

ACCREDITATION CANADA  
AGRÉMENT CANADA  
INTERNATIONAL

Driving quality health services  
Force motrice de la qualité des services de santé



# Maximizing Efficiency with Accreditation: A Powerful Management Tool

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# Outline

- Reasons and Benefits of Accreditation
- How Accreditation improves efficiency, reduces waste and cost & increases profit?
  - Tracers
  - Utilization Management
  - Environmental Management
  - Human Resources Management
  - Information Management
- Is Accreditation Worth the Cost?
  - Saving Money, Saving Lives
  - Shifting Resources
- How Accreditation Canada's Approach to accreditation makes it a powerful management tool?

- Accreditation has gained worldwide attention as an effective quality evaluation and management tool

# Reasons & Benefit of Accreditation

- Literature demonstrates that accreditation is a powerful tool that enables health organizations to:
  - Conduct open and rigorous analyses of services provided;
  - Improve resources allocation mechanisms;
  - Create a safe environment for patients and staff ;
  - Develop information systems assisting management in the planning and provision of services;
  - Make evidence based decisions;
  - Address the needs of the population served by a health care organization
  - Improve communication and collaboration within the organization ;
  - Promote team building ; and
  - Enhance an educational process for all staff.

# Reasons & Benefits of Accreditation (Cont'd)

- Improve the systems and processes of care
- Improve the safety and quality of patient care
- Create a culture of safety
- Ensure a safe care environment that contributes to staff satisfaction
- Continually work to reduce risks to patients and staff

# Reasons & Benefits of Accreditation (Cont'd)

- Improve public trust that the organization is concerned for patient safety and the quality of care;
- Negotiate with sources of payment for care with data on the quality of care;
- Create a culture that is open to learning from the timely reporting of adverse events and safety concerns; and
- Establish collaborative leadership that sets priorities for quality and patient safety at all levels.

# Reasons for 'International Accreditation'

- Based on experience of Accreditation Canada International (ACI) several countries / organizations have looked towards assessing their services against international accreditation standards. There are many reasons for this, including:
  - Desire to improve healthcare quality
  - Cost
  - Desire to market their healthcare services as part of 'medical tourism agenda'
  - *a de facto* form of advertising

# In 1910...

- Ernest Codman, M.D., proposes the “end result system of hospital standardization.”
- Under this system, a hospital would track every patient it treated long enough to determine whether the treatment was effective.
- If the treatment was not effective, the hospital would then attempt to determine why, so that similar cases could be treated successfully in the future.

Concerns are at high that rising quality is at 'odd' with the drive for profit

How Accreditation improves efficiency, reduces waste and cost & increases profit?

Let's remember that

Waste reduction is an effective way  
to increase profitability

# What is Muda?

- **Muda** (無駄) is a Japanese term for anything that is wasteful and doesn't add value.
  - A process adds value by producing goods or providing a service.
  - A process also consumes resources.
  - Waste occurs when more resources are consumed than are necessary to produce the goods or provide the service.

# Six Categories of Waste (Muda)

1. Delay: idle time spent waiting for something, such as utilization reviews, insurer payments, test results, patient bed assignments, OR preparation, medical appointments.
2. Re-work: performing the same task a second time, such as re-testing, re-scheduling, re-filing of lost claim forms, re-writing of patient demographic data, multiple bed moves.
3. Overproduction: manufacturing of products or information that is not needed, such as precautionary “defensive” medical tests, surplus medications, excessive levels of paperwork, etc.

# Six Categories of Waste (Muda)

4. Movement: unnecessary transport of people, products or information, such as requiring patients to see a primary care provider before seeing a specialist who is clearly needed.
5. Defects: design of goods that do not meet customer needs, such as medication errors, wrong side surgery, poor clinical outcomes.
6. Waste of Skill and knowledge: person/job fit, job description, in addition to failing to address the many hassles in daily work, hunting and gathering, re-calling, the same things every day

# How Big is this Muda Problem in Health Care Organizations?

- Estimates range as high as 40% of total expenditures are adding no value to patients or staff. For example:
  - Patients may be transferred three to six times during a four day length of stay
  - Wastes include: time, supplies, medications, information, even food.

