



**NRHA**  
SERVICES CORPORATION

WELCOME

# Rural Health Executive Educational Series

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to see a complete list of our upcoming educational presentations as well as Case Studies, Toolkits, Partner lists and other valuable resources.

## House Keeping Items

- We like to get through our presentations in about 45 minutes, offering time at the end for questions to the presenter
- All attendees are muted during the webinar
- If you have a question for the presenter, please type it into the question section of your GOTO webinar control panel. We will cover it at the end.
- This event is being recorded. You will receive an email before the end of the day with a link to the recording.



# Embracing Quality Improvement as an Organizational Strategy

# Who are we?

- Lindsay Corcoran– Principal at Stroudwater
- Cameron Smith– Senior Consultant at Stroudwater



# Learning Objectives

## 01

- Explain the strategic importance of quality improvement

## 02

- Identify practical methods for integrating quality goals into operations and leadership structures

## 03

- Engage staff and stakeholders in a culture of continuous quality improvement and patient-centered care

# Polling Question #1

- How important is Quality to your organization's strategic goals for the next 3-5 years?
  - Not included
  - It's included but not a priority
  - Somewhat of a priority
  - It is a priority



# A Changing Market

# What is Healthcare Quality?

- The National Academy of Medicine defines **quality** as **the degree to which health services for individuals and populations increase the likelihood of desired health outcomes** and are **consistent with current professional knowledge**.
- Quality improvement is the framework used to systematically improve care.
- Quality improvement seeks to standardize processes and structure to reduce variation, achieve predictable results, and improve outcomes for patients, healthcare systems, and organizations.
  - Structure includes things like:
    - Technology
    - Culture
    - Leadership
    - Physical capital
  - Process includes:
    - Knowledge capital (e.g., standard operating procedures)
    - Human capital (e.g., education and training)

# How is it viewed?

- Healthcare quality has varying definitions depending on who is asked
- While most people believe they know what quality is, without a specific organizational definition of quality, it can be hard to align an organization

[https://cdn.nahq.org/wp-content/uploads/2025/06/NAHQ-ROI-Q\\_Report\\_FINAL-spreads.pdf](https://cdn.nahq.org/wp-content/uploads/2025/06/NAHQ-ROI-Q_Report_FINAL-spreads.pdf)

## PROBLEM

In 2024, NAHQ research revealed that within the healthcare industry, there is not yet consensus on what the definition of “quality” even is, nor is there agreement on who is responsible for it. This results in quality often being misunderstood, siloed and inconsistently executed.

This is the result of quality having evolved organically over the years without the benefit of a common industry standard for management systems or workforce competencies. Most healthcare organizations were organized at the local level and roles evolved organically. Today, many healthcare organizations lack intentionally defined roles and responsibilities for their quality infrastructure and most do not have a definitive understanding of who is doing what work, and at what level.

