



Eastern Pennsylvania Healthcare Executive Network

Member Newsletter May 2009

A Message from the President

Dear Colleagues,

Well the good news is, its finally spring. Now that it's here, I'm beginning to understand how Noah felt!! But rain or shine, there is a lot going on in EPAHEN.

First I wish to thank our sustaining sponsors and our new supporters. Our thanks goes out to the area hospitals who continue to provide space for our education programs. A special thanks goes to Hospital Central Services, Inc. (HCSC), which has generously supported the annual June meetings at Brookside Country Club. And this year we welcome our newest sponsor, Leaders for Today. We thank them for their support and hope to have many years of working together.

We had good turn-outs for our March and April programs, and we are looking forward to the upcoming meeting at Brookside in June and our summer social, again at Coca-Cola Park and the Lehigh Valley Iron Pigs, in July. So, be sure to get your reservations in early! Plans are also currently underway for our **Category I program** in September.

On the membership front, now is the time to advance to fellowship in the ACHE. Between now and June 30, ACHE is waiving the \$200 application fee for the advancement exam. Those of you who are eligible, now is the time to act.

So, there is a lot going on. Like any volunteer organization, the more active we are in the group, the more vibrant it is. So, give us your ideas, volunteer to help and lets have fun in the process.

Best wishes for an active, safe, and fun-filled summer.

Steve Kaja

A Message from our ACHE Regent

Dear Colleagues:

There are a number of important events and activities taking place in Eastern Pennsylvania in the coming weeks, and I hope to highlight a few in this column. First, however, I would like to mention a past event, where two of our members were recognized for their efforts on behalf of our profession. On February 17 the Healthcare Leadership Network of the Delaware Valley (HLNDV) held a breakfast meeting at the Union League of Philadelphia, where approximately 150 members and guests heard Independence Blue Cross CEO, Joe Frick, speak about healthcare strategy from a payor perspective. I had the pleasure to present an Early Career Regent's Award to **Jeremye Cohen** from Temple University Hospital, and a Senior Regent's Award to **H.L. Perry Pepper**, FACHE, President and CEO of the Chester County Hospital. Both are truly deserving of this recognition.

I am happy to report that at the recent ACHE Congress in Chicago a member from our region was elected to the post of Governor of ACHE. **John J. (Jack) Lynch**, III, FACHE, President and CEO of Main Line Health has been active with ACHE for many years, and had previously served as Regent, while living in Texas. As one of the Governors I am sure that Jack will be very active in our region, and engaged with many chapter events. Congratulations Jack!

See **REGENTS MESSAGE** pg 3

Calendar of Events

Eastern Pennsylvania Healthcare Executive Network (EPAHEN)

June 3, 2009 * 6:00pm

EPAHEN Membership Meeting

Brookside Country Club

Speaker: John Lynch, President & CEO, Mainline Health & ACHE Board of Governors

Program: Reflections on Leadership

July 8, 2009 * 7:00pm

ACHE-EPAHEN Members-Only Summer Social

Coca-Cola Ballpark, Allentown (PA)

Healthcare Leadership Network of the Delaware Valley (HLNDV)

May 18, 2009 * 5:00pm

HFMA & HLNDV Joint Program

Widener University, Chester, PA

Program: Bridging the Dialogue Between the Financial Manager and the Quality Manager

June 11, 2009 * 6:00pm

HLNDV Annual Meeting

Granary Associates, Philadelphia, PA

Program: The Greening of Healthcare: How Sustainability Fits Into Your Organization

Association of Healthcare Executives the New Jersey (ACHE-NJ)

May 19, 2009 * 9:00am * NJHA

June 2, 2009 * 5:00pm * Seton Hall Univ

June 16, 2009 * 5:00pm * NJHA

CEO Series

Program: Advancing Healthcare Leadership; Many Roads to Success A Dialogue with CEO's

American College of Healthcare Executives (ACHE)

June 1-4, 2009

Williamsburg, VA Cluster

July 13-16, 2009

Lake Geneva, WI Cluster

Information on these, and other upcoming local, regional and national events is also available at the EPAHEN web site: <http://epahen.ache.org>

