

# careQuest

October 2005 Edition



## ERP re-engagement based on best practice process changes

All systems are go as the Sisters of Charity of Leavenworth Health System (SCLHS) proceeds with the development and implementation of best business practices for use within finance, human resources, payroll and supply chain management areas.

Ty Coup, SCLHS ERP (Enterprise Resource Planning) project manager, said that detailed process design work has occurred that will ultimately result in standardized use of the ERP system at all SCLHS Affiliates. "We asked our Affiliates and ourselves, 'As an organization, how do we want to operate?' For example, 'what is the best way to process an invoice from a vendor?'" Ty explained. "Then we identified the tools that were needed by our customers—the ERP application users—to manage their business processes."

Affiliate and System representatives from the finance, human resources and

supply chain management areas completed this design work with the assistance of process experts from Deloitte Consulting. This led to the identification of best practices for work flow redesign in each discipline.

Models are now being built on Lawson software to support agreed upon best practices. For example, once the new functionality is in place, product purchasing will be virtually paperless with an online Web-based requisition tool. Accounts payable will be centralized with significant efficiencies realized. (See related article, page 4.) Payroll processing will be expedited via automated routines. The use of Electronic Data Interchange (EDI) will be expanded by increasing the number of vendors to whom SCLHS sends electronic purchase orders. In addition, SCLHS will begin accepting electronic invoices from its largest suppliers.

The plan is to build, test, load and certify the new business model at existing Lawson sites—Providence Medical Center, St. Francis Health Center, Saint John Hospital (Leavenworth) and the System Office. Once the new operating model is in place at existing Lawson sites, SCLHS will load applicable existing "legacy" data from general ledger, human resources, payroll and supply chain applications currently used by St. Vincent Healthcare, St. James Healthcare, St. Mary's Hospital and Medical Center, Saint John's Health Center (Santa Monica), and Holy Rosary Healthcare. That data will be used to perform an "integrated system test" (IST) to help ensure that the conversion and implementation efforts go as planned at each of the respective remaining Affiliate sites.

This intensive integrated system testing will occur from December 2005 through January 2006.

Dates for implementation at St. Vincent, St. James, St. Mary's, Saint John's (Santa Monica), and Holy Rosary are pending the review and recommendation by the ERP Steering Committee to the System Leadership Team (SLT). Ty said that St. Vincent will be next in the queue to coincide with its designation as the first careQuest go live site.

"Considerable dialogue has occurred across the Health System to get to this point," Ty concluded. "We are changing a significant number of our business processes to better support core business operations."

### CNEs, CFOs anticipate benefits of careQuest

In their roles as chief clinical and revenue cycle liaisons for careQuest, chief nurse executives (CNEs) and chief financial officers (CFOs) of SCLHS Hospitals anticipate tremendous benefits from this major transformation initiative.

Nancy Kallem, CNE at St. Vincent Healthcare, Billings, Mont., the first careQuest go-live site, catalogued a number of benefits. Among them, she listed standardization based on best practices, Systemness, the ability to manage and use reliable data to drive change and improve outcomes, improved access to information, efficiencies and a patient-centric focus. Susan Kerschen, vice president of patient services at St. James Healthcare, Butte, Mont., foresees a better flow of communication between care providers and the ability to "hardwire" quality and safety features through alerts and protocols.

While movement toward standardization across the Health System is considered a major benefit, it is likely to present (continued on page 2)

### Product fair—signs of things to come!

Members of the careQuest Transformation Team (CTT) and System Office staff had the opportunity to view and learn about a number of "products" that will be part of careQuest implementation during a Product Fair on Aug. 31 in Kansas City.



Jill Flaherty, Kevin Stefek, vendor rep



Marla Bare, vendor rep, Kareem Younes, Dean Hodges



Dennis Brown, pharmacy director, Providence/Saint John; vendor rep; Todd Henderson; Beth Scott



Tonya Douthitt, vendor rep



Karl Schoemer

## The 'New Reality': seizing change

The fact that change is occurring in health care is not new, in the estimation of Karl G. Schoemer, president and founder of VisionQuest. What's different is the rapidity and the complexity of the change. Karl believes that this requires what he calls "New Reality thinking."