## HOW WOULD YOU DESCRIBE HEALTHCARE QUALITY?



A shared responsibility of the entire workforce



Is synonymous with healthcare excellence



Refers to compliance with regulations



Refers to a profession or field within healthcare



Is the responsibility of a select few in specific roles

Source: NAHQ Awareness & Usage Study, 2024

# Why Focus on Quality Now?



Costs continue to rise

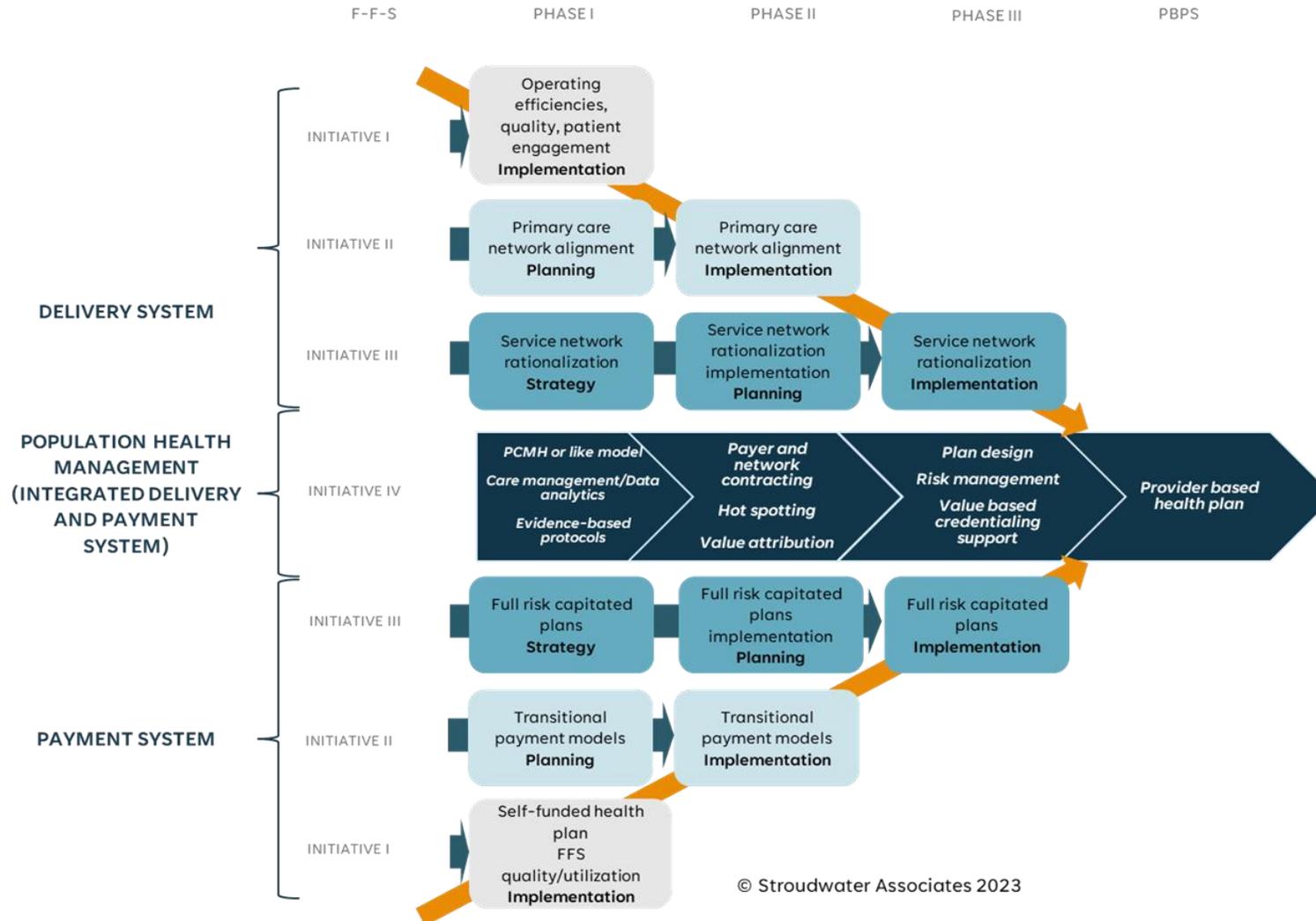
Advances in healthcare technology and adoption has led to an acceleration of new market competition

Declines in hospital inpatient & outpatient volumes and reimbursement

Changes in the payment system from FFS to Population Health

Why not now?

# Transition framework



# Call to Action

- A hospital with a well-designed and well-maintained QAPI program, fully engaged in hospital-wide continuous assessment and improvement efforts, can significantly enhance its ability to provide high-quality and safe care to its patients, and thereby reduce the incidence of medical errors and adverse events throughout the hospital.
- QAPI CoP deficiencies are the third most frequently cited of the **24 CoPs** for Medicare-certified hospitals.
  - 42 CFR 485.641 (example)

# Quality as an Economic Driver

$$\text{PATIENT VALUE} = \frac{\text{QUALITY}}{\text{COST}} \times \text{POPULATION}$$



- To maximize and fully realize this value equation, patients must choose your organization for their care needs—making the patient experience not only a quality imperative but a financial imperative as well

# Strategic Value of Quality

- In 2025, NAHQ released its first study on the importance of investing in Quality and Patient Safety
- The findings show that quality is not simply a “feel good” endeavor – it can be, and is, a financial strategy
- These are not rural hospitals, but their efforts highlight what can occur when quality is a focus

## RESULT

**194% improvement** in cost avoidance resulting in \$6,530,400 of savings over two years

Kaiser Permanente, Northern California

**\$15-20 million in annual gains** from pay-for-performance incentive programs

CHRISTUS Health

**92% decrease** in HAC penalties

Kaiser Permanente, Northern California

**50% reduction** in serious safety event rate

CHRISTUS Health

**Improvement** in CMS Star Ratings, outpacing comparisons

Veterans Health Administration

## IMPACT

For the first time ever, NAHQ has quantified the **financial return on investing in quality and patient safety** (ROI-Q) refuting the false choice that quality must come at the expense of reducing cost. In fact the opposite is true: investing in the workforce to advance quality and safety produces impressive ROI-Q.

