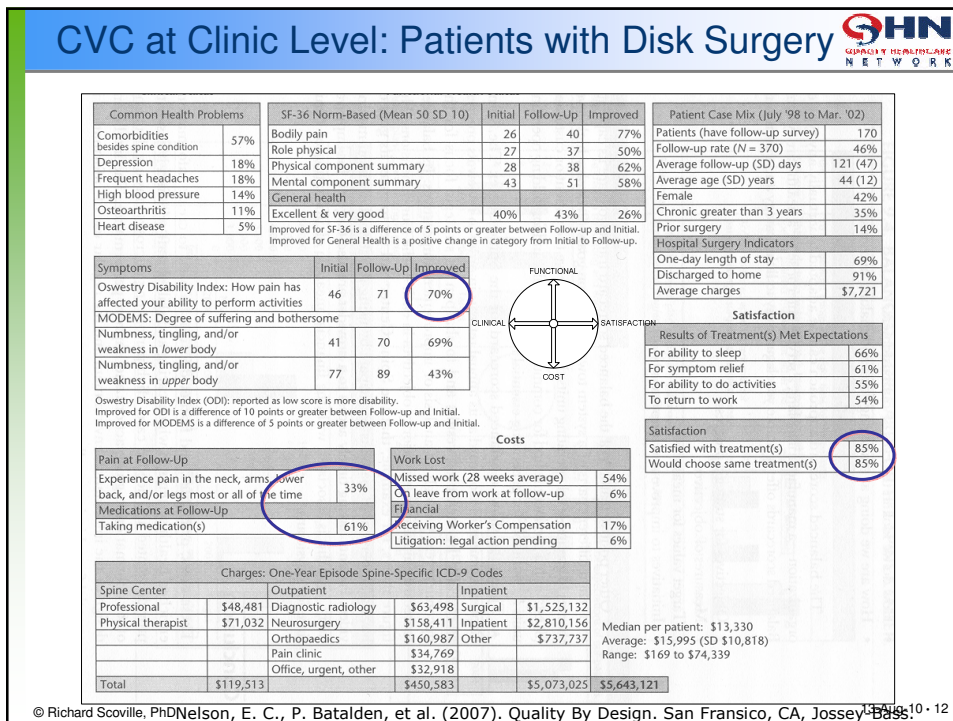
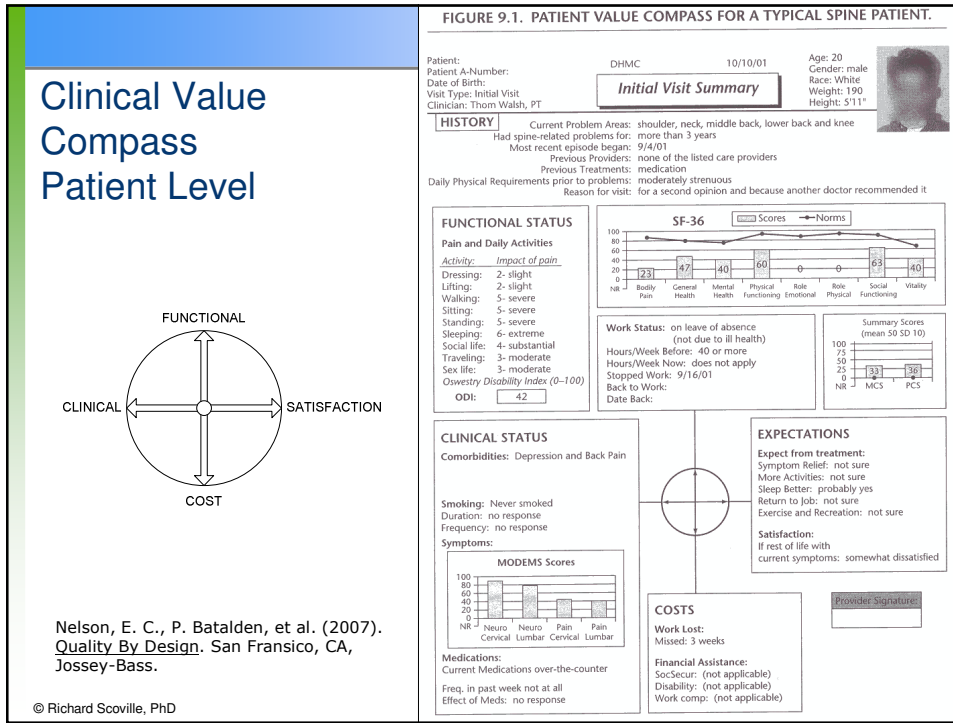
- ✓ Patient & family satisfaction with the health care delivery process, patients' perceived health benefit from care received.