"This 'New Reality' is a mind-

set that helps people understand that they not only have to manage change in their daily lives," Karl said. "To be more employable, they need to seize change."

The consultant is working with the Sisters of Charity of Leavenworth Health System as we embark upon careQuest. Karl has conducted his "New Reality Workshop" for SCLHS senior leaders and System Office employees including the careQuest Transformation Team. In August, at the invitation of the Montana Region, he presented his approach to department directors of Holy Rosary Healthcare, St. James Healthcare and St. Vincent Healthcare. He presented again to senior leaders at the October SCLHS Leadership Conference, providing a framework for integrating New Reality strategies and creating a more customer-

focused, change adaptive culture.

Karl observed that organizations are only as change-adaptive as the individuals within them. Leadership is responsible for creating an environment where change can flourish and people can adapt. Part of the role of leadership is equipping individuals with tools and skills to be change-adaptive and then holding them accountable.

The "New Reality" workshop aims at individual change centered around three basic themes:

- Change is here to stay.
- Change won't be trouble free.
- Individuals are accountable to move themselves through the process.

"We need to realize that we are all paid to be change-agents," Karl said. "This is all about the quality of care and the safety of our

patients."

At the same time, Karl stressed, it is important for leaders to recognize that people are at different stages in the change process (ranging from denial to acceptance). This necessitates different approaches to communication at different stages; understanding that this is indeed a process; and then moving through it and equipping others to join the change movement.

"All of these changes create a tremendously fertile environment for even more change," Karl writes in "The New Reality" booklet. "Opportunities, of course, are either seized or missed. Whether or not you seize them is entirely up to you."

## Family physician serves as consultant for careQuest link to ambulatory setting

Linking a patient's hospital electronic health record with the individual's record in his or her physician's office is of paramount importance as SCLHS Affiliates strive for continuity of care in the communities they serve.

Dennis Salisbury, M.D., family physician in Butte, Mont., since 1994, is serving as a consultant in helping SCLHS drive this dimension of the transformation initiative forward. Dr. Salisbury got involved with careQuest three years ago in a volunteer capacity because he was extremely interested in the initiative. He has remained actively engaged as a member of the careQuest Physicians' Advisory Group and currently represents the Montana SCLHS Region on that

group. Earlier this year, he assumed a part-time consultant role when the Health System recognized the tremendous opportunity to broaden careQuest to encompass ambulatory care in the doctor's office setting.

Dr. Salisbury will work with Richard T. Lopes, M.D., SCLHS chief clinical transformation officer, to evaluate and coordinate the acquisition and implementation of an ambulatory care component as part of careQuest. Dr. Salisbury envisions that this will be offered to physicians whose practices are owned by the Affiliates and to independent physician groups, like the one to which he belongs. It could feasibly involve an IDX product or an interface with another product.

Either way, Dr. Salisbury believes that the Health System can provide a tremendous service to physicians and the patients they

serve by establishing a uniform approach to implementation of an electronic health record that crosses the ambulatory and hospital environments. "I believe doctors are convinced that this would help them be able to provide even better care," he said, "but they just don't know how to make the jump to evaluate the technology and the applications.

"They are also concerned about the expense," he continued, "and would likely benefit from the economies of scale to be realized across the Health System and the 1,600 members of SCLHS Hospital medical staffs."



Dennis Salisbury, M.D.

## careQuest kudos

Special thanks to the staff at St. Vincent Healthcare, St. Mary's Hospital and Medical Center and the System Office who participated in the mid-August technical assessments at these Affiliates. The assessments helped pave the way for better understanding the information technology infrastructure at the first two careQuest go-live sites.

## On the road again

careQuest will be on the road again this fall with site visits planned to provide updates to key stakeholders at Affiliate Hospitals. Presenters will include Richard T. Lopes, M.D., SCLHS chief clinical transformation officer; Joy Babich, CTT revenue cycle lead; Mary Clare Wilson, CTT clinical lead; and representative CTT members.