While quality and safety initiatives generally include a measurement of clinical or operational impact, this usually happens at the project level, not a system level and most times ROI is not quantified. A literature review confirms that NAHQ is the first organization to demonstrate the impact of a scaled investment in quality and safety, with impressive results measured in both clinical and financial impacts.

This timely, data-driven paper has the potential to reshape how leaders approach quality, safety and operational performance in healthcare. NAHQ's ROI Estimator articulates the national opportunity for cost savings to be billions of dollars – and the opportunity for improved healthcare outcomes will improve the lives of millions of patients and their families.

[https://cdn.nahq.org/wp-content/uploads/2025/06/NAHQ-ROI-Q\\_Report\\_FINAL-spreads.pdf](https://cdn.nahq.org/wp-content/uploads/2025/06/NAHQ-ROI-Q_Report_FINAL-spreads.pdf)

# Where are we today?

Based on the 2024 results of the CAH Quality Infrastructure Measure:

- Only 60% of CAHs ensure that quality is an intentional component of the strategic plan process and the strategic plan itself
- 56% of CAHs intentionally build external relationships with patients, partners, and the community to enhance access and improve the care experience
- 69% of CAHs use internal and external data comprehensively, meaningfully, and transparently to inform quality improvement
- *2025 data shows that the 66% of CAHs are meeting the strategic planning measure elements*

Based on internally collected from organizations that completed the Stroudwater Quality Program Assessment – the top areas for opportunity were:

- Developing effective methods of data utilization
- Inclusion of quality in strategic planning
- Linking quality to value-based care incentives



# An Effective Framework

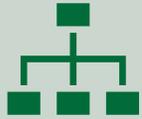
# Integrating Quality Effectively

Leadership  
Commitment

Infrastructure

Measurement

# What does commitment look like?



## Board of Directors

The organization's board engages in and supports quality improvement



## Senior Leadership Team

Executive leadership oversees design and functionality of the quality improvement program



## Organizational Resources

Organizational resources are adequately allocated to support quality improvement

# Leadership Commitment: Governing Body

- **§485.627 Condition of Participation: Organizational Structure**

- **§485.627(a) Standard: Governing Body or Responsible Individual**

- The CAH has a governing body or an individual that assumes full legal responsibility for determining, implementing, and monitoring policies governing the CAH's total operation and for ensuring that those policies are administered to provide quality health care in a safe environment.

- **§482.12 Condition of Participation: Governing Body**

- There must be an effective governing body that is legally responsible for the conduct of the hospital.
  - If a hospital does not have an organized governing body, the persons legally responsible for the conduct of the hospital must carry out the functions specified in this part that pertain to the governing body.

# Quality Infrastructure: Organizational Design

## Decision Rights

- Drive decision rights down to the clinical/operational level
- Educate department managers on the business of healthcare, avoiding the separation of clinical and financial functions
- Conduct daily interdisciplinary management huddles focused on hospital-wide quality, safety, and service delivery

## Performance Measurement

- Department managers to be involved in developing departmental performance improvement goals
- Reporting requirements to the quality committee on a routine basis
- Development of a measurement system to validate performance
- Post quality metrics for staff to visualize performance within each department, and begin to include non-clinical departments

## Compensation

- Recognize performance in line with organizational goals

# Quality Infrastructure: Roles and Responsibilities



# Quality Assessment and Performance Improvement



The hospital must develop, implement, and maintain an effective, ongoing, hospital-wide, data-driven quality assessment and performance improvement program.

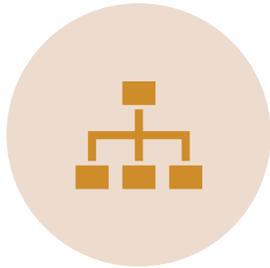


The hospital's **governing body** must ensure that the program reflects the complexity of the hospital's organization and services; involves all hospital departments and services (including those services furnished under contract or arrangement); and focuses on indicators related to improved health outcomes and the prevention and reduction of medical errors.



The hospital must maintain and demonstrate evidence of its QAPI program for review by CMS.

