

Turning The Tide

Making IT Work at Catholic Healthcare West

CHIEF/HIMSS CIO Forum

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Catholic Healthcare West

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Catholic Healthcare West (CHW) is the eighth largest hospital system in the nation and California's largest hospital provider.

CHW and our six sponsoring Congregations are committed to furthering the healing ministry of Jesus by:

- **Delivering compassionate, high-quality, affordable health services**
- **Serving and advocating for our sisters and brothers who are poor and disenfranchised**
- **Partnering with others in the community to improve the quality of life**



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Assets (FY09): \$11.1 Billion

**Net Operating Revenue (FY09):
\$9.0 Billion**

**41 acute care facilities in three
states**

Acute Care Beds: 8,800

Skilled Nursing Beds: 900

Active Physicians: 10,000

Total Employees: 54,000

**General Acute Patient Care
Days (FY09): 1.8 Million**

**Community Benefits and Care
of the Poor (FY09): \$1.2 Billion**



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In The Beginning



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The First Half Day of the New Job...

Some had described CHW IT as Cowboys vs. Indians

Recruiting brochure found at Starbucks said

“CIO career opportunity!”

30 interviews and 3 cities later....

The new CIO joined CHW on 10-10-07 at 8:02am

Then..

At 8:57am the CHW email system went down

At 10:14am, a finance VP was in my office with bitter tales of IT woe!

At 11:57am I received the first demand to approve a do or die project.

By noon, I began to wonder what happened to my life!

But I did return for the second day!

Which surprised quite a few people...



The global expectation for the new CIO appeared to be:

FIX the list of IT problems,

And make it snappy!



- **IT is not delivering consistently reliable service**
- **IT is tactical, at best**
- **Too long to get things done, who do we call?**
- **We don't understand how IT works**
- **We need help now on our business strategy**
- **We need a physician technology strategy**
- **We need faster deployment to respond to competition**
- **CareConnect “what is our plan”**
- **We are frustrated with high over costs**
- **We need “more IT”**



Rather, I chose first to

FIX IT

and

the other IT thing....



And so a new plan was needed

And needed fast.

The honeymoon was over by noon on Day 1



The Turnaround



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CHW hospitals organize system in 1980's

IT consolidation in 1990's (1st Gen – Ambitious)

CHW on brink of disaster, \$1B loss, 2000

New CEO and management team 2001

IT Outsourcing 2002 (2nd Gen - Tactical)

Growth and HIT demands increase through 2007

IT Turnaround 2008 (3rd Gen - Strategic)