"The purpose of these Affiliate site visits," explained Mary Clare, "is to discuss the scope of careQuest as defined through Vision Weeks 1 and 2 and to identify key steps in the work flow design process going forward."

## CNEs, CFOs anticipate benefits of careQuest

(continued from page 1)

challenges as well, in the estimation of the CNEs and CFOs. "This is a cultural change," commented Jerry Spicer, CNE at St. Mary's Hospital and Medical Center, Grand Junction, Colo. "We need to change the culture that's been based on the paper system we've been using. You can't just take the paper processes, put them into a computer and expect change to occur."

Change and impacting how clinicians do their work are the greatest challenges to the initiative, in the opinion of Linda Burt, CFO at Saint John's Health Center, Santa Monica, Calif. Juanita Roy, CFO at Providence Medical Center and Saint John Hospital, Kansas City and Leavenworth, Kan., said that getting everyone to a common understanding of the functionality and educating staff and physicians to using it optimally are critically important. Seeing demonstrations of the "product" (applications) will be helpful, added Bruce Whitlock, vice president of finance at St. James.

"We all think differently, and we're going to develop standardized approaches," commented Buzz Binder, vice president of finance/CFO at St. Mary's. "This is difficult, even within the walls of our own hospitals."

Yet the senior leaders value elimination of variation as a significant goal and anticipated outcome of careQuest. "Variation is the enemy of quality," observed Steve Ballock, vice president of finance and CFO for the Montana

SCLHS Affiliates, noting that he looks forward to reduced variation on both the clinical and business sides of health care delivery.

The CNEs and CFOs also recognize that movement toward standardization will require give and take on the part of the Affiliates. "Collectively, we will get a better product. We'll give in some areas; we'll gain in others," Buzz summarized.

While implementation is a few years out for most Affiliates, the senior leaders believe it is important to be setting the stage right now. Shirley Heintz, vice president of patient care at St. Francis Health Center, Topeka, Kan., said, "It is my imperative and my responsibility to get the mindset of staff into a change momentum."

To accomplish this, Shirley is framing current initiatives in the context of changes to come. "I want staff to understand that the changes we are going through, like recent revamping of our documentation system, will likely repeat themselves," she said. "I tell them, 'this is a practice run for the electronic record change.'"

In the end, it narrows down to what's best for the patient. As Deb Tonn, vice president of patient care services at Holy Rosary Healthcare, Miles City, Mont., said, "We will have the ready availability of information to help us make more informed decisions for patient care."

# Collaborative Care Committee (C3) to provide critical link with clinicians

With the scope of careQuest defined through the highly participative process of Vision Weeks 1 and 2, the next critical step is to ensure ongoing input and feedback regarding the process of standardizing clinical, revenue cycle and information support and linking this with what is already occurring at the Affiliate Hospitals.

To accomplish this, a multidisciplinary Collaborative Care Committee (C3) is being chartered for the Health System, explained Richard T. Lopes, M.D., chief clinical transformation officer. "The C3 is being formed to develop

System standards for aspects of clinical care delivery and business system operations," said Dr. Lopes. "Without C3 involvement, the risk is high of designing and maintaining patient care delivery practices and opportunities that are not supported or adopted by clinicians. Additionally, the C3 will ensure that careQuest goals are met within the overall design."

