ESSLINGER HOSPITAL CASE

The Esslinger Hospital is a 1,578 bed general hospital located in a medium-sized city in California. As one of the three major hospitals in the city, Esslinger is recognized as providing fine health care. In recent years, the three hospitals (all of which are private) have felt increased competitive pressure on both cost and quality.

Esslinger has long practiced the "quality assurance" activities mandated by the Joint Commission for Accreditation of Hospitals and Health Care Organizations. This quality assurance has centered on monitoring and auditing both clinical and other aspects of hospital care. When problems are identified, immediate action is taken, but there is a lack of follow-through to search for causes and thus the same problems often occur again.

The hospital administration is quite aware of the total quality management programs that some hospitals have adopted. Tom Howland, the CEO, formed a management group to study the applicability of TQM to the hospital. The group consisted of administrators from the medical, nursing, laboratory, clinical support, and various business areas. The head of Quality Assurance, June Snow, helped to gather information about TQM activities versus QA activities.

After meeting biweekly for two months, the study group recommended that executive management and middle management be given training in quality management. Upper management received a two day overview course; middle management was provided more detail during a four day course. In both cases, management learned about the three quality processes, process management, problem-solving tools, quality measurement, empowerment, quality teams, reward and recognition, and other topics.

As a result of this training, there was a consensus that the quality assurance activities were quite effective as a "quality control" process on characteristics considered important from a regulatory viewpoint. But these activities were not achieving a sufficient level of "quality improvement" by diagnosing and removing causes of deficiencies. (The trilogy diagram helped people to understand the distinction between control and improvement.)

The group decided to collect quality measurement data to help plan an improvement process. Data were collected on 27 characteristics. (The data consisted of both existing QA data and new data particularly aimed at customer-focused characteristics.) Examples of quality measurements were:

1. Timeliness of delivering emergency medication to the floor (e.g., an intensive care unit). Desired time--under 15 minutes; typical time--90 minutes.

2. Patient waiting time in the emergency room for assignment to a floor, a bed, operating room, etc. Desired time--under 30 minutes; typical time--three hours.

3. Loss of X rays and other test results (information not in patient's file jacket). Usually the test has to be repeated resulting in both delays and extra costs. The cost of lost X rays and other test results was calculated as $205,000 for one year.

This data, typical and sobering, gave a strong impetus to move ahead with quality improvement.

The CEO has asked the study group to review all of the quality measurement data and recommend an approach to quality improvement which will achieve better and lasting results. What would you advise the group to recommend?