Information Technology Effectiveness Strategy

Build IT Capacity

Architect IT Alignment

Transform CHW Outcomes



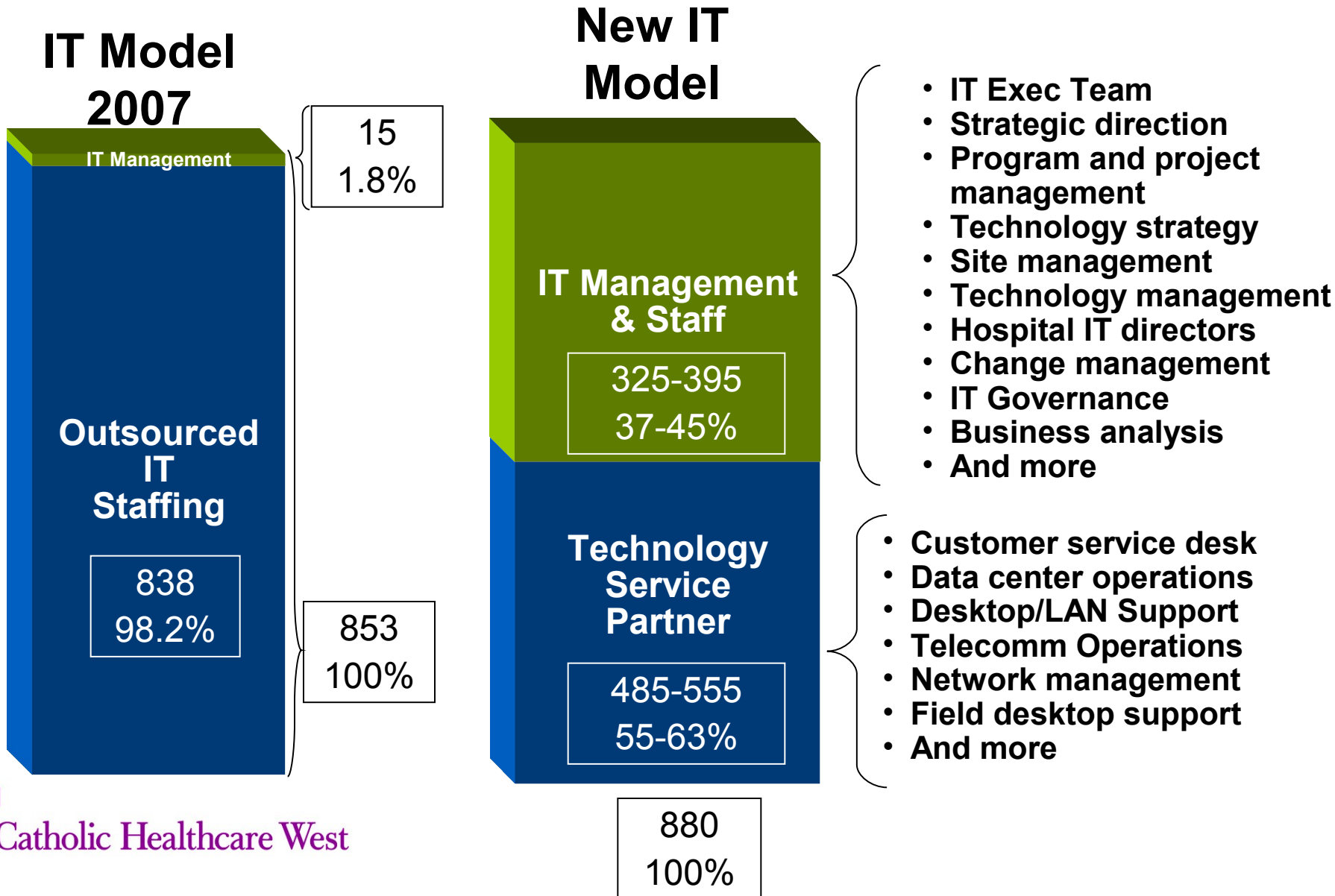
- **Intervene immediately in IT operations**
- **Terminate outsourcing model**
- **Build new senior IT leadership team**
- **Align IT operations with IT management**
- **Evaluate all IT projects to substantiate necessity**
- **Build change management**
- **Reduce process inefficiencies and shorten cycle times**
- **And fix the other IT thing....**



IT Effectiveness Strategy Roadmap

Major Phase	Phase I Build IT Capacity	Phase II Architect IT Alignment	Phase III Transform CHW Outcomes
Key Phase Outcome	“Restructured IT Service Delivery Model”	“Integrated IT Strategy”	“CHW Competitive Distinction”
Change Demand Drivers	<ul style="list-style-type: none"> IT performance and reliability Need for IT strategy and business capacity IT fragmentation Redesign of CareConnect to improve clinical and outcomes 	<ul style="list-style-type: none"> Hasten remodeled CareConnect Integrate with Ministry Transformation Create beneficial technology partnerships Enable new revenue cycle initiatives 	<ul style="list-style-type: none"> Market competition for physician alliance Technology enabled workflow Imperatives for clinical outcome improvements
Key Phase Strategies	<ul style="list-style-type: none"> IT Leadership Build Operations and Performance Functional Sourcing ReDesign Economics and Value IT Governance CareConnect ReDesign 	<ul style="list-style-type: none"> Execute new CareConnect Build blended model of process and IT/Business outcomes Create physician IT platform Integrate new IT Governance into ops cycle 	<ul style="list-style-type: none"> CHW brand differentiation Ambulatory market expansion Data Driven Health Management Business Line Analysis
Key Phase Outcomes	<ul style="list-style-type: none"> IT operations stabilized IT leadership in place CareConnect plan remodeled Perot contract renegotiated Capital budget vetted for IT spending normalization 	<ul style="list-style-type: none"> IT Strategic plan developed IT plan integrated with CHW top line goals Reduced IT fragmentation Change Management in place New IT organizational fully in place 	<ul style="list-style-type: none"> Maximized ability to execute IT enablement Solidify change management into operations Blended IT/Operations improvement management process
Management Goals	<ul style="list-style-type: none"> Establish CC steering committee Create restructure budget Communicate across CHW 	<ul style="list-style-type: none"> Align incentives to IT investment outcomes Build LT capital plan 	<ul style="list-style-type: none"> Develop IT partnerships Fully aligned IT goals with CHW operations