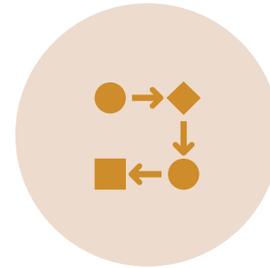
# FOUR CHARACTERISTICS OF A STRONG QUALITY PLAN



A SYSTEMATIC PROCESS THAT INCLUDES LEADERSHIP, ACCOUNTABILITY, AND DEDICATED RESOURCES



USE OF DATA AND MEASURABLE OUTCOMES IN THE PROGRESS TOWARDS EVIDENCE-BASED BENCHMARKS



FOCUSES ON LINKAGES, EFFICIENCIES, AND THE EXPECTATIONS OF BOTH PROVIDERS AND CLIENTS WHEN IMPROVING OUTCOMES



CONTINUOUS PROCESS THAT ADAPTS TO CHANGES WITHIN THE ORGANIZATION'S QUALITY IMPROVEMENT ARENA

# Quality Infrastructure: Quality Committee

- Quality Committee members typically include:
  - Quality Director/CQO as director
  - CEO
  - CFO
  - CNO
  - CMO
  - ED Director
  - Revenue Cycle Director
  - Board Member
  - Security/Privacy Officer
  - Representatives from 2-3 key departments
- The committee meets monthly to receive reports from hospital Departments and Committees. The Board assumes final responsibility for all Performance Improvement activities, including data collection, reporting, and Action Planning development.

# Quality Infrastructure: Departments

- Clinical and non-clinical departments are essential to quality improvement
- Departments are responsible for reporting **to** the quality committee

Department Roles and Responsibilities	
Metric Selection	Departments are required to select and define key metrics for their service line that support improvement activities
Goal Setting	Actionable goals that are aligned with the organization's overarching strategy are integral to organizational success
Comparison	Departmental goals should be set against industry best practices
Action and Sustainment	Departments should ensure specific metric goals are assigned actions that will achieve the desired results and have plans for sustainment of performance

# Polling Question #2

- What is the current focus of your organization's quality program
  - Regulatory Maintenance (accreditation)
  - Improving Patient Outcomes
  - Patient Experience
  - Population Health
  - Other (please specify)

# Measurement: Performance Dashboard

- Establish performance benchmarks and compare actual results to targets as components of the dashboards/scorecards

