

## **Palo Alto Medical Foundation A Lean Journey Toward Patient Engagement**

The Palo Alto Medical Foundation for Health Care, Research and Education (PAMF) is a not-for-profit health care organization serving the health needs of more than 700,000 patients and countless area residents who live in Alameda, San Mateo, Santa Clara and Santa Cruz counties in California.

PAMF is part of the Peninsula Coastal Region of Sutter Health, a family of not-for-profit hospitals and physician organizations that share resources and expertise to advance health care quality. PAMF employs 1,500 physicians and approximately 5,000 employees.

Today, PAMF's five divisions use advanced electronic health record technologies to provide its patients with a coordinated network of care that includes more than 40 different locations and access to hundreds of specialists.

### **Identifying A Need to Improve**

Like many large organizations, PAMF had grown into operating silos in the organization that didn't communicate effectively and served patients independently. Patients experienced care differently depending on what PAMF location they visited.

"The quality of care was consistent, but the patient 'experience' varied," said Martha J. Lauderdale, interim vice president of ancillary services at PAMF. "And while we viewed our locations and specialty offerings independently, our patients feel PAMF is one entity. They want the same experience no matter what location they go to for care."

As healthcare service challenges continued to evolve, PAMF's leadership knew the organization must leverage the knowledge and experience of the organization as a whole. Leaders soon discovered that lean healthcare transformation could help accomplish their goal to create a model of care that meets patient expectations.

### **Lean Thinking Begins**

In 2006, a few PAMF staff members began using various lean tools to do unsupported, one-off lean initiatives. While the one-off projects produced results, the results were not sustainable without deploying a lean engagement system. These first few lean projects, however, got the attention of the senior leadership team.

In 2010, PAMF's CEO at the time invited the entire senior leadership team to visit ThedaCare, a model lean healthcare organization in Appleton, Wisconsin. The team met with John Toussaint, MD and founder of Catalysis. As the group toured ThedaCare, it observed what a lean system really looked like. Before they returned to Palo Alto, the team had made a commitment to start on its lean healthcare transformation.

“Our first step on the lean journey was hiring a chief operating officer experienced in lean principles,” said Lauderdale. “With an in-house expert to lead our lean effort, we felt our commitment and excitement would carry us through the process.”

The management team then began to realign its primary care delivery system at 39 locations using lean principles.

“We started with the model cell concept – tied to key performance targets,” said Lauderdale. “The model cell allowed us to create a new system with standard work that sustains improvement and aligns everyone on our larger organizational goal to improve the patient experience.”

Why begin the lean process with the model cell?

1. It’s the best way to help people learn about lean principles. In the process of creating teams, people learn the tools, principles, and management system behaviors and characteristics required for transformation.
2. A model cell is the best way to help the organization learn. The leadership team can use the model cell to show the rest of the organization what good looks like.

“The model cell served as our first step in ‘spread,’” Lauderdale added. Spreading new concepts like lean thinking to other organizational improvements without a model cell is next to impossible. But through its use of the model cell, PAMF employees began to see the importance of using a daily engagement system. The team then evolved and deepened the system over time as it continued the lean journey.

### **Early Results**

One of the initial results on its lean journey was solving patient care and in basket management. Lauderdale said staff burnout and fatigue were major issues at PAMF and lean initiatives helped to alleviate the problem.

“Our true cycle time for patient care and in basket management was excessive,” she said. “So we created a new standard work process with the goal of getting physicians home in time for dinner with their families.”

PAMF medical assistants and nurses increased their level of patient engagement and involvement in patient care. PAMF leaders felt that those who serve as the first line of contact with patients were in a great position to quickly and efficiently identify patient concerns, communicate the concern with the physician and speed the process of actual patient care.

“Our new standard work of medical assistants and nurses partnering with physicians greatly improved the flow of patient care. This was a significant change thanks to lean practices and allowed us to create a consistent, definable patient experience and flow in primary care across adult medicine and pediatrics.”

Lauderdale notes that this single change not only helped physicians complete their workday on time, but resulted in improved patient engagement and satisfaction scores.

### **Continued Success and Learning**

Today, PAMF's lean initiative is focused on continuous improvement with a concentrated effort to bring daily engagement into the organization's specialty care areas. Lean leaders within the organization partner with departments to focus on an aligned operating structure designed to accelerate performance and link strategic planning and work into the overall engagement process.

"Everyone is involved," said Lauderdale. "This means 1,500 physicians and 5,000 employees all thinking about engagement improvement – to the very frontline. We began at the top of the house but have taken it to the frontline of patient care and it is deeply engrained today."

One key learning from the successful lean transformation at PAMF was to be intentional about training leaders and high potential employees. The team created a 24-month rotation program for its top performers, which included lean management training. This training and rotation process helped to cement the operating system into each leader's day-to-day thinking.

"What we found with our top performing employees – especially with physicians – is an acceleration in the use of A3 thinking," said Lauderdale. "They see the benefits of coaching the frontline and using A3 to problem solve almost immediately. And it comes up in conversation. In fact, a specialist told me in passing, 'You know A3 is like a diagnostic process. This is amazing. I can apply it to all of my problem solving.' So the excitement is there."

PAMF now hosts site visits and helps other healthcare administrators and clinical staff learn about lean healthcare transformation. The visits with other organizations helps PAMF both affirm its achievements and also offers fresh eyes that serve as a "check" on the leadership teams' assumptions for continuous improvement.