Leading In Challenging Times
STTI Leadership Connection 2014
Our Topics

■ What is Changing?

■ The Role of the Leader

■ Preparing our Staff
“The greatest difficulty in the world is not for people to accept new ideas but for them to forget their old ones.”

John Maynard Keyes
Your Challenges

My biggest challenge around leading in a time of change is _________________________________.

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The Challenge for Nurse Leaders

• The clock is ticking.

• Change is coming.

• We need to shift strategy.

• Not everyone is there yet.
Changes in the Healthcare System

Health Care Reform?
Key Provisions at a Glance

Insurance companies are prohibited from denying coverage based on a pre-existing condition. There are caps on deductibles and annual out of pocket spending is capped at $3300.

As amended, it prohibits federal funds from covering abortions. Women would need to purchase riders to insurance purchased on the exchange if they wanted that coverage.

The bill includes mandates for individuals to purchase or businesses to provide health insurance or pay a fine. Individual penalty is 2.5 percent of gross income unless they get a waiver. Businesses that don’t offer insurance pay a fine equal to 8 percent of their payroll. Businesses with a payroll of less than $500,000 are exempt from the mandate.

Creates a public health insurance option and a national exchange for the uninsured and small businesses to purchase health insurance. The Secretary of Health and Human Services would negotiate rates with doctors and hospitals or reimbursement rates.

The bill taxes individuals making more than $500,000 and $1 million for couples. It is 4.4 percent tax.

Provides tax subsidies for individuals between 150 and 400 percent (sliding scale) of the Federal Poverty Level. There are also tax subsidies for small businesses.

2010
- In the year 2010, there would be three major changes to health care.
  1. Insurance companies would no longer be allowed to deny coverage to children with pre-existing Diseases.
  2. Children would be able to stay on their parents’ insurance policies until they turn 19 years old.
  3. Medicare recipients who fall into a specific coverage gap will get a $250 rebate.

2011
- In 2011, the new health care bill will make changes focused mostly on preparing for later updates.
  - Individuals that have not had health insurance for 3 months, will receive a subsidy to enroll in a high-risk insurance pool. All new insurance plans must meet new preventive care and screenings from deductibles.
  - Small businesses with fewer than 25 employees would receive up to a 35 percent tax credit for providing health insurance to their employees.

2012–2013
- No major changes will occur in health care in the year 2012 under the new health care bill.
  - The tax on the drug, which will be implemented to help pay for the upcoming changes.
  - The fine on withdrawing funds from a Health Savings Account for non-medical expenses will increase by 5 to 10 percent.
  - Employers will also need to start including the cost of health care on employee’s W-2 forms.

2014
- In 2014, the majority of Americans will gain benefits from the new health care bill. Exchanges will be created so individuals without employer-provided health care or small business can shop for health care coverage – and insurance companies will be barred from denying coverage on the basis of pre-existing conditions.
  - Medicare will also expand to cover all Americans with income up to 133 percent of the federal poverty level (about $27,000 per year for a family of 4).

2015–2018
- Small businesses will also receive a tax credit to help them provide coverage to their employees. The insurance industry will also be required to pay an annual fee to help pay for the exchanges that will cover all citizens that cannot otherwise receive insurance.
  - In addition to providing subsidies and guaranteed coverage for most citizens, the new health care bill will also require that most people have health insurance. There will be a fine for not carrying insurance of some sort. An independent Medicare board will also be created to help curb Medicare costs if the costs rise more quickly than inflation.

In 2017, businesses that have more than 100 employees will be allowed to participate in the state insurance exchanges, if the state government asks it. In 2018, an excise tax will be imposed on so-called “Cadillac plans” that generally provide more than $27,500 worth of coverage for a family.
Planning in a Maze
But We Don’t Want to End Up Here

Choluteca River Bridge - Honduras
Four rivers of change in healthcare

1. From Volume to Value-Based Care

2. Experimentation with Accountable Care Organizations

3. Movement to Interdisciplinary Team-Based Patient Management

4. Patient/Family Engagement and User-Driven Technology

Dr. Tim Porter-O’Grady

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Where Healthcare is Headed

- Fee-for Service
- Volume-Based Care
- Value-Based Care
Volume to Value-Based Care

- Transparency in Costs
- Non-payment for preventable readmissions
- Movement to reimbursement for episodes of care
- Movement away from tertiary-level care to care in the community
- More assumption of risk by providers and accountable care organizations and incentives to reduce costs

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Payment bundling will encourage health systems keep patients within a narrow network and carefully manage care.
Predicted Changes

- Focus will shift to keeping patients out of the hospital with the potential for a significant decrease in hospital utilization.
- Focus will shift from individual to population management with better metrics available from EHR data and genetic profiling.
- Fewer tests (radiology, lab, interventional work)
- Change in the prescribing of medications
- Moving patients away from tertiary care will result in fewer ED visits.
- The future challenge will be how to manage patients effectively in the community and engage them in their own care.
Changes in the Nursing Workforce
Nursing Workforce Trends: Growth

2013 Data from the US Healthcare Workforce Chartbook in Brief

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Generations in the Workplace