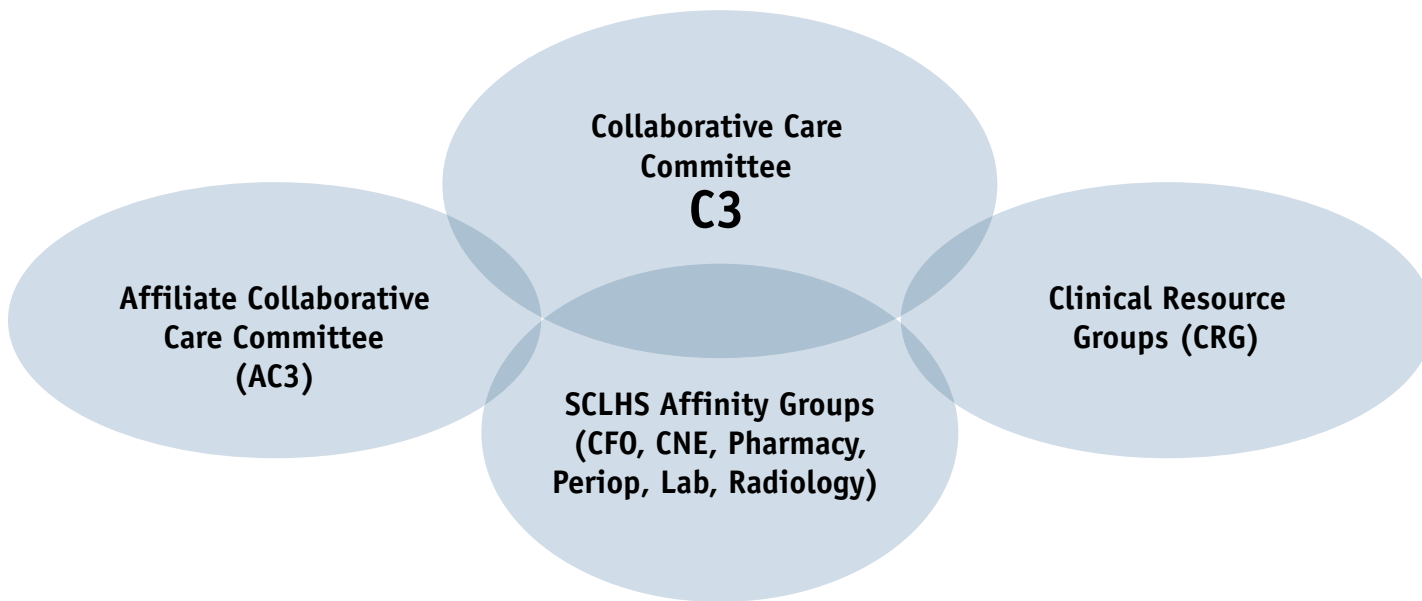
C3 will be a committee of the SCLHS Quality Council. C3 will coordinate efforts of the Affiliate Collaborative Care Committees, SCLHS affinity groups and Clinical Resource Groups. The latter will be

multidisciplinary teams chartered at the System or Affiliate level to address needs that are specific either to disease/condition, a department or a discipline.

C3 members include Steve Ballock, chief financial officer, Montana Region; John Beeson, M.D., SCLHS Quality Council chair; Michelle Boylan, SCLHS senior associate, quality and safety; Robert Donaldson, SCLHS manager, operations improvement; Nancy Kallem, vice president, patient care, St. Vincent Healthcare; Cindy Kerns, CTT revenue cycle team member; Dr. Lopes; Ken Mishler,

pharmacy clinical coordinator, Providence/Saint John; Ken Oliver, SCLHS technical analyst; Chuck Pietrafesa, M.D., vice president medical affairs, Saint John's Health Center, Santa Monica, Calif.; Bart Rodrigues, vice president mission, Montana Region; Jerry Spicer, vice president, patient care services, St. Mary's Hospital and Medical Center; Barb Tirrell, chair, SCLHS Data Liaison Committee; Kathleen Tulipana, SCLHS director, risk management; and Mary Clare Wilson, CTT clinical team leader.

## C3 coordinating activities



## Information-sharing at a different level in Mesa County, Colorado



John C. Beeson, M.D.

St. Mary's Hospital and Medical Center, Grand Junction, Colo., has been actively involved in the formation of a regional health information organization (RHIO) to serve Mesa County, Colo., and surrounding communities.

John C. Beeson, M.D., M.B.A., vice president of medical affairs at St. Mary's, said that the group originally came together as the Mesa County Quality Improvement Organization. It evolved from the desire to improve consistency and communication within the entire health care delivery system serving Mesa County.

