The Evolution of Patient Service

Why Improving the Patient Experience Requires New Perspectives
Though patient experience excellence is more critical than ever, it is still just as elusive.

**Pleasing patients and their families** has always been important, but new pressures and incentives make getting it “right” even more critical. From reimbursement changes to new competition for patients who are asserting themselves more and more in health care decisions, virtually every hospital executive lists patient experience as a priority. Yet, despite massive investments in patient experience initiatives in recent years, the consumer satisfaction index for hospitals has risen just 0.3% per year on average. Simply put, new approaches must be found.
Leaders and staff already know why service excellence is a must

The reasons for focusing on service excellence range from the idealistic—a belief that it’s “the right thing to do”—to the pragmatic—a recognition that service quality impacts margins, market share, and staff morale, among other important metrics.

Hospital-Wide Perspectives on Patient Experience as a Priority

**Hospital President**

“No hospital, no physician, and no executive wants to be average when it comes to the care of patients.”

**Corporate Service Manager**

“It helps the organization achieve overall excellence.”

**Director of Guest Relations**

“It’s the right thing to do.”

**Chief Nursing Officer**

“It is a core value and part of the fiber of this organization.”

**Physician**

“The organization [must be] known for delivering exceptional care and service to all of its patients at every contact point, from receptionist, nurse, physician, phlebotomist, physical therapist, x-ray technician, security guard, to volunteer.”

**Nurse Manager**

“Putting patients at the center of everything creates an environment for evidenced-based practice where nurses feel they can do the right thing for service, safety, and clinical quality.”

**And the Kitchen Sink, Too**

“The return on investment is amazing. I really believe that if you make this a strategic initiative, there is a huge amount of payoff. If you attend to the whole service experience there’s less risk of malpractice, staff morale is better, our patients’ families remain more loyal, and it helps with our market share and philanthropy too. You name it, there is a reason to invest in this. There’s huge payoff.”

**Source:** Beeson M, “Practicing Excellence: A Physician’s Manual to Exceptional Healthcare,” Gulf Breeze, FL: Studer Group, 2006; Talent Development research and analysis.
Striking **links to clinical quality**
add further urgency

Value-based purchasing has created new financial incentives for service excellence, driving significant executive attention to patient satisfaction. Recent studies suggest correlations between clinical quality and service, as well, meaning service is more central to your organization’s mission than you may realize.

![Clinical Events vs Service Deficiency Events](chart)

- **Clinical Events**
  - n=228 patients
  - Adverse Events: 34
  - Close Calls: 11
  - Low-Risk Errors: 7

- **Service Deficiency Events**
  - n=228 patients, 183 events
  - Communication: 24.0%
  - Environment: 19.1%
  - Other: 4.9%
  - Respect: 9.8%
  - Interpersonal skills: 11.0%
  - Care coordination: 11.5%

21% of hospitalized patients studied experienced at least one adverse event, close call, or low-risk error...

...while patients who experienced service deficiencies were two and a half times more likely to experience a clinical event¹

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¹ Confidence Interval=1.2–5.4.

Source:
- Taylor B. et al., “Do Medical Inpatients Who Report Poor Service Quality Experience More Adverse Events and Medical Errors?” Medical Care, 2008; 46(2).
If **excellence is the bar, who sets it?**

Providers can employ a number of methods to gain insight into how patients define their experience and what matters to them. For example, convening patient panels, undergoing simulated patient experiences, shadowing patients, and questioning patient focus groups all provide insights into the patient experience. By enabling providers to discuss service issues in the moment with individual patients and their families, daily rounding has proven to be the most comprehensive, effective approach to getting actionable feedback.

**Getting into Their Heads**

**Gathering Patient Experience Data**

- **Daily Rounding**
  - Leaders interview patients and family members during the service experience
  - Surfaces individual patients’ unmet needs and provides data to identify broader trends and opportunities for improvement

- **Patient Focus Groups and Interviews**
  - Patients gather to discuss service issues
  - Staff gain insight into patients’ shared understanding of service experience

- **Patient Panels**
  - Patients invited to tell stories of their experience (both positive and negative) to caregivers

- **Patient Shadowing**
  - Staff observe communication and service efforts
  - Gives opportunity to view patient experience and provide feedback to caregivers

- **Patient Experience Simulations**
  - Staff participate in experiential exercise that simulates uncomfortable and alienating patient experiences

If excellence is the bar, who sets it?
By asking, but **not acting**, hospitals **may make things worse**

Asking patients about their experience during their stay drives higher levels of patient satisfaction. However, identifying patient issues and failing to resolve those issues actually makes patients more dissatisfied than they were before being asked. A lack of cross-department service coordination and follow-up are common causes of suboptimal patient experience outcomes.

### Better Not to Have Asked?

**Likelihood of Repeat Purchase After Service Failure**

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<tbody>
<tr>
<td>Non-satisfactory Resolution</td>
<td>54%</td>
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<tr>
<td>Satisfactory Resolution</td>
<td>19%</td>
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**The Service Recovery Paradox**

The “service recovery paradox” states that with a highly effective service recovery, a service or product failure offers a chance to achieve higher satisfaction ratings from customers than if the failure had never happened. A little bit less academically, this means that a **good recovery can turn angry and frustrated customers into loyal customers**. In fact it can create even more goodwill than if things had gone smoothly in the first place.

*Customer Experience Academy*
Evolving patient experience requires a closed-loop system

To date, patient experience improvement efforts have primarily consisted of various episodic initiatives that respond to items identified in patient surveys or focus groups. Unfortunately, any gains achieved tend to fall off when the next campaign begins. Providers must instead design a care experience that anticipates and reacts to patient needs throughout the care experience, uses real-time data to “close the loop” on patient needs, and creates actionable intelligence that enables executives to continually and systematically improve the experience for all patients.
Organizations using this new model are achieving nation-leading performance

Case Study: Key Health, Mountain Region

IN BRIEF

A two-hospital region that is part of a larger system

This region was experiencing downward-trending HCAHPS scores

Key Health had attempted to implement nurse leader rounding, but compliance was low and results did not improve

Developed a closed-loop system leveraging iRound technology in 2011

Evolving Toward a Closed-Loop System for Patient Experience at Key Health

Enabled Executive-Level Visibility

- Dashboards show real-time service scores across all current patients
- Drill-downs show performance at the unit and service department levels
- Automated daily and weekly reports

Hardwired Service Recovery Process

- Easy documentation and prioritization of service requests
- Closed-loop communication with service departments
- House-wide transparency on service

Facilitated Data-Driven Decision Making

- Trends surfaced in key areas affecting performance
- Correlation revealed between HCAHPS and service recovery trends
- Continuous root cause analysis on issues

National Ranking: Patients Rating
Hospital ≥9 Out of 10

Before 2 Months After 20 Months After

Implementation

64% 76% 90% 40%

“iRound for Patient Experience gives our leadership team real-time visibility on all aspects of the patient experience. It brings a whole new level of accountability to our hospitals: we can understand exactly how patients are feeling about their experience every day, make sure that service recovery issues get resolved, and ensure that staff stay motivated and deliver on their goal to continually improve the patient experience. This improves both our top and bottom lines.”

EVP at Key Health

1) Pseudonym
Learn More
For more Advisory Board resources on patient experience, visit: advisory.com/solutions/patient-experience-solutions

Contact Us
To learn more about the Advisory Board’s patient experience initiative and the underlying technology profiled in the Key Health case in brief, please email: iroundinfo@advisory.com