

2015 Strategic Plan

Our **vision**, **mission** and **core values**

These foundational principles continue
to guide and inspire us

Our Vision

To be the leader in improving child health

Our Mission

Cincinnati Children's will improve child health and transform delivery of care through fully integrated, globally recognized research, education and innovation.

For patients from our community, the nation and the world, the care we provide will achieve the best:

- medical and quality of life **outcomes**
- patient and family **experience** and
- **value**

today and in the future.

Our Core Values



Respect everyone

- Celebrate the unique strengths of each person
- Learn from the traditions of others
- Honor the boundaries set by families
- Be kind

Tell the truth

- Communicate openly, honestly and clearly
- Champion and sustain accuracy and integrity
- Learn from mistakes
- Act ethically

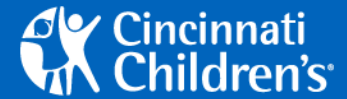
Work as a team

- Listen to others
- Deliver on commitments
- Work with colleagues and families to improve outcomes and performance

Make a difference

- Embrace new ideas; innovate
- Anticipate future needs; work to meet them now
- Engage and encourage scientific inquiry; affirm academic freedom
- Create, apply and share knowledge; teach others to do the same

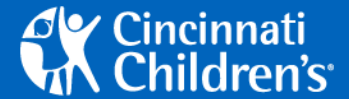
What The New Plan Does



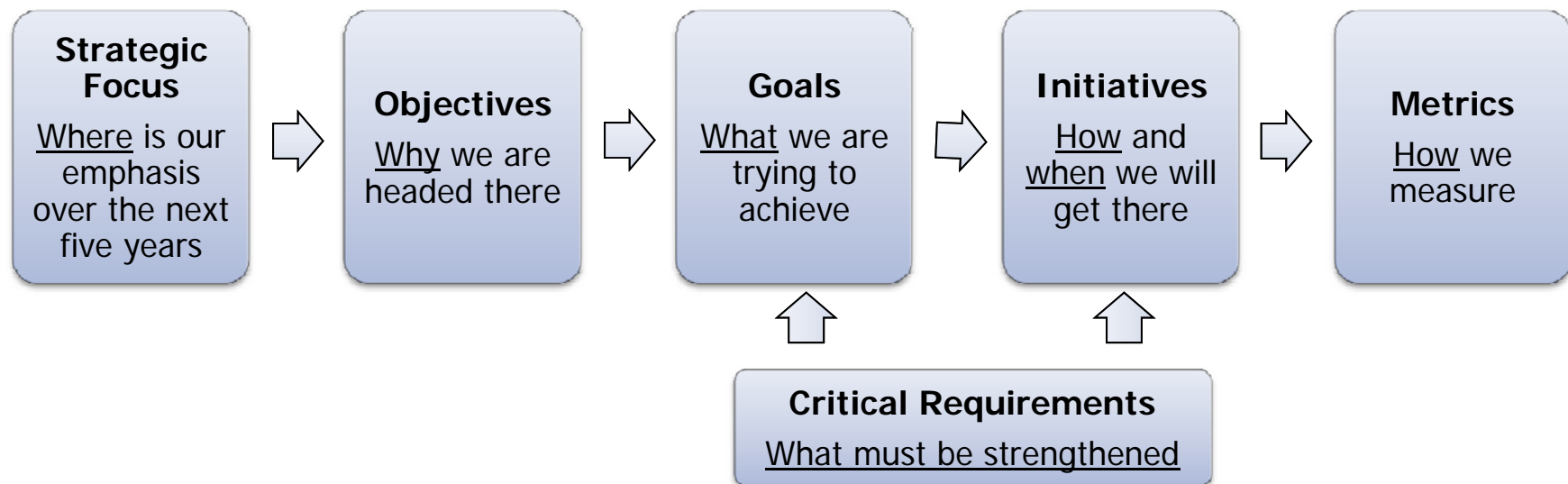
- **Affirms** our work to be the national leader in the transformation of care: outcomes, flow, safety, family centeredness and experience
- **Focuses and accelerates** specific efforts to achieve our vision and deliver on our mission
- **Frames** our five-year strategic emphasis, but does not define the totality of our efforts
- **Takes** into account the changing environment
- **Points** us toward initiatives and investments over three time horizons: short-term, mid-term and long-term

Our Strategic Plan

Plan Components and Definitions



The parts are interconnected



We will deliver demonstrably superior outcomes and experience at the lowest possible cost and discover and apply better ways to improve the health of more children, here and around the world.