"All of the local health care organizations had quality and safety initiatives," Dr. Beeson said, "but there was little or no sharing of information and no coherent shared processes even as we were striving for similar outcomes."

Partners from the outset included the Rocky Mountain Healthplan, Hilltop Rehabilitation Hospital, Community Hospital, St. Mary's and the Mesa County Independent Physician Association (IPA). All contributed seed money that funded the community-wide quality improvement effort. The group incorporated as its own non-profit organization, formed a Board of Directors and recruited an

executive director. Dr. Beeson is vice president of the Board.

What quickly became apparent was that the ability to share information across doctors' offices and facilities was a critical missing link to improving quality. "We recognized the need for a mechanism so that wherever the patient goes, information can be accessed," Dr. Beeson explained, "thereby reducing the fragmentation of care."

Renamed the Quality Health Network, the initiative is not without challenges and issues. These include concerns about information security; the fact that patients are registered into the different health care entities in different ways; the need for a program that will interface with the different systems currently in place; and costs.

Even with these complex challenges, Dr. Beeson anticipates that the beginnings of the health information system will be operational within a year. He cites efficient and correct care, improved safety and quality as the expected outcomes. The interface with careQuest applications will be addressed through formatting standards. Quality efforts will continue alongside and in tandem with the health information developments.

Physicians at St. Mary's are excited about the prospects of this expanded information-sharing. They are already connected to the Hospital remotely for lab and radiology reports and have found this incredibly convenient and user friendly. In Dr. Beeson's words, "They have recognized significant benefits from electronic data interchange and are looking for the faster, better, easier way to share information to benefit their patients."

## KC through the eyes of CTT

All work and no play can make for long days for members of the careQuest Transformation Team (CTT), most of whom have been transplanted to Kansas City for the duration of the design, build and go-live phases of the initiative. What they've found is that Kansas City is the heartland and also the home of great barbecue, good shopping and interesting things to do.

**When it comes to food,** barbecue takes the prize! CTT favorites include Oklahoma Joe's (a transformed gas station), Famous Dave's and Jack Stack's. For Mexican, there's Jose Pepper's. They also noted a great Thai place, Copeland's for Cajun and Piropos for Argentinian. In fact, the group as a whole has introduced local resident CTT members to some new dining opportunities. Except, perhaps for the one local who voted her own kitchen as the best venue!!

**In terms of other fun things to do,** several CTT members mentioned the Country Club Plaza with its fountains. Retail therapy at malls, Cabela's and Nebraska Furniture Mart and visits to local parks and other sites also ranked high according to staff from California, Colorado and Montana. A few even expressed excitement about the Kansas City Royals baseball team—survey taken before the team's very long losing streak!!

So, if your travels bring you to Kansas City, take it from the CTT members: the heartland is a good home away from home with plenty to do and plenty of good food!



## IT – Transformation Initiatives

Parallel and interrelated with careQuest, other major information technology initiatives are occurring across SCLHS that will dramatically impact care delivery, business processes and human resources systems.

### Moving ahead with perioperative system

Surgical services are a critical part of the plan to use advanced information technology in support of patient care delivery across the Hospitals of the Sisters of Charity of Leavenworth Health System (SCLHS).

As SCLHS proceeds with careQuest and related initiatives, the Health System is also advancing plans to implement Picis, a perioperative information system (POIS). (The term “perioperative” was coined by the Association of periOperative Registered Nurses [AORN] and refers to the patient’s entire experience before, during and after surgery.)

Carol Applegeet, director of perioperative services at St. Mary’s Hospital and Medical Center, is past president of AORN. Carol and the other perioperative directors from across SCLHS developed the System-wide business case for a POIS. She said that implementation of the POIS will literally change the way the operating room “operates” and that patients, nurses and surgeons will benefit from the transformation.

