

“Driving for Quality in Long-Term Care: A Board of Directors Dashboard” Government-Industry Roundtable

A Report on the Office of Inspector General and Health Care Compliance Association Roundtable on Long-Term Care Board of Directors’ Oversight of Quality of Care

Background and Introduction

On December 6, 2007, the Office of Inspector General (OIG) of the U.S. Department of Health and Human Services (HHS) and the Health Care Compliance Association (HCCA) co-sponsored a government-industry roundtable called *Driving for Quality in Long-Term Care: A Board of Directors Dashboard*. The roundtable discussions provided representatives from the long-term care industry with an opportunity to share experiences and inform OIG and HCCA of issues surrounding boards of directors’ oversight of quality of care. The roundtable discussions were opportunities for members of the industry to share with each other ways to improve boards of directors’ oversight of quality and to discuss issues related to such oversight. One of the goals of the roundtable was to specify items that could be included on a “Quality of Care Dashboard” to be offered as a tool for boards of directors of long-term care organizations.

Over 35 long-term care professionals and 10 government representatives attended the day-long event. The participants represented a wide spectrum of long-term care organizations and professionals, including not-for-profit and for-profit organizations, multi-facility and single facility organizations, nationally and locally based organizations, clinicians, administrators, compliance officers, outside and corporate counsel, and monitors involved in OIG quality of care Corporate Integrity Agreements.

The roundtable included two brief expert presentations and then a series of breakout sessions. For the morning presentations, Doug Hastings, a partner with the law firm Epstein Becker & Green, discussed boards of directors’ role in monitoring quality of care from a legal perspective. David Zimmerman, Ph.D., Professor of Health Systems Engineering at the University of Wisconsin-Madison and the Director of the Center for Health Systems Research and Analysis, discussed monitoring quality from a clinical perspective. The participants then separated into breakout discussion groups designed around three perspectives on the oversight of quality of care: (1) organizational commitment to quality; (2) processes related to monitoring and improving quality; and (3) outcome measures related to quality. In addition to these three substantive areas, a fourth discussion group considered the benefits of, and challenges to, developing a Quality of Care Dashboard. Each participant selected three of the four discussion groups in which

to participate during the day.¹ Teams of OIG and HCCA representatives functioned as moderators and scribes for each group. At the conclusion of the day, the moderators and scribes presented summaries of the conversations that took place in their respective discussion groups.

Thanks to the collective efforts of all participants, the roundtable was judged to be a resounding success. There was a free exchange of ideas in a positive, collegial atmosphere. Because the objective of this collaboration was to share ideas and perspectives on boards of directors' oversight of quality of care, the group did not attempt to reach consensus, but we believe that all of the participants gained new insights into how to effectively engage a board of directors in improving quality.

In order to share these insights with a larger audience, the roundtable moderators and scribes agreed to prepare a written summary of the discussions that took place in their respective breakout groups. The summaries of the four breakout discussions provided below are based on the written summaries provided by the moderators and scribes. Where themes and topics were common to more than one discussion group, we tried to avoid repetitiveness as much as possible. In addition, a summary of key takeaways from the breakout groups is provided at Appendix C to this report. The views expressed in these summaries do not necessarily represent the views of OIG or HCCA.

Observations on Commitment to Quality

The "Commitment" breakout groups discussed how boards of directors and their organizations can demonstrate a commitment to quality. A consistent theme in the Commitment discussion groups was that a commitment to quality needs to be communicated and demonstrated from the top – from the board of directors and management. Boards of directors can communicate a commitment to quality in the following ways:

Provide a Forum for Quality Issues – A fundamental indicator of an organization's commitment to quality is whether quality issues are regularly reported to the board of directors. Specifically, it is important to have a structure and forum for the Compliance Officer or other representative of the organization to communicate quality issues directly to the board.

¹ The Discussion Group Preferences Form, which was completed by each participant and includes a brief description of the four breakout group topics, is provided at Appendix A to this report. In addition, on the day of roundtable discussion, participants in each group received a handout with questions designed to prompt discussion. Copies of those handouts are provided at Appendix B to this report.

Demonstrate Board Engagement – Boards of directors need to be engaged and to ask questions about quality. Boards of directors should not just passively receive reports about quality. Instead, they should feel comfortable asking the questions necessary for them to understand the information being reported and to determine whether quality issues are being addressed.

Craft a Board Mission Statement or Resolution – A board of directors’ commitment to quality can be expressly stated in its mission statement or in a board resolution.

Evaluate Organization’s Culture – Roundtable participants suggested that boards of directors should try to evaluate the organization’s culture as it relates to quality. For example, boards should understand whether employees feel comfortable discussing quality issues openly.