Quality Dashboard 2025													
Quality Reporting													
	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
<b>Severe Sepsis</b> Goal: 84% (Top 10%) State 62% National 63%	0/0 Zero pts	0/0 100.0%	0/0 Zero pts	1/1 100.0%	2/2 100.0%	4/4 100%*	2/2 100%*						10/10 100%*
<b>Septic Shock</b> Goal: 84% (Top 10%) State 62% National 63%	0/0 Zero pts	0/0 Zero pts	0/0 Zero pts	1/1 100.0%	1/1 100.0%	2/2 100%*	2/2 100%*						6/6 100%*
<b>Antithrombotic Therapy @ D/C (STK-2 ECQM)</b> Goal: 96% (Top 10%) State 97% National 96%	0/0 Zero pts	1/1 100.0%	3/3 100.0%	0/0 Zero pts	0/0 Zero Pts	1/1 100.0%	0/0 Zero pts*						5/5 100%*
<b>Antithrombotic by End of Day 2 (STK-5 ECQM)</b> Goal: 94% (Top 10%) State 93% National 92%	0/0 Zero pts	1/1 100.0%	3/3 100.0%	0/0 Zero pts	0/0 Zero Pts	0/0 Zero Pts	0/0 Zero pts*						4/4 100%*
<b>VTE (ECQM - VTE1)</b> Goal: 94% (Top 10%) State 93% National 94%	32/36 91.0%	30/31 97.0%	33/34 97.0%	36/38 94.7%	30/31 96.8%	17/18 94.4%	21/20 105.0%						200/211 94.8%
<b>Safe Use of Opioids (SUO ECQM)</b> Goal: <= 16%	2/19 11.0%	2/15 13.0%	0/23 0.0%	1/26 4.0%	5/28 18.0%	1/10 10.0%	1/15 7.0%						26/134 19.4%
<b>Social Disparities of Health-Internal Goal 90%</b> (SDOH-1) Percent Screened for 5 SDOH Domains	44/48 92.0%	33/34 97.0%	46/46 100.0%	51/51 100.0%	42/42 100.0%	26/29 100.0%	40/40 100.0%						284/289 98.0%
<b>Social Disparities of Health</b> (SDOH-2) Percent that Screened Positive for SDOH	0/44 0.0%	2/33 6.0%	1/46 2.0%	3/51 6.0%	0/42 0.0%	1/29 3.0%	2/40 5.0%						9/234 3.0%
<b>EDTC (ED Transfer Communication - MBQIP)</b> Goal: 100% Internal Goal 90%	12/15 80.0%	13/15 86.7%	12/15 80.0%	13/15 86.7%	15/15 100.0%	14/15 93.3%							73/90 81.1%
<b>Left without being Seen (LWBS)-ED (OP-22)</b> Goal: State 4% National 2%	0/36 0.0%	0/38 0.0%	0/31 0.0%	0/31 0.0%	1/30 3.3%	1/22 4.5%	0/20 0.0%						26/623 4.2%
<b>ED Throughput (QOR OP-18b) Sampled population*</b> Internal Goal 120 min State/National Goal (overall better) 122 min	Reported/Quantity		120 pts 116 min		Reported/Quantity		Reported/Quantity		Reported/Quantity		Reported/Quantity		120 pts 116 min
<b>Stroke Imaging w/in 45 Min of Arrival (QOR OP-23)</b> Goal: 70% State 71% National 70%	0/0 Zero pts	1/2 50.0%	0/0 Zero pts	0/0 Zero pts	0/0 Zero Pts	0/0 Zero Pts*	0/0 Zero Pts*						1/2 50.0%
<b>Stroke Imaging Results Within 45 Min of Arrival</b> All Code Stroke Patients (Informational Only - Not a reported measure)	0/0 100.0%	14/15 93.3%	10/13 76.9%	7/11 63.6%	9/11 81.8%	11/12 91.7%	3/8 37.5%						60/71 84.5%
<b>Colonoscopy Follow Up (OP-29)</b> Goal: 100% (Top 10th percentile) 94% (State)	3/7 100.0%	19/19 100.0%	17/17 100.0%	17/17 100.0%	10/10 100.0%	11/11 100.0%	29/21 95.2%						79/78 99.0%
<b>Stroke (Get With the Guidelines)</b> Goal: 75%	1/4 25.0%	13/16 81.3%	19/24 79.2%	11/11 100.0%	20/21 95.2%	15/15 100.0%	23/20 92.6%						82/94 88.4%
<b>STEMI (Get With the Guidelines)</b> Goal: 75%	4/4 100.0%	0/0 Zero pts	9/9 83.3%	0/0 Zero pts	4/5 80.0%	5/5 100.0%	5/5 100%*						25/29 92%*
<b>N-STEMI (Get With the Guidelines)</b> Goal: 75%	4/8 66.7%	8/8 100.0%	3/3 100.0%	4/4 100.0%	9/11 81.8%	7/9 77.8%*	4/5 80%*						35/48 84.7%*
<b>Heart Failure (Get with the Guidelines)</b> Goal: 75%	9/9 100.0%	1/1 100.0%	10/12 83.3%	0/0 Zero pts	0/0 Zero Pts*	1/1 100.0%	0/0 Zero pts*						21/25 91.3%

# Optimize Quality Integration



Share and educate all staff, providers, and the Board on the hospital's quality initiatives



QAPI programs must be approved and signed by the Chairperson of the Hospital Board, Hospital Administrator, and the Chief of Staff, as well as reviewed annually



Utilize a standardized quality improvement methodology to hardwire results throughout the organization (LEAN, PDSA)



Ensure data and measurement is utilized to effectively drive decision-making at all levels of the organization

# Influences on Program Effectiveness

Organizational culture, ethics, priorities, and degree of leadership commitment to mission, vision, and values

Governing body, administrative, management, and provider involvement

Organizational, team, and committee structures

Care and service delivery functions, systems, and processes

Information system resources

Financial budget and resources

# Polling Question #3

- What do you find to be the largest barrier to sustaining quality improvement?
  - Gathering reliable data
  - Engaging stakeholders
  - Defining actionable priorities
  - Measuring progress
  - Other (please specify)



# Moving Forward

# Where to Start?

William Kahn believed engagement takes place when three basic needs are met:

- Personal feelings of meaningfulness (valued and appreciated)
- Psychological safety (do and work without fear of negative consequences)
- Availability (having the physical and mental resources without distractions to engage at work)



# Favorable Outcomes of Employee Engagement

## Individual Benefits

- Higher job satisfaction and commitment.
- Life satisfaction and lower levels of ill health.
- Fewer absences.
- Fewer safety issues.
- Higher performance ratings.
- Increase mental resilience.
- Sense of belonging.
- Sense of achievement.
- Personal and professional growth.
- Alignment of personal and corporate values.

