Henry Ford Health System’s Baldrige Journey
Organizational Profile & Leadership
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Henry Ford Health System

Core Services:
- Four acute med/surg and two behavioral health hospitals
- Henry Ford Medical Group
  - 32 Medical Centers
  - 1200 physicians & scientists
- 2200 private physicians
- 1500 MD & DO physician trainees
- Health Alliance Plan
Henry Ford Health System

Pre- and Post-acute services:
- 2 Skilled nursing facilities
- Home Health Care
- Outpatient Dialysis
- Home Products
- Retail Pharmacies
- Vision Centers

Henry Ford Health System

Other Statistics (annual):
- Over 23,000 employees
- 102,000 admissions to 2200 beds
- 418,000 ED visits
- 3.2 million office visits
- 88,000 surgeries
Our Baldrige Journey: Leadership’s Role

- Setting the stage—learning from others
- Senior Leadership: More than just a “yes.” Involvement led to Engagement.
- Not about “Baldrige,” but about improving performance to provide the best experience - one person at a time
- Creating a performance culture that permeates all aspects of the organization
A Journey of Discovery 2004-Present

- Multiple cycles of learning for how best to lead, with a focus on transparency, accountability, and System integration
- Internal team guided by experienced consultants
- Received the Michigan Quality Council Leadership Award (Michigan’s Baldrige program) in 2007
- Multiple HFHS leaders became Baldrige examiners
- Persistence when faced with potentially competing priorities (e.g., acquired two hospitals and built a new one during this time)
- Used feedback to improve and better tell our story
- 2011 - site visit and National Award

Baldrige Criteria – Category 1

1.1 How do your senior leaders lead?

1.2 How do you govern and fulfill your societal responsibilities?
Mission, Vision, and Values

Mission
To improve people’s lives through excellence in the science and art of health care and healing

Values
Each Patient First    Respect for People
High Performance    A Social Conscience
Learning and Continuous Improvement

Mission, Vision, and Values

Vision
Transforming lives and communities through health and wellness – one person at a time
Promoting Legal & Ethical Behavior

- Leadership modeling of Code of Conduct, Conflict of Interest disclosures, and System Values
- Importance of Governance
- Creating a Just culture to drive patient safety, engagement, transparency and accountability
- Communicating with clarity, honesty and optimism
- *Best Practice:* Vendor Compliance Policy

Leveraging Core Competencies

**Innovation**

- Culture of entrepreneurism
- Hard-wired into everything—not just facilities and equipment—but processes like hand-washing
Leveraging Core Competencies

Care Coordination
- Readmission Prevention
- Clinical Integration
- Early adopter of the EMR

Partnering/Collaborating
- Midtown Collaborative
- South HFH Campus Development
- Community Health Collaboratives
- Academic Collaboratives
- Leadership Engagement
**Sustainability Through…**

- Workforce culture
- Relentless focus on improvement
- Accountability for results – ongoing performance reviews are standard agenda items
- Succession planning & leader development
- Patient safety culture

**Strategic Communication**

- CEO priority/Communication team meetings
- Two-way – Customer listening and engagement
- Consistent and repetitive messaging
  - Focus on customer segmentation
  - Mix of traditional and social media: vodcasts, Blogs, YouTube channel, etc.
- Focus on recognition – System and Business Units
Governance System

- Restructuring resulted in leaner structure, improved performance and diversity
- Significant focus on education – IHI best practice
- Focus on the critical issues: 20-25% of Board time devoted to quality and safety
- Performance Dashboard
- Ad Hoc Strategy Groups

Community Support

Community Health Improvement

- Community Pillar team
- Health initiatives driven by Community Health Needs Assessments
- Partnerships – key strength
  - Competitors
  - Schools/Churches
  - Foundations
  - Federally Qualified Health Clinics
  - Industry collaboratives
  - Community organizations – AHA Heart Walk
Community Support

Economic Driver
- $5.82 billion in direct/indirect economic benefits
- Live Midtown
- Neighborhood development

Community Leader
- Serve in leadership roles in key organizations, such as Detroit Chamber of Commerce, Detroit Convention & Visitors Bureau
- Leadership volunteer hours exceed 12,000 annually

Results Achieved in Economic Crisis
- **People** – Gallup scores showed improved employee engagement for each Q12 item
- **Service** – HAP rated highest in member satisfaction in Michigan for 5th consecutive year
- **Quality** - Harm rate dropped by 31% in three years vs. next best of 6%
Results Achieved in Economic Crisis

- **Growth:** In past decade, doubled revenue to $4.2 billion; increased inpatient market share from 11% to 18%

![Market Share Chart]

- **Financial Results 2006-2010**
  - Top-line revenue growth of over 27% to $4.1B
  - Total assets increased by nearly 20% to $3.2 B
  - System liquidity of $1.5 B
    - Represents 47% of total assets
    - Funded over $1 B of capital with over $500 M funded from operating cash flow
  - Total equity increased over 22% to $1.4 B
  - Cumulative 5-year net income of $343 M
  - Ratings
    - S&P “A stable” (reaffirmed August 2011)
    - Moody’s: “A1 stable”
Philanthropy: Another Key to Sustainability

- Cash donations – $135 million since 2007; improved from $9 million to $30 million each year
- Will reach 7-year $250 million Envision campaign goal one year early
- Best practice: Employee campaign - 12,000 participants donating more than $3 million annually

Lessons Learned

- CEO and senior leaders must drive, support, and actively participate in Baldrige improvements.
- The journey is a marathon, not a sprint.
- Application writing generates as much learning as feedback reports.
- The Baldrige Framework has to be integrated into everyday business – not a separate project – to build sustainable improvements.
- Winning does not mean perfection.
We’re
Henry Ford.
We Can.