Demonstrate Commitment through Structures and Processes – A key indicator of commitment to quality is whether the organization and its board of directors establish quality related structures and processes and regularly evaluate them. Boards of directors can hire independent clinicians or consultants to review their organizations’ quality related structures and processes and provide expert advice to the board. Boards of directors can also demonstrate their commitment to quality by securing education for their members so they can better understand and evaluate the quality information reported from the organization. In addition, boards should seek to include members who have experience and expertise relating to quality.

Effectively Allocate Resources – When allocating the organization’s resources, it is vital that boards of directors evaluate whether the board and management are responsive to quality concerns. For example, boards of directors should consider the quality implications of long-term strategic planning by taking into account identified quality issues. The failure to address staffing, infrastructure, equipment, and physical plant needs in the allocation of capital resources can adversely impact the quality of resident care.

Observations on Process

The “Process” breakout groups discussed the organizational structures and processes that relate to quality. There are several different structural tools that can be used to involve the board in quality improvement and to help boards of directors understand the tracking and measuring of quality. Suggested ideas included the following:

Provide Quality Data Reports for the Board – It is vital that boards of directors receive on a regular basis reports that include quality data from which the board of directors can assess or benchmark quality issues and improvement. Common quality information and data include patient and customer satisfaction, financial measures, staffing and nursing hours, and hotline calls. There are also specific quality of care data, such as increases in the number of patient falls, pressure ulcers, use of restraints, and poor outcomes in the management of diabetic patients.

Validate Quality Reports – A board needs to have the capacity to validate the data and information received from management. The board should have access to experts, whether internal or external, who can assist in validating key information. To illustrate, the information could be independently verified by internal audit, external consultants, or surveys conducted by outside vendors or external entities.

Develop Board Expertise and Understanding of Quality Information – Boards should have frequent and focused discussions about the organization’s quality reports. It is important that boards not just receive quality data, but also drill down on the data and ask critical questions. While some boards have a level of comfort looking at quality related issues, other boards may lack the expertise to understand quality issues. Accordingly, boards of directors should receive education about quality, which they can receive from a variety of sources, such as internal presentations, external experts, attending conferences, and reviewing quality related articles and publications. To manage this responsibility, boards should consider creating a subcommittee, which can develop a more in-depth understanding of and familiarity with quality issues.

Promote the Free Flow of Information – Boards need to ensure that their organizations have a process in which information concerning quality problems flows freely to all individuals who have a need to know. The board must be assured that management does not filter out important information or fail to present all the critical facts to the board.

Coordinate a Response to Quality Issues – The board should evaluate whether the organization takes appropriate corrective actions to address both singular and systemic quality problems. Frequently, “low hanging fruit” or a “BandAid approach” addresses only the one issue that has been identified and does not fix the system issue. It is vital to evaluate whether the organization has a coordinated approach between medical staff, compliance, quality, and risk management to identify and respond to quality problems in a manner that stresses both compliance with the law and focuses on providing the best quality

of care. Some of the tools recommended to assist the board in evaluating these issues are:

1. **Promote Active Questioning by the Board** – The board of directors needs to ask questions as to (1) why a quality problem occurred, and (2) what management is doing to fix the problem and to prevent it from happening again. Simply put, board members should not be afraid to ask difficult questions.
2. **Retain an Outside Expertise/Consultant** – The board could engage an external expert or consultant to review the organization’s policies, procedures, and processes, as needed.
3. **Monitor Staff Training and Turnover** – Lack of staff competency and high staff turnover could indicate that the organization’s processes are not adequate. Staff education should be provided on an ongoing basis due to staff turnovers and to ensure that the organization has competent staff.

Observations on Outcomes

The “Outcome” breakout group discussions centered around providing the board with actual measurements used to assess the organization’s performance on identified quality of care standards. More specifically, the Outcome groups discussed what outcome information can provide insight into the quality of care provided and how that outcome information can be utilized. For outcome information and data to be meaningful, it should be presented to the board in a consistent and useful way. It is also important that board members receive the education and training necessary to understand the outcome information and data reported to them. Outcome information is useful because it can reveal problems with the organization’s structures and processes. Accordingly, management should be prepared to report not just the outcome data, but also the processes that lead to the outcomes. The outcome data that an organization reports to its board of directors may change over time in response to identified issues and priorities.

There are key outcome categories that have proven to be valuable measures and effective in assisting boards with meeting their oversight responsibilities. Participants consistently identified the following categories as valuable measures to consider when designing a Quality of Care Dashboard:

Survey Results – Surveys performed by the State survey agency, including information regarding deficiencies and fines, and outcomes relating to accreditation provide useful information about quality. Boards should consider

measuring the progress of facilities and trending the survey data from year to year.