Objectives and Goals

Our Objectives

To increase the satisfaction of our patients and families, we will achieve excellence in our delivery system.

To extend our impact, we will grow targeted programs, deliver integrated care and apply superior research.

To improve the health of more children, we will harness the power of research from basic to outcomes and pursue game-changing discoveries, partnerships and business ventures.

Our Goals

Safety: Be the safest hospital. Implement systems that reliably deliver safe care to our patients and protect the safety of our employees.

Outcomes: Develop and embed tools for measuring and improving outcomes for 100 diseases and complex disorders and achieve at least 20% improvement for at least 50% of them and best-in-class outcomes for 20 high impact diseases and complex disorders.

Care Integration: Develop integrated, well-coordinated delivery systems across the continuum of care to improve quality and cost-effectiveness.

Community Health: Lead, advocate and collaborate to measurably improve the health of local children and reduce disparities in targeted populations.

Productivity: Optimize use of facilities and staff and improve patient flow to achieve 20% greater utilization of existing assets.

Cost: Be a model for lowering health-care costs. Reduce inflation-adjusted and severity-adjusted cost per patient encounter by at least 5%.

Clinical Expansion: Improve services for children with targeted diseases and complex disorders by strengthening existing programs and developing new ones.

Expand Reach: Leverage our resources to improve the health of more children beyond our community.

Research: Expand the research pipeline. Create the infrastructure and environment to support the spectrum of research and accelerate its impact on child health.

Innovation: Drive innovation in everything we do.

Initiatives and Metrics for Each Goal

Initiatives (short-form) supporting our goals:

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| <ol style="list-style-type: none">1. Eliminate all preventable serious harm2. Achieve the lowest rate of employee injury3. For 100 diseases and disorders:<ul style="list-style-type: none">• Implement self-management programs• Embed standardized measures• Use improvement science outcomes research4. For 20 high priority diseases and disorders:<ul style="list-style-type: none">• Integrate research, improvement science and information systems• Initiate multi-site improvement/research networks5. Support team-based relationships for integrative care6. Develop care management teams for complex patients7. Leverage work to the appropriate level of staffing8. Reduce infant mortality rate9. Reverse the trend of increasing childhood obesity10. Reduce hospital use by children with asthma11. Reduce unintentional injuries rate12. Reduce system delays13. Increase RVU per clinical FTE14. Increase nurse presence for inpatients15. Increase billed hours per operating room16. Reduce ED length of stay | <ol style="list-style-type: none">17. Increase outpatient clinic utilization18. Reduce supply and drug costs19. Eliminate unnecessary diagnostic tests20. Reduce cost of shared services functions21. Develop at least two new interdisciplinary programs per year22. Expand at least one significant existing program per year23. Develop transitional care capability24. Develop long-term care capability25. Enhance and develop new services at geographically distant sites26. Develop a leading capability for tele-health27. Increase lives impacted outside our community28. Identify key thematic areas of research emphasis and an ideal portfolio balance29. Pursue external research partnerships and collaborations30. Expand the scope of clinical and translational research through robust infrastructure support31. Annually assess the future potential of under-funded research32. Create an enterprise-wide innovation center33. Assign leadership accountability for innovation34. Establish and grow core technologies to support innovation35. Promote rapid implementation of innovative pilot projects |
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Detail for each initiative including measurable targets presented in the next 10 slides.

Goal and Initiatives

Be the safest hospital. Implement systems that reliably deliver safe care to our patients and protect the safety of our employees.

- Eliminate all preventable serious harm by leveraging our internal and external learnings toward becoming a High Reliability Organization (HRO) by June 30, 2015.
- Achieve and maintain the lowest rates of hospital employee injury and reduce our current rate by no less than 50% by June 30, 2015.