IT Leadership - - Shifting a Valuable Asset to CHW



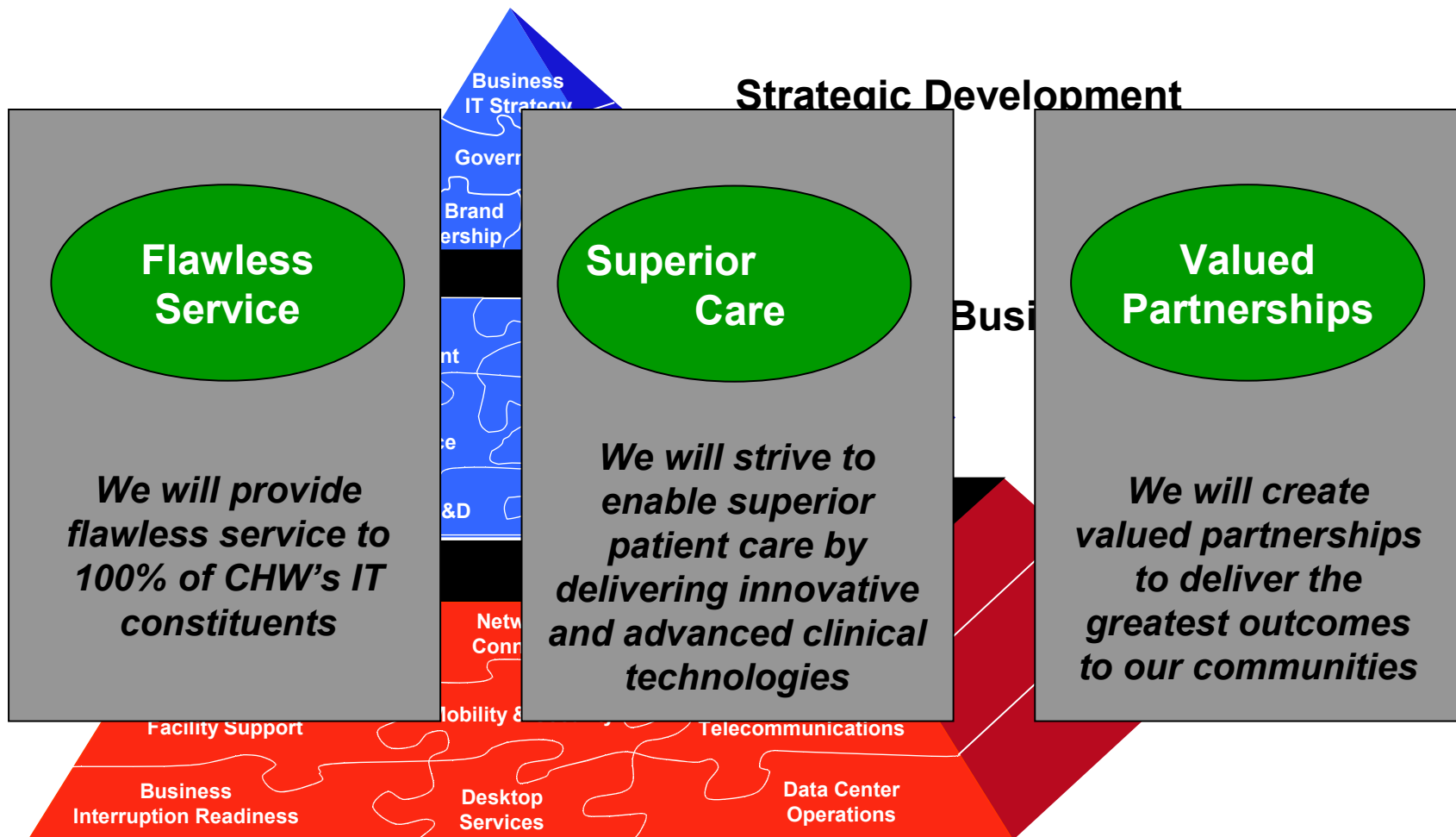
- **Built new IT senior leadership team**
- **Hired 325 IT management and staff, all customer facing**
- **Terminated IT outsourcing contract**
- **Negotiated a technical services contract with Perot**
- **Put CHW IT leaders on the ground in all customer facing positions**
- **Communicated continuously with our customers**
- **And fixed the other IT Thing...**