# Birds Eye View of Waste:

## Patient

- Unnecessary repetition (exams, histories, investigations)
  - Longer stays beyond expected length of stay
  - Avoidable complications
  - Higher health care costs; risk of being uninsured
- 

## Nurse

- Time away from the bedside / constant interruption
    - Searching for equipment
    - Documenting
    - Chasing down consults/results
- 

## Physician/ Surgeon

- Time and unpredictability
    - Unable to start operations/procedures on time
    - Operating/procedure list over-runs
- 

## CFO

- Reduced profit margins
- Continuous financial pressure, and need to make “cuts”
- Frustration that quality promises savings, but rarely delivers

# If you want to see Waste...

- Walk with / shadow the patient through a visit or care process
- Ask a nurse manager or department head where they see waste
- Give staff cameras and ask them to take pictures of hassles and waste

# Some of the many ways that accreditation can help Reduce Waste includes:

- Tracers
- Utilization Management
- Environmental Management
- Human Resources Management
- Information Management
- *And the list goes on....*

# The Tracer Methodology

- It is one of the foundation of *Accreditation Canada International (ACI)* on-site survey. It does the following:
  - Follow the experience of care for a number of patients through the organization's entire health care process
  - Allow the surveyors to identify performance issues in one or more steps of the patient care process, or in the interfaces between processes
  - Analyze an organization's system of providing care, treatment and services using the actual patients as the framework for assessing compliance against the international standards

# The Tracer Methodology (cont'd)

- Follow the course of care, treatment or service provided to the patient by and within the hospital using current records whenever possible.
- Assess the interrelationships between and among disciplines and departments, programs, services or units, and the important functions in the care and services being provided.
- Evaluate the performance of relevant processes, with particular focus on the integration and coordination of distinct but related processes.
- Identify potential concerns in the relevant processes

# The Tracer Methodology (cont'd)

- Surveyors will follow the patient's experience, looking at services provided by various individuals and departments within the organization, as well as “hand-overs” between them.
- During this process, surveyors will identify risk points, uncover integration issues of key activities, and explore the communication among staff/units involved in the process

# International Accreditation & Utilization Management

- International standards can help identify and resolve problems that cause or result in either deficient or excessive resource utilization and inefficient delivery of care.

# International Accreditation & Utilization Management (cont'd)

- Appropriate treatment consistent with diagnosis and standards of practice:
  - RIGHT CARE
  - RIGHT PLACE
  - RIGHT TIME
  - MOST COST EFFECTIVE

# Accreditation allows organizations to do:

- Utilization Review/Assessment
- Evaluation of specific cases, patterns, and trends indicating overutilization

# Accreditation allows organizations to prevent:

- *Misutilization*: Inefficiencies, e.g., in scheduling of tests/treatments or use of other resources; wrong treatment, e.g., wrong antibiotic, based on test information or miscommunication.

# Accreditation allows organizations to:

- Promote actual cost awareness by physicians and professional staff;
- Avoid ordering tests and services out of habit;
- Inefficient scheduling of tests, services, and reports;
- The lack of direct financial incentives to physicians for proper resource utilization

# International Accreditation & Environmental Management

- International standards allow organizations to provide a safe, functional, and supportive structure and environment for patients, families, staff, and visitors.
- Helps manage the physical facility including equipments, space and resources
- Install effective emergency management systems
- Improve occupational health and safety through:
  - Reducing and controlling hazards and risks; and
  - Preventing work related accidents and injuries

# International Accreditation & Human Resources Management

- HR planning
- Addresses shortages
- Improves selection and promotes efficient recruitment process
- Promote JOB / PERSON fit through Job Analysis
- Clarify job descriptions and establish performance standards
- Improve orientation
- Improve retention, reduce turnover and absenteeism
- Improve staff satisfaction and productivity
- MAKE BETTER USE OF YOUR EXISTING HUMAN RESOURCES  
rather than adding more HR