Resident Outcomes and Care Delivery – Outcome and care delivery data such as Quality Indicators and Quality Measures can provide useful information about whether there are potential quality issues, as well as areas that may need additional focus and resources.

Events Reporting – A summary of the organization’s outcomes on events that are required to be reported to the government can provide useful information and assist in identifying patterns of quality problems, as well as areas where processes are effective and quality initiatives are successful.

Complaints – Ongoing review and trend reporting of complaints from patients and family members, hotline complaints, and staff concerns regarding patient care can provide useful information regarding potential quality of care problems.

Resident and Family Satisfaction Surveys – Ongoing review and analysis of the results of well written resident and family satisfaction surveys can be insightful. Many participants noted that it is helpful to choose a widely used survey so that the organization can compare itself to other organizations across the Nation or State.

Staff Satisfaction and Surveys – Ongoing review and analysis of data regarding staff retention and turnover, as well as staff surveys, can also provide useful information that may help the organization be proactive in addressing quality issues.

Financial Indicators – Financial indicators can be linked to quality of care issues. An organization’s financial woes can be a bellwether for quality of care problems. For example, a reduced census and high accounts payable could quickly result in serious quality problems. Other financial indicators of quality issues include the percent of loss time claimed, workers compensation claims, litigation expenses, and denied claims.

Observations on Challenges and Opportunities for Implementation of a Quality of Care Dashboard

The “Challenges and Opportunities” breakout group discussions related to broader issues of board of director involvement with quality of care and the use of a Quality of Care Dashboard. The goal is an overall improvement in the quality of the care delivered at each facility and a Quality of Care Dashboard, or quality

measures in a broader dashboard, can be a valuable tool in achieving that goal. There are, however, consequences and obstacles inherent in developing an effective Quality of Care Dashboard. These challenges and opportunities must be examined within this tension.

“One Size Does Not Fit All” – A Quality of Care Dashboard must be tailored to meet the specific needs and sophistication of the board members and the entity. Given the variations in attributes and competencies of board members, and the governing structures of different boards, a dashboard will vary based on these characteristics. The Quality of Care Dashboard must contain quality indicators that are appropriate for the level of education and diversity of the board.

Beware of Information Overload – In constructing the appropriate dashboard, the organization must determine the amount and type of information to provide to the board about quality indicators. With limited time and resources, each board must prioritize the information it receives, while at the same time effectively exercise proper oversight.

Consider Legal Liability Concerns – Board members could face legal exposure for overseeing the quality of care delivered at a facility. Boards must balance the potential legal liability for board members who are truly educated about the quality indicators at a facility against the board’s need for information to effectively exercise its oversight responsibility.

Scrutinize Available Quality Measures – Science regarding quality measures seems to lag behind other measures in health care. The board could be falsely assured that there are no quality problems and could also incorrectly think that there is a quality problem based on quality measures. As a result, structure and process issues may be more important than outcome measures in assessing the quality of resident care.

On the other hand, the opportunities presented by implementation and use of a Quality of Care Dashboard include the following:

The Board Sets Quality as a Priority – Board leadership sets the tone of the organization. When employees and residents know that the board of directors values the quality of care delivered and not simply profit margins, quality care becomes a priority throughout the entire organization. Both good and bad care can be improved. By using a Quality of Care Dashboard, and effectively managing the information received, the board will reinforce that quality of care is pivotal to the mission of the organization.

Financial Indicators Are Entwined with Quality – Quality and financial data are interwoven. When a facility is having cash flow problems, the quality of care delivered may suffer. Similarly, care will suffer when there are insufficient funds for training, education, and staffing. Money and quality are two sides of the same coin. When board members are effectively monitoring the quality indicators at a facility, they will also be learning valuable information about the financial health of the entity.

Quality Impacts the Success of the Organization – The quality of the care delivered is tied to every aspect of a facility – for example, liability for medical malpractice cases and government investigations, the facility’s reputation in the community, the ability to attract residents, and maintaining census levels. When there is a decline in the quality of care delivered at a facility, it will permeate the facility at every level. Good quality of care ultimately leads to improved census and staff morale.

Conclusion

We are very pleased with the outcome of this collaborative effort between OIG, HCCA, and the long-term care industry representatives who participated in the roundtable. Participants explored many of the issues confronting the boards of directors of long-term care organizations in their oversight of the quality of resident care. Both government and industry participants gained new insights into the challenges and opportunities created by using a Quality of Care Dashboard as a tool to provide boards of directors a means to assess and oversee the organization’s performance on identified quality of care issues.

We believe that the outcome of the roundtable discussions will foster a greater understanding of how the government and long-term care industry can work together to protect the integrity of the long-term care system and improve the quality of care provided to Federal health care program beneficiaries. Given the constructive discussion among the participants, we will consider creating additional opportunities for government-industry exchanges on quality of care issues.