## Organizational Benefits

- Improved customer service ratings.
- Improved customer loyalty.
- Improved sales and profits.
- Increased worker loyalty.
- Reduced employee turnover.
- Reduced absenteeism.
- Improved quality with fewer errors.
- Improved patient safety.
- Increased teamwork.
- Increased employee morale.
- Improved health and well-being.

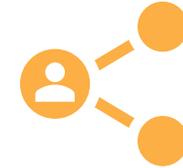
# How to Impact Engagement



Develop standardized orientation programs for new employees



Conduct annual employee surveys and utilize survey results to improve employee satisfaction, address any workforce concerns, identify opportunities to continuously improve the work environment, and identify training and development opportunities for all levels of leadership



Implement structured leader-to-employee rounding to strengthen relationships, create approachability, assess process improvement opportunities, and demonstrate appreciation

# Beyond Engagement – Continuous Improvement

## *Collective mindfulness*

- Employees “look for and report small problems or unsafe conditions before they pose a substantial risk to the organization and when they are easy to fix” (Weick and Sutcliffe, 2007)

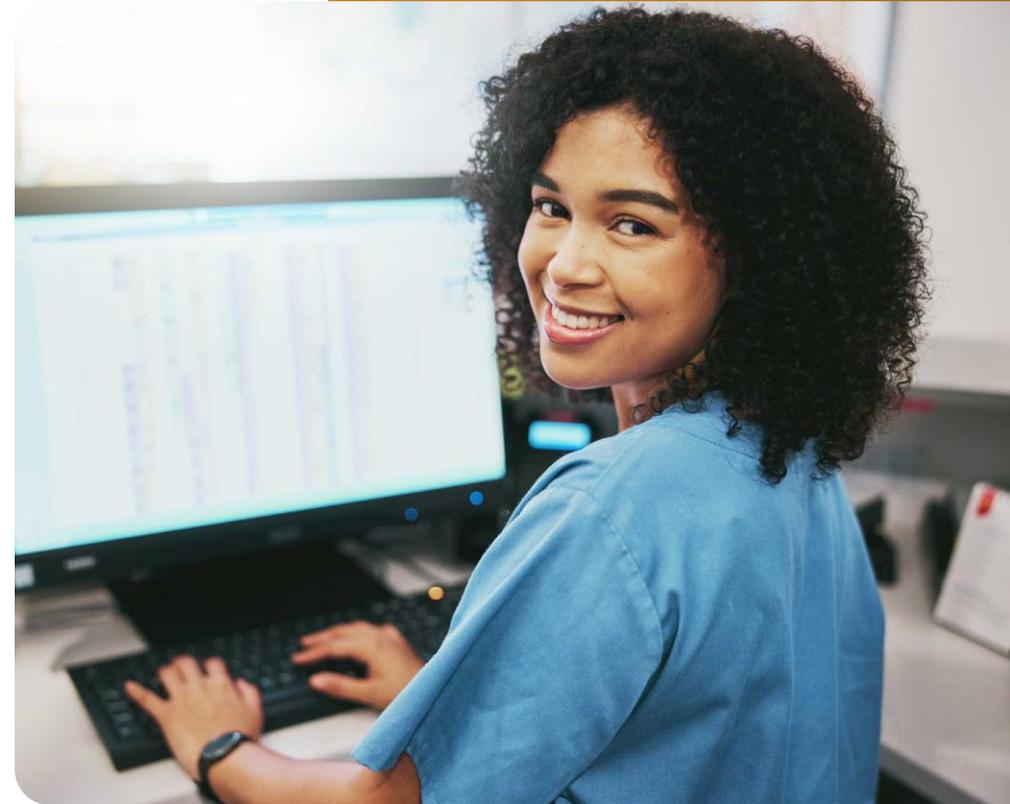
# In Summary: First Steps to Implement

- Gain leadership commitment for quality as a strategic imperative
- Review the current organizational infrastructure to ensure all levels of the organization are participating in quality improvement
- Incorporate quality and measurement principles and practices throughout the organization

# Ask the Expert

This concludes the presentation portion of today's session, and we will now move to Q&A.

The slides that are up during Q&A will be the ones with the partner information on them.



# About the Presenting NRHA Partner

Stroudwater Associates is committed to increasing the impact of rural and community healthcare.

Our team of rural and community healthcare experts supports the leadership of hospitals, health systems with a rural footprint, and the groups and clinics that form an essential care network across the 97% of the US that is defined as rural.



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THANK YOU

# This Concludes Our Presentation

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