- Baby Boomers: 38%
- Generation X: 32%
- Generation Y: 22%
- Veterans: 8%

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## Change in RN Retirements

<table>
<thead>
<tr>
<th>% of Nurses still in the workforce at 50</th>
<th>1969-1990</th>
<th>1991-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working at Age 62</td>
<td>47%</td>
<td>74%</td>
</tr>
<tr>
<td>Working at Age 69</td>
<td>9%</td>
<td>24%</td>
</tr>
</tbody>
</table>

Auerbach, D.I., Buerhaus, P.I. & Staiger, D.O. Registered nurses are delaying retirement: A shift that has contributed to the recent growth in the RN workforce *Health Affairs* (August 2014) 8: 1474-1480.
# Where Nurses Work Today

<table>
<thead>
<tr>
<th>Setting</th>
<th>% of Nurses Working in Setting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>57% **5% Decline from 2008 Data</td>
</tr>
<tr>
<td>Ambulatory Care Settings</td>
<td>9%</td>
</tr>
<tr>
<td>Home Health</td>
<td>6%</td>
</tr>
<tr>
<td>Nursing Homes</td>
<td>6%</td>
</tr>
<tr>
<td>Other Settings</td>
<td>22%</td>
</tr>
</tbody>
</table>

RN Data from 2013 National Nursing Workforce Survey

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Changes for the healthcare workforce

- More population focused
- More team-based care
- More roles in the community and long-term care settings
- Fewer positions in hospitals
- More aggressive community case management of high risk patients
- Home-based primary care visits
Managing Populations of Patients

Using Big Data to Make Clinical Decisions

Working on Interprofessional Teams

Managing Patients across the Continuum of Care

Community Health and Long-Term Care Expertise

Working with Technology to Manage Patients in their Homes – Clinical Informatics or Telehealth

Leading and Delegating Care versus Delivering It
Maintaining a Healthy Work Environment

- Staff engagement is the key
- Communication needs to be open
- Don’t withdraw
- See yourself as a framer of the change
The Nurse Leader as Framer

- Control the Context
- Define the Situation
- Apply Ethics
- Interpret the Uncertainty
- Design Your Response
- Control Spontaneity
New 21st Century Leader Skills

Quantum leader skills

- Willingness
- “Setting the table” (gathering)
- “Tough love” language
- Confronting dependencies
- Leading “movement”
- “Storytelling” the journey
- Transferring skills for practice
- Making the journey safe
What You Say Matters as a Leader

Key Points to Discuss

• Healthcare is Changing - EVERYWHERE

• There will be a great need for nurses BUT the places where nurses work will change.

• Education will matter more than ever.

• You will need to be flexible.
Watch the Signposts

• Read broadly – the news, politics, business and demographics
• What are the experts saying?
• How might this impact my work setting and my professional work?
Contact Information

Rose O. Sherman, EdD, RN, NEA-BC, FAAN
Professor/Director, Nursing Leadership Institute
Christine E. Lynn College of Nursing
Florida Atlantic University
(561) 297-0055
Blog [www.emergingrnleader.com](http://www.emergingrnleader.com)
E-Mail [rsherman@fau.edu](mailto:rsherman@fau.edu)

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Read to Lead

- **Emerging RN Leader Website** [www.emergingrnleader.com](http://www.emergingrnleader.com)
  Author: Dr. Rose O Sherman, EdD, RN, FAAN posts twice weekly posts (Monday and Thursday) on leadership topics targeted to developing nurse leaders. Many blogs include free leadership resources.

- **Fierce Healthcare** [http://www.fiercehealthcare.com/](http://www.fiercehealthcare.com/)
  Fierce Healthcare is a daily newsletter that is a leading source of healthcare management news. This is an excellent resource for nurse leaders on a wide range of healthcare leadership topics. Subscriptions are free.

  The HBR IdeaCast, from the publishers of Harvard Business Review, Harvard Business Press, and hbr.org, features breakthrough ideas and commentary from the leading thinkers in business and management. These are weekly podcasts and you can subscribe to them for free on Itunes.

- **Hospitals and Health Networks** [http://www.hhnmag.com/](http://www.hhnmag.com/)
  Hospitals and Health Networks is published by Health Forum and is the official publication of the American Hospital Association. Free digital and magazine subscriptions are available for nurse leaders. The publication covers a wide range of healthcare leadership topics. Podcast interviews with health leaders are also available on the site.

- **Institute for Health Care Improvement Open School** [http://www.ihi.org/education/ihiopenschool/Pages/default.aspx](http://www.ihi.org/education/ihiopenschool/Pages/default.aspx)
  The IHI is internationally recognized for work in quality improvement. They now have an open school on the internet that is used by many universities and health systems. This site contains 19 foundational courses on patient-and family-centered care, quality improvement, patient safety, managing healthcare operations, and leadership for a modest subscription fee.

- **TedTalks on Leadership** [http://www.ted.com/search?cat=ss_all&g=leadership](http://www.ted.com/search?cat=ss_all&g=leadership)
  TED is a nonprofit devoted to ideas worth spreading. It started out (in 1984) as a conference bringing together people from three worlds: Technology, Entertainment, Design. The Ted talks on leadership are wonderful short videos from some of the most creative thinkers in the world on leadership.