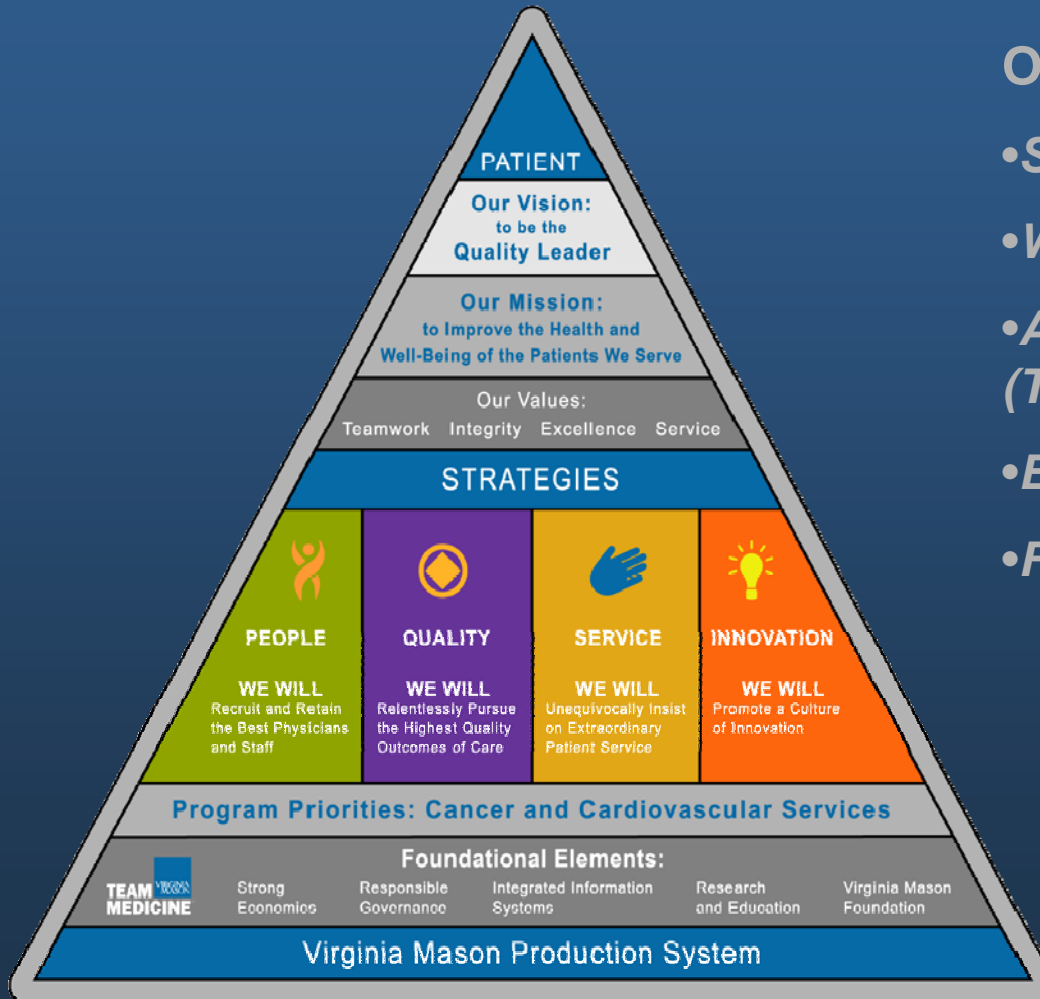




Virginia Mason Medical Center: *Transforming Healthcare*

Transforming Lives

Virginia Mason Medical Center Strategic Plan



Overview:

- *State of Healthcare*
- *What Needs to Change*
- *Addressing Change: VM (Toyota) Production System*
- *Early Achievements*
- *Future Transformation*

The State of Healthcare

- Institute of Medicine Report
 - Over 98,000 deaths related to medical errors
 - Human cost and financial cost
- Escalating costs of healthcare in U.S.
 - 14% of United States GDP, growing at 5x inflation
 - Concern to patients, insurers, companies, providers
- Longer life spans, improved technology leading to higher hospital usage
- Declining reimbursements to hospitals create access and service challenges



What needs to change?

To Transform Healthcare...