EPAHEN Board/Committee Updates

Finance Update. At the March EPAHEN Board Meeting, a decision was made to open a variable interest savings account in addition to our checking account with Embassy Bank. \$5000 was transferred from checking to savings in April. As of April 30, 2009, our EPAHEN checking balance is \$6422.19 and savings balance is \$5003.49. This includes the 2009 ACHE Chapter Dues rebate of \$3213.40. In April, an EPAHEN statement of financial position and a statement of activities ending 12-31-08 was submitted to ACHE. EPAHEN supported the HAP/ACHE breakfast for \$500. Remaining large expenses for the year will be our summer social at Coca-Cola Park and the DeSales event in December. *Deborah Corcoran*

Program Update. The June EPAHEN event will take place at Brookside Country Club on **Wednesday, June 3**. Our guest speaker will be John Lynch, CEO of Mainline Health, who was recently elected to the ACHE Board of Governors. This year's Members-Only Summer Social

will take place at the Lehigh Valley Iron Pigs-Pawtucket Red Sox game on **Wednesday, July 8**. Due to limited capacity, we encourage those interested in attending to reserve your spots quickly! The program committee is currently working to coordinate a **Category I Education Program** for this fall, and hopes to announce the date and location for the event in the near future. *Ruth Brennan*

Membership Update. As of April 30, EPAHEN membership includes 116 ACHE members, with 71 additional ACHE members "opting in" to our Chapter, and 15 local EPAHEN affiliates. We encourage all of our members to reach out to your colleagues and explain the benefits of joining both ACHE and our local chapter. We also encourage those members presently eligible for advancement in the College to register for the Board of Governors exam. Those registering for the exam by June 30 can have the \$200 registration fee waived by ACHE. *Sam Platia*

Notes From ACHE

The Total Picture: Developing a Patient Experience. *Trustee (2/09) Meyers, Susan.* The Cleveland Clinic Health System in Ohio has appointed a chief experience officer to ensure the hospital system maintains its commitment to a high-quality patient and family experience. According to Delos Cosgrove, MD, CEO and president of the Cleveland Clinic Health System, the new C-suite position "not only sends a message to the rest of the hospital staff that the patient experience is a priority, but it also places the chief experience officer at the center of decision making and helps us coordinate patient experience goals with other aspects of clinical care." The chief experience officer position will help further the system's "Patients First" initiative, which aims to make empathy a core value and emphasizes the importance of employees in the patient experience. With regard to employees, the human resources department has rolled out several programs to promote employee health and well-being, recognizing that employees need to be satisfied if they are going to provide a great experience for patients. Employees now have access to free gym memberships and a weight reduction program, and they can enjoy a smoke-free environment. The patient satisfaction initiative was rolled out as the Centers for Medicare and Medicaid Services instituted a rule that requires hospitals to include patient satisfaction scores in their quality data or see their annual payment update lowered by two percentage points.

Hospitals Tune Up Cart Strategies. *Health Data Management (2/09) Anderson, Howard J.* To help nurses work more efficiently, many hospitals are using mobile carts to improve access to information systems, diagnostic equipment, bar-code readers and other necessary tools. Carts are expected to become important particularly as more facilities attempt to implement electronic health records (EHRs) and computerized physician order entry systems. Nurses and hospital managers alike say laptop-installed carts are far more effective for EHRs and other data-entry functions than hand-held devices because they are larger, more user-friendly and reduce the risks of loss or theft. In addition to computerized functions, some carts include medication-dispensing drawers. These lockable drawers are loaded with medication for each patient by a robot in the hospital's pharmacy, significantly decreasing the possibility for medication errors. Some hospitals find these carts so useful that they equip individual patient rooms with their own carts rather than rely upon stationary, wired computers, which cost more, pose infection control issues and are difficult to move when cleaning or repairs are necessary. Other hospitals are using a couple of mobile carts to check in patients quickly by scanning insurance cards and inputting patient information directly into medical records.