# International Accreditation and Information Management

- Accreditation helps organizations obtain, manage, and use information to improve patient outcomes and overall performance.
- Specifically it will help organizations to:
  - Identify information needs;
  - Design an information management system;
  - Define and capturing data and information;
  - Analyze data and transforming it into information;
  - Transmit and report data and information; and
  - Integrate and use information

# International Accreditation and Information Management

- International Accreditation will help standardize formats and terminology
- Capture consistent and accurate in standardized language
- Allow organizations to rely on that data for patient-related purposes, including reimbursement, risk management, performance improvement, and infection surveillance, etc.
- Develop, measure and report on key performance indicators
- Analyze and use information for informing decisions

# International Accreditation and Information Management

- Accreditation helps administrators and clinicians to use data to make the right decisions.
- Accreditation allows organizations to develop a balanced approach to performance measures where a diverse set of indicators can be used to evaluate performance, including data on outcomes of care, performance on safety and quality initiatives, [patient] satisfaction, process variation, and staff perceptions

# A Pause for Thought?

**Is Accreditation Always Worth the Cost?**

# First and foremost

- Accreditation does not mean that organizations need to add new resources...
  - but more efficiently using current resources, even when they are scarce.
- Shifting resources

Accreditation means:

**Saving Money and Saving Lives**

# Isn't there a clear economic benefit for providing safe care?

- Dr. Leape: the economic benefits are very impressive. For example, preventing a central-line blood-stream infection translates to a saving of somewhere between \$15,000 and \$40,000 per patient. From a marketing standpoint, it is certainly advantageous to publicize that your hospital is a safe hospital

*(Journal of Health care Management April 2008)*

## Question:

How to convince the vast majority of hospital and health organizations CEOs to make safety the first priority in their organizations?

Dr. Leape: Many focus on the business of medicine and their primary focus is the fiscal stability and success is measured by the robust bottom line and market share. Patient safety loses out in that equation

*(Journal of Health care Management April 2008)*

# What lessons can healthcare executives and managers learn from your patient safety work?

- Dr. Leape: Human errors are secondary to the primary failures in the system. All errors are the result of system breakdowns; therefore, the system, has to be redesigned
- What is needed is to changing embedded human mind-set

*(Journal of Health care Management April 2008)*

*“It’s not the progress I mind, it’s  
the change I don’t like.”*

How do People React to Change?

# Accreditation is a

*A structured approach to change in individuals, teams, and organizations*

*And allow you to manage resistance to change since everybody would see 'what's in it for me?'*

# A Powerful Management Tool

Accreditation Canada's Approach  
to accreditation

# Accreditation Canada's Approach

- Unless international accreditation standards are implemented effectively across the health care organization, the standards alone will not reduce waste, improve quality and patient safety and make the organization more productive

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# Accreditation Canada's Approach

(cond't)

- There is ample evidence in the literature about accreditation on how hospitals rapidly increase compliance with published standards in the months prior to external assessment, and improve organizational processes as a “one-off focused activity.”

# Accreditation Canada's Approach

(cond't)