Metrics

- # of preventable serious harm events
- Rate of OSHA Recordable injuries/illnesses
- Timely reporting of OSHA recordable injuries/illnesses

Outcomes



Goal and Initiatives

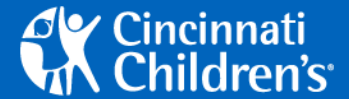
Develop and embed tools for measuring and improving outcomes for 100 diseases and complex disorders and achieve at least 20% improvement for at least 50% of them and best-in-class outcomes for 20 high impact diseases and complex disorders.

- For the 100 diseases and complex disorders:
 - Implement self management programs for 100% of the diseases and disorders to optimize the ability of the patient/family to effectively manage their chronic conditions at home with a confidence rating greater than or equal to 7 out of 10 by June 30, 2015.
 - Use the EHR and clinical registries and other electronic tools to embed standardized measures of outcome and experience for each condition, generate point of care reports on process reliability and outcomes for individuals and populations, for more than 80% of conditions and achieve 90% reliability on processes of care that link to clinical and functional outcomes by June 30, 2015. (Outcomes measures include clinical, experience of care, cost and patient reported outcomes (QOL).)
- For the 20 high impact diseases and complex disorders additionally:
 - Integrating research and improvement by conducting externally funded, patient-based research and clinical trials to address gaps in knowledge and defined outcomes by June 30, 2015.
 - Initiating multisite improvement/research networks to accelerate improvement for at least 10 diseases and complex disorders by June 30, 2015.

Metrics

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| <ul style="list-style-type: none">• % of diseases which have at least 20% improvement from baseline for condition specific clinical and functional outcomes• % of patients receiving standardized/evidence based care (rolled up Metric by Division and System wide)• % of families that receive optimal support (process measure from Medical Home survey)• Aggregate inflation and severity adjusted cost per patient encounter (outcome measure)• # of diseases/complex conditions for which CCHMC is in the top decile for outcomes where data or reputational score available (outcome measure) | <ul style="list-style-type: none">• Proportion of disease based teams that have complete timely reports for > 80% of EPIC measures (population and individual)• % of families who rate the care coordination as meeting their needs (outcome measure)• % of families who receive evidence based self management support• % of families who rate their confidence to self manage as $\geq 7/10$ (outcome measure) |
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Care Integration



Goal and Initiatives

Develop integrated, well-coordinated delivery systems across the continuum of care to improve quality and cost-effectiveness.

- Implement an effective organizational infrastructure that supports team-based relationships to facilitate integrative care/services by June 30, 2012.
- Develop care management teams to track and manage care of patients with 5 targeted diseases and complex disorders by June 30, 2014.
- Leverage work to the most appropriate level of staff while improving quality of care in a cost effective manner that results in a 5% decrease in cost of care by condition by June 30, 2015.

Metrics

- % of families who say we coordinate and integrate care to meet their needs
- % decrease in unplanned admissions
- % of patients receiving standardized/evidence based care (rolled by metric by division and system-wide)
- % reduction in cost of care by condition (outcome measure)
- % of patients with complex/chronic diseases and disorders with a designated care giver as coordinator of care
- % of patients with complex/chronic diseases and disorders who have a designated medical home

Goal and Initiatives

Lead, advocate and collaborate to measurably improve the health of local children and reduce disparities in targeted populations.

- Reduce infant mortality 30% by executing the Infant Mortality Project and other initiatives by June 30, 2015.
- Reverse the trend of increasing childhood obesity through policy, and initiatives incorporating specific programs to reach schools, private practices and the community by June 30, 2015.
- Reduce the use of the ED and inpatient services by asthmatic children 30% by creating an integrated CCHMC asthma program incorporating specific programs to reach schools, private practices and the asthma community by June 30, 2015.
- Reduce the occurrence of unintentional pediatric injuries 30% through policy, community programming and school based projects by June 30, 2015.

Metrics

- Hamilton County infant mortality rate
- Prevalence of obesity as measured by BMI in Cincinnati Public Schools
- Asthma ED and inpatient admission rates for CCHMC
- Hamilton County unintentional injury rates as measured by Hamilton County injury surveillance system

Productivity



Goal and Initiatives

Optimize use of facilities and staff and improve patient flow to achieve 20% greater utilization of existing assets.

