

Straight Talk

A weekly update from management on the issues that matter most



July 26, 2012

Dear Friends and Colleagues,

Yesterday the NCH Healthcare System Board approved leadership's recommendation for a 2% increase across all pay ranges for eligible colleagues who are not over the maximum of the range, beginning the first full pay period in October.

We are pleased to pass on this increase in these challenging times, and I'm sure we all wish it were higher, but recognize that our journey as the community's leading healthcare institution isn't getting any easier. For example, this past year, Medicaid payments to NCH declined by almost \$8 million. CFO **Vicki Orr** predicts that Medicare and Medicaid payments will decline by \$90 million over the next five years.

Our service model will need to change if we are to offset these declines and continue to survive and grow in our mission to care for the health of the entire community. We will need everyone's innovative ideas—great and small—to become more efficient and effective and will be launching a program to engage the participation of all colleagues in this endeavor. Frankly speaking, if we don't change our present course, we risk becoming like other less fortunate healthcare systems that are not going to survive.

Fortunately, we possess an extraordinarily talented and committed team that works well together. We demonstrated this again last week, while being reviewed by the Joint Commission surveyors during our successful triennial survey. Here's a summary of what the Joint Commission found:

Our nine Joint Commission surveyors reviewed, inspected and covered almost every area of our system, including the NCH Healthcare Group's 17 locations. This Joint Commission visit equates to a total of 30 "survey days" for about 1,000 standards. Overall, reviewers were complimentary of our colleagues, processes, outcomes, planning, safety, quality and leadership. The lead physician surveyor stated this was one of the cleanest hospitals he has ever visited. One nurse surveyor commented that she would be pleased to have a family member receive care at NCH. Nursing and the clinical areas had no defects whatever, and our kitchen was the best the surveyor said she had ever examined. Another surveyor congratulated the team on having so few clinical findings, adding that the "community is lucky to have us."

We expect to receive some requests for improvement in the final report which will be issued from Chicago next week. Most are nonclinical in nature and correctable within about 45 to 60 days. Our team has already started the next steps.

Our facilities team has a list of projects to address. Considering the size and complexity of both campuses, with buildings at various stages of construction and age, this is not unexpected according to the Joint Commission's very competent Life Safety surveyor. Complete conversion to digital records will eliminate some but not all concerns. We will involve medical staff leadership to assist in this initiative, which will benefit all of us with a safer environment.

I, personally, shadowed a few of the surveyors. I observed great competence and compassion in a culture of teamwork that made me proud. But I wasn't surprised.

To be sure, we have work to do and improvements to make, because ours is a continuing journey. But overall, I could not be more proud, pleased, and thankful to be associated with our 4,000 colleagues, 1,200 volunteers, and 600 physicians. You all do wonderful work.

Sincere thanks for everything everyone does every day to serve our patients and our community.

Respectfully,

A handwritten signature in blue ink that reads "Allen".

Allen S. Weiss, M.D., President and CEO

P.S. Feel free to share *Straight Talk* and ask anyone to email me at allen.weiss@nchmd.org to be added.