Rebecca Siason, administrative director



Tina Power, Mike Schweitzer, M.D., St. Vincent Healthcare

of perioperative services at Saint John’s Health Center (Santa Monica), agreed. “Almost everything about our scheduling, data collection and charting will be different,” she said, “but we will gain nimbleness and important quality and cost indicators. With standardization across our eight SCLHS Hospitals, we will also be able to benchmark against one another.”

From patient notification to doctor’s office scheduling of procedures to an intraoperative online medical record, tremendous efficiencies can be gained from POIS implementation, Carol explained. “Electronic access to data will eliminate the need for the patient to provide us with the same information repeatedly. Electronic charting will allow us to carry through the entire plan of care more efficiently. Manual entry of charges will be eliminated.

“Most importantly, as we begin to collect best practice data and business intelligence,” Carol continued, “we can adapt more quickly and modify our practices to meet the needs of our patients, thus enhancing quality of care.”

Patients can expect to see improved

timeliness of scheduling for procedures. Staff should experience reduced redundancy of charting and reporting, increased communications and more time for patient care. Web-based scheduling should make a big difference to surgeons, in Rebecca’s estimation. Carol added that anesthesiology will benefit from automated charting and real-time access to information.

Mike Schweitzer, M.D., anesthesiologist and medical director of surgical services at St. Vincent Healthcare, said that he had been looking at electronic medical/health record opportunities



Kelly Fehlhafer, Rebecca Siason, John Bullard, Carol Applegeet

since 1981 when he was a resident. “Picis is the first one I’m excited about.”

Implementation of the perioperative information system is projected to begin in 2006 at Providence Medical Center and Saint John’s Health Center (Santa Monica). Elaine Ransom, director of surgical services at Providence, anticipated that the implementation will be “a huge challenge, but a real opportunity. We will be able to provide more information to physicians, nurses and administration. We anticipate that access to this information will result in greater efficiencies and cost controls.”



Elaine Ransom, Debbie Ruggles, Providence Medical Center

### Shared services model adopted for SCLHS accounts payable

With a commitment to standardization, accuracy and greater efficiencies, the Sisters of Charity of Leavenworth Health System has announced that it will centralize its accounts payable function across Affiliate Hospitals and the System Office.

The transition to Accounts Payable Shared Services will begin in December 2005 with the Affiliates that are currently operating on the Lawson Enterprise ERP system—Providence Medical Center, Saint John Hospital (Leavenworth), St. Francis Health Center and the System Office. Non-Lawson Affiliates will begin transitioning on a staggered timeline starting in February 2006. (These schedules are approximate and subject to change based on variables that may arise.)

William M. Murray, SCLHS president/CEO, said that the shared services model was identified by Deloitte Consulting as a best practice in other industries and as an emerging standard practice in the health care industry. Chief financial officers at Affiliates and the System Office embraced the model.

“With the transition to Broadlane for centralized procurement (purchasing and contract management),” Bill said, “we identified efficiencies in processing payments through one office, rather than nine, geographically dispersed locations.”

Bill cited several advantages of centralized accounts payable including:

- allowing Affiliates to commit their resources to other initiatives;
- freeing local Hospital management from transactional activities and

thereby allowing more focus on strategic activities;

- enhancing supplier and customer relationships;
- applying best practices and control functions in a single environment;
- reducing the cost of implementing future process/business changes; and
- having access to data that is consistent and reliable.

Approximately 18 staff across the Health System with direct accounts payable processing responsibilities will be affected. The goal is that these persons will either become part of the centralized operation or take other positions at the Affiliates, said Sharon Owens, System director of finance and controller.

“Every effort will be made to minimize the negative impact on accounts payable staff directly affected,” Sharon said.

### careQuest prayer

Spirit God, companion us on our journey.

Walk with us into the unknown and

give us eyes to see and wisdom to understand.

Keep our minds open and our hearts receptive

to the rigors of the challenge.

As we make this quest together, sprinkle our days with joy,

our lives with grace and our work with the continued abundance of your blessings.

Lead us to do your will as we minister

with our talents and create new ways to care for your people entrusted to our care.

This we ask in the name of all that is good and holy.

Amen.