- Healthcare organizations must be committed to dramatic, rapid change
- Defect-free medicine must be the goal
- Healthcare delivery must focus on the patient
- Health care delivery processes must ensure safety and quality
- Healthcare providers must remove the waste that fuels increased cost



Virginia Mason is Leading Transformation

- VM leads the Pacific Northwest in quality and safety:
 - Only Northwest hospital rated in top 5% in quality in U.S. *(HealthGrades, 2004, 2005)*
 - Leads Puget Sound hospitals in Leapfrog quality indicators
 - Lowest mortality rate among Washington hospitals
- VM is a major referral center –
 - 50% of patients from beyond Puget Sound
 - Regional impact



Leapfrog Article

VM Named One of 41 Leapfrog Top Hospitals Nationwide (Sept. 18, 2007)

- Based on results from the Leapfrog Hospital Quality and Safety Survey
- Virginia Mason was selected from more than 1,285 hospitals surveyed nationwide.
- Leapfrog's assessment is based on four hospital quality and safety practices that include:
 - Computer physician order entry
 - Evidence-based hospital referral
 - Intensive care unit (ICU) staffing by physicians experienced in critical care medicine
 - Leapfrog Safe Practices Score comprised of 27 National Quality Forum Safe Practices

How Virginia Mason Scored

- Significant findings about the state of health care quality and safety in the nation's hospitals include:
 - Only 10 percent of hospitals have fully implemented computerized physician order entry
 - Only 29 percent of hospitals enlist intensive care specialists to manage patients in the ICU
 - Only 25 percent of hospitals fully meet the standard for the Leapfrog Safe Practices Score
- Virginia Mason Medical Center has achieved all of these quality and safety standards



VMPS at Virginia Mason

We adopted the Toyota Production System philosophy and practices and applied them to health care because we were so lacking in an effective management approach. That philosophy resulted in:

- Customer first
- Highest quality
- Obsession with safety
- Highest staff satisfaction
- A successful economic enterprise
- Becoming the Quality Leader



Our Early Achievements...

- Dramatic and Rapid Change
 - Rapid Process Improvement Workshops
 - Reducing waste and reducing costs
- Improved Quality and Safety
 - Patient Safety Alert System
 - Preventing avoidable complications
- Facilities built “around” the patient
 - Floyd & Delores Jones Cancer Institute
 - Acute Care for the Elderly Unit
 - Center for Hyperbaric Medicine



Nursing Cells – Results after 90 days

Activity	Before	After
• RN # of steps	5,818	846
• PCT # of steps	2,664	1256
• Time to the complete AM work	240'	126'
• RN time spent in indirect care	68%	10%
• PCT time spent in indirect care	30%	16%
• Call light on from 7a-11a	5.5%	0%
• Time spent gathering supplies	20'	11'



Reducing costs

Washington State Hospital Association

Hospital Pricing



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Virginia Mason Medical Center
1100 Ninth Avenue, GB-ADM
Seattle, WA 98111
(206) 624-1144

Heart Bypass Surgeries With Insertion Of Cardiac Catheter

January 1, 2005 – December 31, 2005

	Selected Hospital	All Hospitals in this County	All WA Hospitals with Similar Patient Volume	All Washington Hospitals
Number of Discharges:	55	198	452	1,090
Average Length of Stay:	7.9 Day(s)	8 Day(s)	8.1 Day(s)	8.3 Day(s)
Average Charge:	\$54,620	\$83,597	\$81,101	\$89,631
Average Charge Per Day:	\$6,914	\$10,450	\$10,013	\$10,799
Median Charge:	\$49,104	\$66,405	\$74,844	\$76,293

NR = Less Than 5 Discharges

= Show hospitals in that group

[Notes About this Table](#)

[Understanding Facility Charge Information](#)

[Data Source](#)

[Why Charges May Differ Between Facilities](#)

The information being displayed is based on charges only. You will need to contact your insurer to determine the specific amount the insurer will pay and you will be expected to pay under your policy for the selected service.

Select New Hospital

Select New Service at this Hospital



TEAM VIRGINIA MASON
MEDICINE

Facilities ... focused on the relentless pursuit of Quality Patient Outcomes

**TRANSFORMING HEALTH CARE ...
FACILITIES BUILT AROUND THE PATIENT
*Floyd & Delores Jones Cancer Institute
Center for Hyperbaric Medicine***



**Services come to the patient ...
.... Patient-centered flow design**



Creating Lasting Change

- Sharing VM's Experiences and Learnings
 - Institute for Healthcare Improvement
 - National Patient Safety Foundation
 - Medical and Hospital Associations
- Disseminating Best Practices
 - Publication in professional journals
 - Presentations at healthcare symposia
- Teaching Healthcare Leaders
 - VM as an "Institute" for U.S. healthcare leaders
 - On-site, Hands-on learning



Fueling the Transformation...