APPENDIX A
DISCUSSION GROUP PREFERENCES

**PLEASE COMPLETE AND E-MAIL *or* FAX THIS RESPONSE TO Margaret Dragon
margaret.dragon@hcca-info.org / 781/593-4920 by November 5, 2007**

To: Margaret Dragon, HCCA Roundtable Staff

From: Name (*Please Print*) _____

Job Title _____

Organization _____ Office Phone _____

PLEASE PRIORITIZE YOUR FOUR CHOICES FROM AMONG THESE BREAKOUT GROUP DISCUSSION TOPICS TO BE OFFERED DURING THE ROUNDTABLE DISCUSSION ON DECEMBER 6: (*1 = your top choice; 4 = your last choice*)

_____ **A. Commitment / Breakout Discussion Group:**
Description: What is the level of the organization's commitment to quality of care? Does the Board of Directors know the resources devoted to direct resident care, ancillary services and other care related costs, and administrative and capital costs? Is the organization making progress toward commitment of resources to measure, track, and improve the quality of long term care services? How does the Board of Directors know whether the organization has committed sufficient resources to staff recruitment and training and to effective quality improvement and quality assessment systems? What other indications of commitment might be included in a dashboard?

_____ **B. Process / Breakout Discussion Group**
Description: How does the organization track and measure quality of care? Are there effective processes in place to identify and respond to problems? Does the organization have adequate processes in place to track and measure the quality of resident care? What other process indicators might be included in a dashboard?

_____ **C. Outcomes / Breakout Discussion Group**
Description: How does the Board of Directors know whether the organization is providing quality care? How can the Board of Directors determine whether there are areas where care is deficient? What clinical and non-clinical outcomes, including indications of proper delivery as well as patient outcomes, tracked and reported over time, would indicate to the Board of Directors that the organization is providing quality care? What clinical and non-clinical outcomes and characteristics of care delivery would indicate that services and care provided by the organization are improving? What other outcomes might be included in a dashboard?

_____ **D. Board Challenges and Opportunities for Dashboard Implementation**
Description: What issues should a Board of Directors and the organization consider in designing and implementing a quality of care dashboard? How should the dashboard of indicators be shared with the Board of Directors? What role should the Board of Directors play if a dashboard indicator provides data to indicate quality of care is deficient? What other issues should be addressed in the development and use of a care dashboard for long term care?

***We will attempt to accommodate all requests. Those who respond early will have the greatest opportunity to secure their breakout discussion group preferences.

APPENDIX C

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KEY TAKEAWAYS

COMMITMENT

Boards of directors can evaluate and demonstrate their commitment, and their organization’s commitment, to providing quality resident care by asking the following questions:

- Does the board receive regular reports on quality?
- Do the board members understand the reports they receive?
- Are board members receiving training on quality?
- Is quality part of strategic and capital planning?
- Are adequate resources devoted to staff training and retention?

PROCESS

Key structural processes refer to ways to help boards of directors operate in practice to address identified risks and understand the tracking and measuring of quality and to involve the board in quality improvement include the following:

- Regular reports to the board of directors on quality data and issues;
- Frequent and focused board-level discussions of the organization’s quality reports;
- A coordinated response, with board oversight, to identified quality problems;
- Investing in staff retention, training, and competency.

OUTCOMES

There are key outcome categories that have proven to be valuable and effective in assisting the board with meeting their oversight responsibilities. The following questions can help boards of directors use these key categories of outcome information to develop measures and assess the actual performance of the organization on identified quality of care standards.

- How does the management measure whether the residents are having good quality outcomes and is this tracking being consistently reported to the board in a useful way?
- How are the facilities doing on state surveys? Trend data and contrast and compare. Is it better or worse than previous years?

- Develop measures to determine whether resident outcomes and care delivery in key quality measure areas better or worse this year than last year. Why or why not?
- What do families and residents report about their experience with the organization?
- What is the staff turnover rate? Is it better or worse than previous years? Why or why not?

CHALLENGES AND OPPORTUNITIES FOR BOARDS

The implementation of a Quality of Care Dashboard presents both legal considerations and opportunities for boards of directors. Such considerations and opportunities include the following:

- Ensuring the board has enough information, but not so much that it is overwhelmed;
- Balancing the risk of potential legal liability that results from informing the board on quality issues with the risk of possible legal liability of keeping the board in the dark;
- Empowering the board to establish quality as a priority;
- Understanding that quality of care is tied to every aspect of operations: good quality of care ultimately leads to improved financial bottom line through improved staff retention and morale and increased census; and
- Providing a tool for the board to assess the actual performance of the organization on identified quality of care issues.