Who Is Enforcing HIPAA. *Healthcare IT News (1/1/09) Amatayakul, Margaret; Cohen, Mike.* A new report from the Office of the Inspector General faults the Centers for Medicare and Medicaid Services (CMS) for failing to adequately enforce the Health Insurance Portability and Accountability Act (HIPAA) Security Rule. CMS says a complaint-driven process to encourage voluntary compliance is in use, with 379 complaints received since the April 2005 compliance deadline. So far, 10 hospital compliance reviews have been completed by the agency, and more audits are on the horizon. Meanwhile, 44 states have passed laws that force hospitals and other entities to inform consumers of data breaches. Experts encourage hospitals to pay close attention to the CMS Security Guidance released in December 2006 to enhance security of portable devices and media, keep abreast of the issue of security breaches and implement lessons learned from them. According to a 2008 study of data breaches by Verizon's Business Risk Team, privileged business partners account for 39 percent of attacks. Lost or stolen laptops and other devices are responsible for 20 percent of external attacks, while inadvertent posting of personal information on the Web and hacking account for 15 percent and 11.7 percent of attacks, respectively.

An Agenda For Research on Pay-for-Performance for Patients. *Health Affairs (Quarter 1, 2009) Volpp, Kevin G; Pauly, Mark V; Loewenstein, George.* Pay for Performance (P4P) initiatives are directed at healthcare providers and facilities, but experts believe these programs could be enhanced by combining them with programs that provide patients with incentives to stay healthy. Patient-directed P4P programs increasingly are successful when they strive to increase preventive care, reduce the use of addictive substances and follow physician orders more closely. P4P is already used for these purposes in some large corporations to encourage weight loss and decrease smoking, but researchers suggest targeting a wider variety of behaviors to increase cost effectiveness. However, to successfully implement these programs, hospitals and employers must address rising copayments, limited research on preventive medicine's impact and ethical concerns. For instance, researchers suggest P4P plans offer incentives to reward positive behavior rather than punishments to penalize negative behavior. Appropriate incentives should be frequent small rewards presented separately from larger ones. A lottery format or joint patient and provider incentives are other possibilities that can be tailored to maximize impact.

Financing to Meet Community Needs. *Healthcare Finance News (3/1/09) Wilson, Bill.* Small hospitals have been hit by the economic crisis due to endowment losses, soaring borrowing rates and tighter covenants. Experts say these hospitals need to create financing flexibility by reducing the scope of construction

ACHE *continued*

projects and assuming a multitracking strategy that involves different types of financing so the loss of one form of financing does not put the breaks on projects. Small hospitals also should take advantage of local financial resources such as bank-qualified bonds, tax-exempt bonds with variable rates backed by the regional Federal Home Loan Bank and unrestricted pledges that can be used for both construction and renovation projects and investments. Finally, small hospitals should seek federal assistance through the U.S. Department of Housing and Urban Development's Section 242 mortgage insurance program and the U.S. Department of Agriculture's Community Facilities program, which offers direct loans, guaranteed loans and grants to nonprofit rural organizations in communities with populations of fewer than 20,000 people.

Survey Examines Hospital 'Never Events.' *Business Insurance* (2/26/09) *Wojcik, Joanne.* A recent study from Midwest Business Group on Health reveals that 95 percent of employers believe hospitals should waive costs for "never events," or a critical and preventable ailment or injury that happens while admitted to a hospital. Less than 70 percent of healthcare industry stakeholders such as hospitals agree. Nearly all employers also believe hospitals should not collect "never event" payments from patients; only 70 percent of healthcare stakeholders concur. However, employers are not enforcing their never-event policies, fearing hospitals will retaliate against workers, says Midwest Business Group on Health President and CEO Larry Boress. More employers than stakeholders--36 percent to 35 percent, respectively--believe health plans should pay for never-events, the survey showed.

Ramping Up on Wireless. *Health Data Management* (3/09) *Goedert, Joseph.* Hospitals are experimenting with new wireless technologies. The University of Miami Miller School of Medicine and College of Engineering are working on technology that would send text messages to let patients know when to take their medicine. If patients do not respond, nurses or relatives would be notified. If patients are out of medicine, they could reach a nurse or pharmacist by pressing a certain key. Wireless technologies also are being implemented to track IV pumps, stretchers, computer cards and other assets. The radio frequency identification (RFID) system deployed by WakeMed Cary Hospital in North Carolina plugs into electrical outlets instead of the Wi-Fi network, simplifying installation. RFID tags can be used to monitor temperatures in refrigerators and freezers storing blood and organs, among other things, to comply with mandates from The Joint Commission.