New Credibility... Direct Control



New IT Model & Vision (See Handout)

Strategic Development



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- CHW Leadership
- Partnered

The Other IT Thing



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A Project in Trouble in Sacramento

- **An in-process EHR project known as CareConnect**
- **Five hospital big-bang go-live targeted December 2008**
- **Frustrated history**
- **Isolated from IT and operations**
- **Dependency deadlines were being missed**
- **Inadequate process workflow redesign**
- **Significant risk to revenue**
- **Divided focus on 2 major clinical system vendors**
- **Lack of clear understanding and outcomes desired for the CareConnect program**



- **NEW project leadership installed**
- **Integrated fully with IT operations**
- **Teamed directly with CMO and Hospital Presidents**
- **Reset timeline in two phases:**
 - **Basic system cutover (March 2009)**
 - **CPOE cutover hospital by hospital (June – October 2009)**



- **All systems fully implemented within new timelines**
- **CPOE adoption by physicians exceeded 85% within first week at all hospitals, one reaching 92%**
- **Successful outcome was important to CHW**
- **Positioned leadership to tackle remaining 30 hospitals**
- **Developed a new comprehensive EHR plan now known as**

EHR Alliance



Total EHR... Are We Prepared?



- IT Operations Internalized
- Leadership Team and Staff
- Marked Improvement in IT Performance

- EMR Strategy
- Physician focus groups
- Shared IT Governance
- Integrated Planning & Measures

- Top Quartile Safety/Quality
- Employment Satisfaction
- Financial Efficiency
- Competitive Distinction

Our Pathway to Transformation



- **Comprehensive clinical information systems strategy:**
 - EHR implementation at 30 hospitals, 7 years
 - Includes EMR for CHW foundation physician
 - Includes EMR connectivity for community physicians
- **Accelerated pace, more efficient process**
- **Larger, broader scope than previous efforts**
- **Responsive to forthcoming meaningful use**
- **Collaborative design and system build**
- **Reduced IT systems and strategic partners**



EHR Alliance – What's Included

PHYSICIAN

- CPOE
- Physician Documentation
- MD Single Sign On

ADVANCED

- Clinical Documentation all Disciplines
- Electronic Medication Administration Record, Bar-Coding
- ED Documentation
- OR Scheduling, Charging, Preference Cards

BASE

- Registration, Bed Tracking Mgmt, Billing
- Lab, Pharmacy, Radiology, Scheduling
- Order Mgmt
- ED Tracker
- HIM, Scanning and Archiving
- Results Retrieval, PDA, MD eSign



- **Capital must satisfy IRR hurdle**
- **Some leaders believe EHR hard ROI is diffuse (as measured)**
- **Clear targets of performance improvement and operational gains must be established firmly (e.g. safety, quality, physician convenience, efficiencies, avoidance)**
- **Financial ROI of \$536M has been identified**



- **Message EHR Alliance strongly, consistently within leadership and external audiences**
- **Mandate EHR Alliance as an operational objective**
- **Incent hospital leaders to succeed, to enable operational performance goals**
- **Set patient safety, care quality, financial efficiencies minimums that must be achieved post implementation by hospital leadership**



- **IT has turned around, now a strategic partner**
- **Capable team, strategy and structure in place**
- **CareConnect project completed successfully**
- **EHR Alliance now a top organizational objective**
- **Customer satisfaction has increased markedly**