### Costs

- ✓ Direct medical costs (ambulatory care, inpatient services, medications, and so on) and indirect social costs (days lost from work or normal routine, replacement worker costs, caregiver costs)

Nelson, E. C., J. J. Mohr, et al. (1996). "Improving health care, Part 1: The clinical value compass." *Jt Comm J Qual Improv* **22**(4): 243-58.

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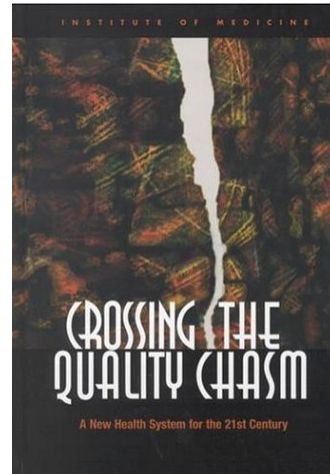


## IOM Aims



These are quality dimensions of systems of care identified by the Institute of Medicine:

- Safe
- Timely
- Effective
- Patient Centered
- Equitable
- Efficient



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## FAACT / AHRQ Dimensions




- Access to care
- Staying healthy
- Getting well
- Living with chronic illness
- Adapting to changing needs at the end of life

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## Must Also Consider the Patient Population




Population Characteristics	Priority Concerns for This Population	Major Components of Health Care	IOM/AHRQ/FACCT Goals for Health Care
1. Healthy	Longevity, by preventing accidents, illness, and progression of early stages of disease	Physicians' offices, health clinics, occupational health, and health information available to the public	Staying healthy
2. Maternal and infant health	Healthy babies, low maternal risk, control of fertility	Prenatal services, delivery, and perinatal care; fertility control and enhancement	Staying healthy
3. Acutely ill, with likely return to health	Return to healthy state with minimal suffering and disruption	Emergency services, hospitals, physicians' offices, medications, or short-term rehabilitative services	Getting well
4. Chronic conditions, with generally "normal" function	Longevity, limiting disease progression, accommodating environment	Self-management, physicians' offices, hospitalizations, and ER visits	Living with illness or disability
5. Significant but relatively stable disability, including mental disability	Autonomy, rehabilitation, limiting progression, accommodating environment, caregiver support	Home-based services, environmental adaptation, rehabilitation, and institutional services	Living with illness or disability
6. "Dying" with short decline	Comfort, dignity, life closure, caregiver support, planning ahead	At-home services, hospice, and personal care services	Coping with illness at the end of life
7. Limited reserve and serious exacerbations	Avoiding exacerbations, maintaining function, and specific advance planning	Self-care support, at-home services, 24/7 on-call access to medical guidance, and home-based care	Coping with illness at the end of life
8. Long course of decline, from dementia and/or frailty	Support for caregivers, maintaining function, skin integrity, mobility, and specific advance planning	Home-based services, mobility and care devices, family caregiver training and support, and nursing facilities	Coping with illness at the end of life

Lynn, J., B. M. Straube, et al. (2007). "Using population segmentation to provide better health care for all: the "Bridges to Health" model." *Milbank Q* 85(2): 185-208; discussion 209-12.

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## Exercise: A Cross-Continuum Scorecard



- 10 minutes: Examine and critique the scorecard examples you have available
  - ✓ From your organization
  - ✓ From ...
- 15: minutes: Create scorecard family of measures for guide senior leaders for transitions
  - Clinical Outcomes
  - Patient Experience
  - Finance
  - Staff Vitality

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