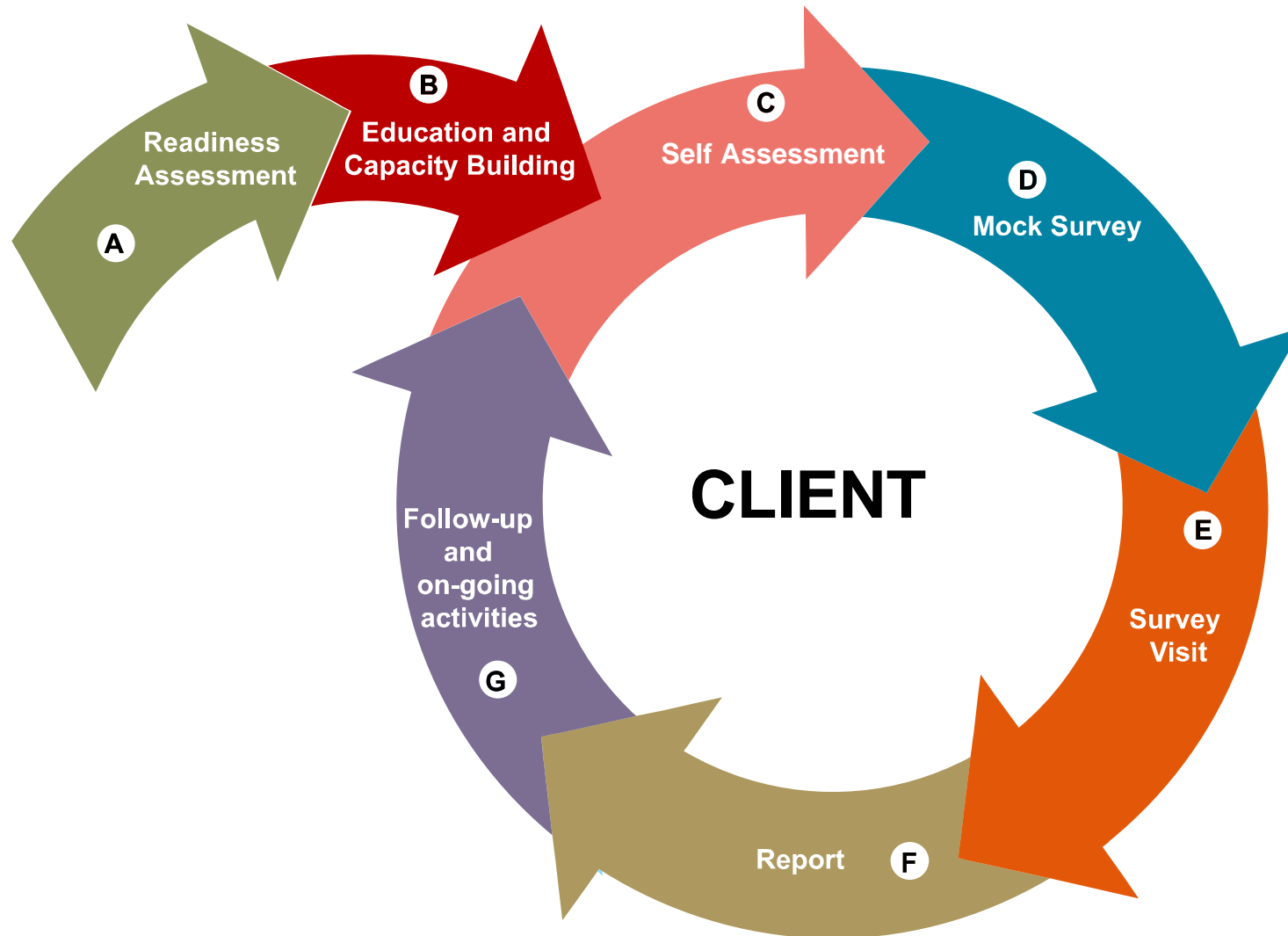
- Accreditation Canada's approach prevents organizations from taking the opportunistic approach to accreditation.
- *ACI* approach allows organizations to function as if accreditation surveyors are coming every day to their organization.

# Accreditation Canada's Approach

(cond't)

- Culture is a focus and *'changing the way of thinking'* about quality is a target.
- Change in practice will not come without changing the way health professionals and administrators think about quality and efficiency

# The Accreditation Process



# Accreditation Canada's Approach

- The true value associated with accreditation standards will only be realized when it can conclusively show that tangible improvements in quality of care are achieved.
- The step-by-step culturally customized approach for Accreditation Canada allows organizations to successfully use the standards to bring long-lasting impact in terms of continuous quality improvement
- The capacity building approach coupled with coaching and mentoring allow organizations to integrate quality improvement practices into their own cultures and their day-to-day work.

# Accreditation

- Increases efficiency/reduce costs
- Reduces waste while improving care for patients
- Allows organization's scarce resources to be allocated among clinical and administrative areas to improve hospital financial performance
- Strengthens the public's confidence
- Improves the management of health services
- Enhances staff recruitment, retention, and satisfaction
- Provides education on best practices

# The Business Case!

By considering not only the cost of change but the cost of not changing, quality improvement practices can help make the business case for accreditation

# For further information...

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