- Reduce patient delays across the system 20% using care pathways & other methods by 6/30/15.
- Increase the mean relative value units (RVU) per clinical FTE provider 10-20% by June 30, 2015.
- Increase nurse presence for inpatients from 30% to 50% by June 30, 2015.
- Increase billed OR hours per operating room 20% by June 30, 2015.
- Reduce Emergency Department length of stay 20% by June 30, 2015.
- Increase outpatient clinic utilization 20% by June 30, 2015.

Metrics

- % of patients delayed across the system (includes ED, PICU, inpatient and PACU)
- RVUs per provider compared to internal and national data base
(NOTE: For pediatric subspecialties, use AAP benchmarks - for surgical subspecialties, MGMA does not have benchmarks for many of the pediatric sub-specialty areas; will need to identify and adopt best practice standards for these disciplines)
- % of time nurse is in patient or procedure rooms (current metric excludes ICUs and A5)
- Operating room time revenue billed per operating room; also consider the ratio of billed hours to paid hours
- ED length of stay (stratify LOS for admitted patients vs. non-admitted patients)
- Outpatient clinic utilization

Goal and Initiatives

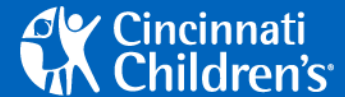
Be a model for lowering health-care costs. Reduce inflation-adjusted and severity-adjusted cost per patient encounter by at least 5%.

- Reduce supply and drug costs as a percentage of billing revenue from its current level of 8.04% to 7.24% by June 30, 2015.
- Formally evaluate targeted diagnostic test orders for the purpose of identifying testing that does not add to medical outcome or meaningful refinement of diagnosis or treatment protocol by July 1, 2011. Eliminate unnecessary testing by June 30, 2015.
- Drive down the cost of shared services functions as a percentage of total revenue from its current level of 23.2% to 21.6% by June 30, 2015.

Metrics

- Aggregate inflation and severity adjusted cost per patient encounter
- Annual operating costs of support, admin and business functions as a percent of total revenue
- Revenue generated per square foot of space – includes separate measures for clinical and research/lab space
- Medical supplies/drug/blood costs per patient encounter
- Salary costs expended to generate \$1 of revenue

Clinical Expansion



Goal and Initiatives

Improve services for children with targeted diseases and complex disorders by strengthening existing programs and developing new ones.

- Develop coordinated business, staffing and marketing plans for at least 2 new inter-disciplinary programs, focused on chronic and complex diseases or disorders, to launch each year for 5 years, each of which attract at least 100 new patients annually.
- Develop coordinated business, staffing and marketing plans for at least 1 current program each year for the next five years which has expansion potential to reach 500 more patients by June 30, 2015.
- Develop a transitional care unit to care for patients over the age of 21 with a variety of complex and chronic diseases by June 30, 2015.
- Develop the capacity to provide long term care for all appropriate patients by June 30, 2015.

Metrics

- # of new programs annually with 100 or more incremental new patients
- # of existing programs expanded annually with more than 500 incremental new patients
- Establishment of a care facility for children with long term care needs
- Establishment of a transitional care unit for patients over age 21
- % increase in contribution margin from new and expanded programs/joint ventures

Expand Reach



Goal and Initiatives

Leverage our resources to improve the health of more children beyond our community.

- Enhance current and develop substantial new clinical services, affiliations, joint ventures and partnerships at geographically distant sites that produce annual net revenues to reach at least \$20M by June 30, 2015.
- Expand the number of families and patients served by CCHMC clinical expertise through tele-health capabilities from 4,000 to 20,000 by June 30, 2015.
- Increase the number of lives impacted by direct application of CCHMC interventions, programs and services outside our community from X to Y by June 30, 2015.