A New Strategy to Improve Quality. *Journal of the American Medical Association* (4/1/09) *Werner, Rache M; McNutt, Robert.* Quality improvement initiatives often are based upon quality measures that determine hospital reimbursement and patient choices. However, many quality improvement initiatives have been unsuccessful in predicting improved patient outcomes. Conventional quality measures often are limited in scope and effect, are not specific enough and fail to adapt when new information about quality improvements is available. To fix these problems, hospitals should redefine the principles on which their quality initiatives are based to focus on actual improvements rather than measuring general care quality. Also, they should implement specific incentives designed to address systemwide concerns rather than national benchmarks, say experts.

How Green Is My Hospital. *Health Data Management* (4/09) *Baldwin, Gary.* Hospitals increasingly are looking to lower energy consumption to save money, but such efforts also help the environment. Some hospitals are looking to become more environmentally responsible by recycling electronics, switching to electronic records and taking green components into consideration when designing new facilities. Harvey, Ill.-based Ingalls Health System participated in an online reverse energy auction, in which suppliers of natural gas and electricity submitted bids after reviewing the hospital's energy needs. As a result of the auction, the hospital saved \$375,000 on electricity costs over a three-year period and \$465,000 in natural gas costs over 17 months. A hospital's IT department tends to use a lot of energy, but some hospitals are running more than one application on a server instead of running dedicated servers for each application. Other hospitals are installing more energy efficient cooling systems or replacing vinyl floors with rubber.

REGENTS MESSAGE *continued*

Also at Congress there were 33 affiliates advanced to the level of Fellow from the state of Pennsylvania. It was a pleasure to meet many of these new Fellows at the Convocation.

Looking forward, on April 23 the ACHE Higher Education Network members at the University of Scranton are holding a symposium. The Insurance Commissioner from the State of Pennsylvania, along with other dignitaries will discuss, in a round table format, healthcare issues and policies. **James F. Geiger**, FACHE, Senior Vice President at Lehigh Valley Hospital will serve as moderator. Matt Thomas and his fellow students at University of Scranton have worked hard to put together a terrific program.

On May 12, the Hospital Association of Pennsylvania (HAP) and ACHE will hold its annual joint breakfast in Harrisburg. Dana S. Kellis, MD, FACHE, the Regent from Southern, Central and Western Pennsylvania, and I are very appreciative of the support that has been given by each of the ACHE chapters in Pennsylvania towards this event. The chapter support will make it possible for students to attend the event at a deeply discounted rate. As with the University of Scranton event, the speaker portion of the breakfast, will be a panel discussion among several elected officials, moderated by Joel Blackwell. I hope to see you there.

The Eastern Pennsylvania Healthcare Executives Network (EPAHEN) is finalizing plans for a June event to be held at Brookside Country Club. Meetings at Brookside are always enjoyable, so I hope that members in the vicinity will be sure to take advantage of this offering.

In closing, I would like to thank the Officers and Boards of EPAHEN, HMF and the HLNDV for welcoming me to their meetings and being truly inclusive in their programs. It is a real honor to work with you.

All the best,

James B. Burke, FACHE
Regent - Eastern Pennsylvania

Eastern Pennsylvania Healthcare Executive Network

2171 28th Street, S.W. • Allentown, PA 18103

Phone: 800-444-4272, ext. 2293

Fax: 610-791-2919 • Web: epahen.ache.org

Stephen Kaja, FACHE, President-Elect
Lehigh Valley Physician Group

_____, President-Elect

Deborah Corcoran, FACHE, Treasurer
Lehigh Valley Health Network

Marie Clemens, Secretary
Hospital Central Services, Inc & Affiliates

Samuel Platia, FACHE, Vice President, Membership
The Reading Hospital Medical Group

Ruthann Brennan, Vice President, Programs
Blue Mountain Health System

Andrew Starr, FACHE, Immediate Past President
St. Luke's Hospital & Health Network