Metrics

- \$ of clinical revenue generated by owned services and active partnerships and affiliations with companies or institutions
- # of patients directly impacted by tele-health implementation
- \$ of revenues/expenses dedicated to impacting the lives of children not directly under our care at any location

(Note: This would include population based research, preventative care and vaccination efforts, training of international clinicians and scientists, training of CCHMC clinicians and scientists in places other than CCHMC, consultations at other institutions and/or countries that result in improved care or population health, education of families and parents in the community and support of national and global disasters)

Goal and Initiatives

Expand the research pipeline. Create the infrastructure and environment to support the spectrum of research and accelerate its impact on child health.

- Formulate a five-year plan that will identify the key thematic areas of research emphasis and the ideal portfolio balance along the full spectrum of basic, translational, clinical, outcomes and population health research by June 30, 2011. Within six months of the completion of the plan, commission a panel of world-class external experts from both academia and industry to validate and refine.
- Strengthen our potential for game-changing research through aggressive pursuit of external partnerships and collaborations.
- Expand the scope and impact of clinical and translational research through the creation of a robust and operationally efficient infrastructure that includes:
 - Human enrollment support
 - Informatics support for data collection (internally captured and externally imported) and analysis
 - Protocol tracking and compliance
 - Grantsmanship training (grant writing support, navigation/understanding of nuances and specifics of grant funding source, etc.)
 - Mentorship
- Operationalize an annual process for measuring and evaluating under-funded research effort for its future innovative potential by June 30, 2011. Eliminate under-funded research effort that is deemed to lack sufficient future potential by June 30, 2015.

Metrics

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| <ul style="list-style-type: none"> • Balance of research portfolio <ul style="list-style-type: none"> • Distribution of research effort (basic, outcomes, health services etc) • Quality of research effort <ul style="list-style-type: none"> • % of grant submissions that are funded • # of publications • % of grants that are program expansive (P or U series grants) • CCHMC's "market share" of NIH funding | <ul style="list-style-type: none"> • Quality of research effort (cont) <ul style="list-style-type: none"> • # of discoveries that impact clinical practice • % of unfunded research • % of internal grants (Place, Trustee, etc) converted to external funding • % of disclosures/patents that are commercialized • Average cycle time from discovery to application • Average cycle time from discovery to change in clinical practice | <ul style="list-style-type: none"> • % of research funding that is multi-site/multi-partner • # of leading collaboratives • Expansion of clinical and translational research <ul style="list-style-type: none"> • # of clinical trials • % of patients enrolled in studies • % of studies that reach enrollment goals • Unfunded (institutionally funded) research costs as percentage of total revenue |
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Goal and Initiatives

Drive innovation in everything we do.

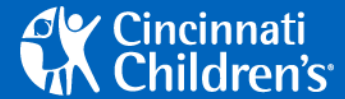
- Formulate a five-year plan by June 30, 2011, that will identify the appropriate infrastructure, resources, portals and processes needed to foster an enterprise-wide innovation center.
- Develop and assign leadership accountability across the enterprise for innovation by June 30, 2012.
- Establish and grow research, learning and business cores and technologies to provide functional support for innovation by June 30, 2013.
- Develop and promote rapid implementation of at least 3 innovation pilots by June 30, 2015.

Metrics

- # of discoveries that result in breakthrough performance (>50% change defined as discoveries that achieve breakthrough changes in outcomes, experience or cost/value)
- # of processes, patients, populations, lives impacted by breakthrough discoveries
- % increase in revenue from monetized "products" on market and in use

Critical Requirements

Leadership and Education Excellence



Critical Requirement and Initiatives

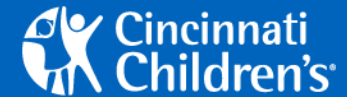
Deliver leadership development, professional education and talent management programs that enhance leadership and management capabilities and superior decision making.

- Invest in structured leadership development at all levels throughout the enterprise to enable 50% of open leadership positions to be filled by internal candidates and have succession plans in place for top leadership positions in all departments and divisions by June 30, 2015.
- Provide trainee and education programs for residents, fellows, post-docs, nurses and other clinical staff by June 30, 2015 that result in measured best-in-class outcomes for each audience.

Metrics

- % of leadership positions (M2 and above) filled internally
- % of divisions and departments with active succession plans for top three leadership positions
- % of positions filled by our first choice candidate from a diverse pool of candidates
- Measured outcomes by segmented audience, to include residents, fellows, nurses and other clinical staff

Infrastructure Investment



Critical Requirement and Initiatives

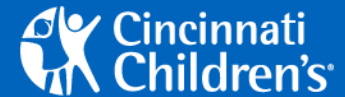
Develop superior capabilities in cores and services that are critical to support and advance cutting-edge research, education and care, including biomedical informatics, human and integrated genomics, health services research and data management services.

- Establish Departments of Biomedical and Health Informatics and Human and Integrative Genomics at the UC College of Medicine and Cincinnati Children's Research Foundation/CCHMC and recruit department chairs by July 1, 2012.
- Increase grant-funded projects for Biomedical and Health Informatics and Human and Integrative Genomics by 50% by June 30, 2015.
- Develop and execute a five year operating plan for the James M. Anderson Center for Health Systems Excellence, recruit key faculty to establish core methodological expertise in Health Services Research and recruit outcomes research faculty within specific Divisions, Departments and Institutes to integrate improvement science to achieve best in class outcomes by June 30, 2015.
- Recruit intellectual talent necessary to create a data management services center to provide data management leadership, expertise, career development, resources and consulting by June 30, 2013. Develop quality data management SOPs, processes and training by June 30, 2012.

Metrics

- Research funding in informatics, genomics and health services research
- Publications in high impact journals in informatics, genomics and health services research

Expanded Revenue Streams



Critical Requirement and Initiatives

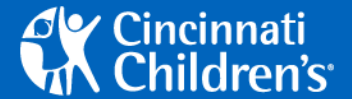
Strengthen programs that generate significant clinical revenue and diversify revenue streams by pursuing domestic and international business relationships, developing new ventures, commercializing innovation and establishing a world-class development culture and capability.

- Maintain at least a 7.5% annual growth rate of net revenues in high contribution margin (>25%) programs by June 30, 2015.
- Develop revenues from partnerships, affiliations and new ventures to reach \$50M annually by June 30, 2015.
- Increase research related revenues from licensing, royalties, industry agreements, clinical trials and non-NIH grant sources at an average annual growth rate of 15% by June 30, 2015.
- Reach at least \$40M annually in fundraising by June 30, 2015.

Metrics

- Total annual fund raising
- % annual growth of total research revenues related to non-NIH grants, industry agreements, clinical and translational trials and commercialization
- Total revenues derived directly from documented domestic and international, relationships and partnerships and new ventures owned solely by CCHMC or which CCHMC has an equity stake
- % growth of net revenue from high contribution margin (> 25%) programs, defined as Business Units and Institutes

Our Aspirations



Pursuing these aspirations will lead us towards our vision "to be the leader in improving child health."

Our Aspirations

To be the leader in improving child health . . . here and around the world



Child Health

- **Safety:** Eliminate all preventable serious harm to our patients
- **Outcomes:** Achieve best-in-class outcomes for all children including those with complex diseases and disorders
- **Experience:** Earn satisfaction scores of at least 7 from all patient families
- **Community:** Support Greater Cincinnati in becoming the healthiest region in the country for children

Enterprise Health

- **Institutes:** Demonstrate the success of the Heart, Perinatal and Cancer & Blood Diseases Institutes*
- **Research:** Optimize the impact of the research enterprise*
- **Clinical Expansion:** Increase the share of inpatient revenue derived from patients from outside our primary service area by 20%
- **Reputation:** Be rated in the top 5 for all pediatric subspecialties ranked by U.S. News; Be named one of the Top Hospitals by the Leapfrog Group; Be #1 in federal research funding; Be ranked the #1 Department of Pediatrics by U.S. News

Financial Health

- **Productivity:** Achieve 20% greater utilization of existing assets
- **Philanthropy:** Raise at least \$300M over the next five years
- **New Ventures:** Reach at least \$75M annually in revenue from new domestic and international ventures and partnerships
- **Credit Rating:** Meet all benchmark medians for the universe of "Aa" rated credits

* Specific teams from the Institutes and the Research Foundation have been charged with defining these aspirations