



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 Keynes



Your Challenges

My biggest challenge around leading in a
time of change is



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 \$5000.



Reduces overpayments to doctors who treat Medicare Advantage patients. It is estimated they are paid 14 percent more than doctors.



The bill taxes individuals making more than \$500,000 and \$1 million for couples. It is a 5.4 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.



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 and 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 on reimbursement rates.

2010

A 10 Year Timeline

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 illnesses.
2. Children would be able to stay on their parent's insurance policies until they turn 26 years old.
3. Medicare recipients who fall into a specific coverage gap will get a \$250 rebate.

Other changes include:

- Excise tax on indoor tanning, which will increase the cost of that service.
- Individuals that have not had health insurance for 6 months will receive a subsidy to enroll in high-risk insurance pools. All new insurance plans sold must exempt preventative 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.

2011

In 2011, the new health care bill will make changes focused mostly on preparing for later updates.

The senior citizens that fall into the "medicare doughnut hole" — a coverage gap — will get a 50 percent discount on some drugs.

In 2011, a new fee on drug makers will also 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.

2012-2013

No major changes will occur in health care in the year 2012 under the new health care bill.

In 2013, many of the new taxes and fees that will pay for the new health care bill will go into effect. These taxes will include new Medicare taxes on individuals who earn more than \$200,000 a year. The wage tax, dividends and interest tax, and a small tax on medical devices will also be implemented.

In 2013, the new health care bill will also implement a test system in Medicare in which payments are made based on the quality, rather than quantity of health care services. Health insurers will also be barred from charging different premiums to customers based on gender.

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

In 2015, the new health care bill will simply continue the new coverage, taxes and fees that are created in previous years.

In 2016, the penalty for individuals who do not purchase health insurance will rise to a \$695 minimum.

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 allows 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



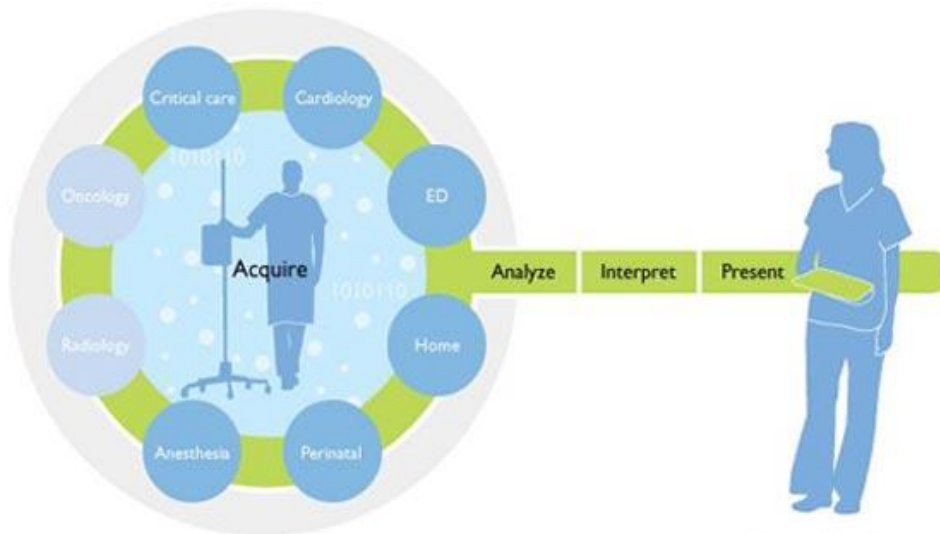
Four rivers of change in healthcare

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



Where Healthcare is Headed



Delivers relevant data into the universe of patient information
(EMR, CPOE, labs, radiology)

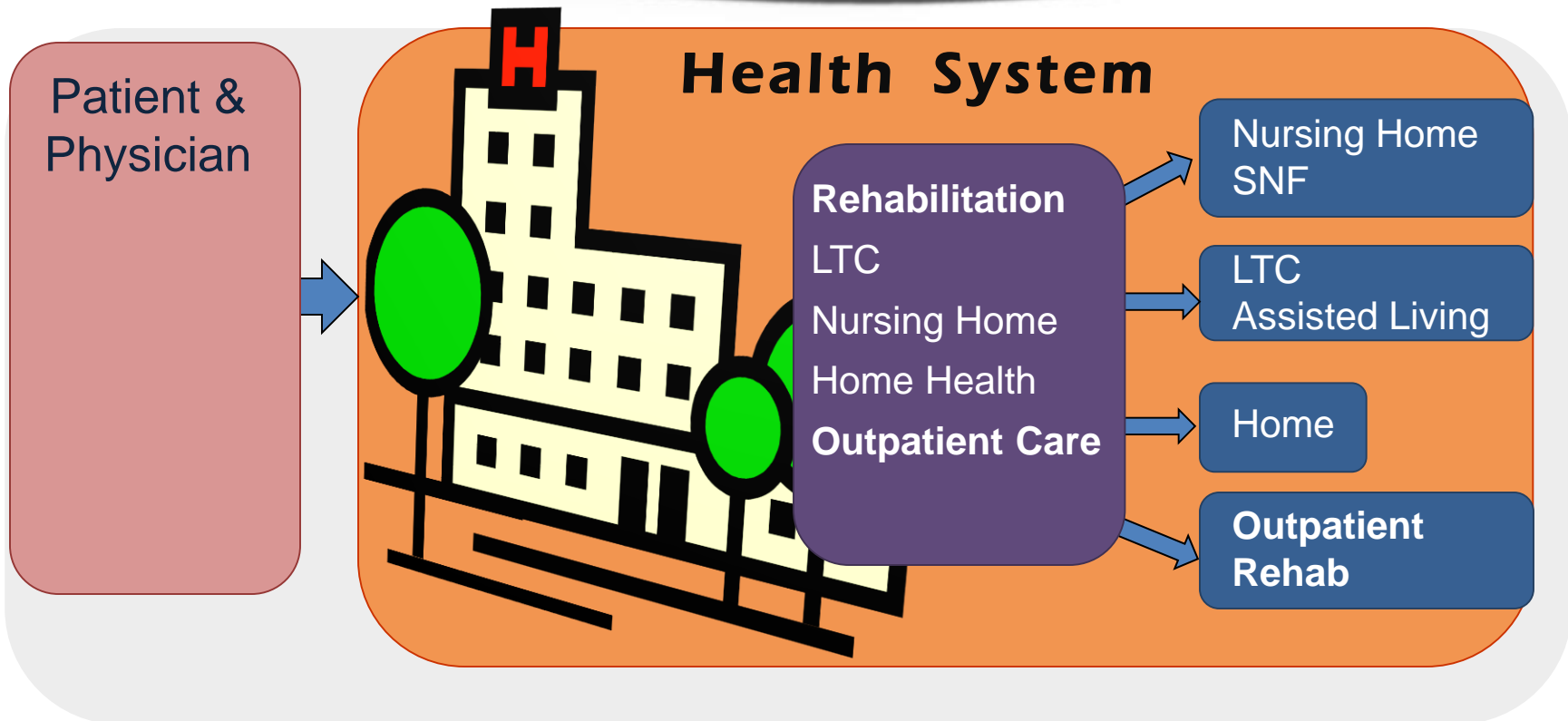
Clinical Decision Support
Anytime. Anywhere.





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**



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

Accountable Care Organizations: What it Might Mean



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.

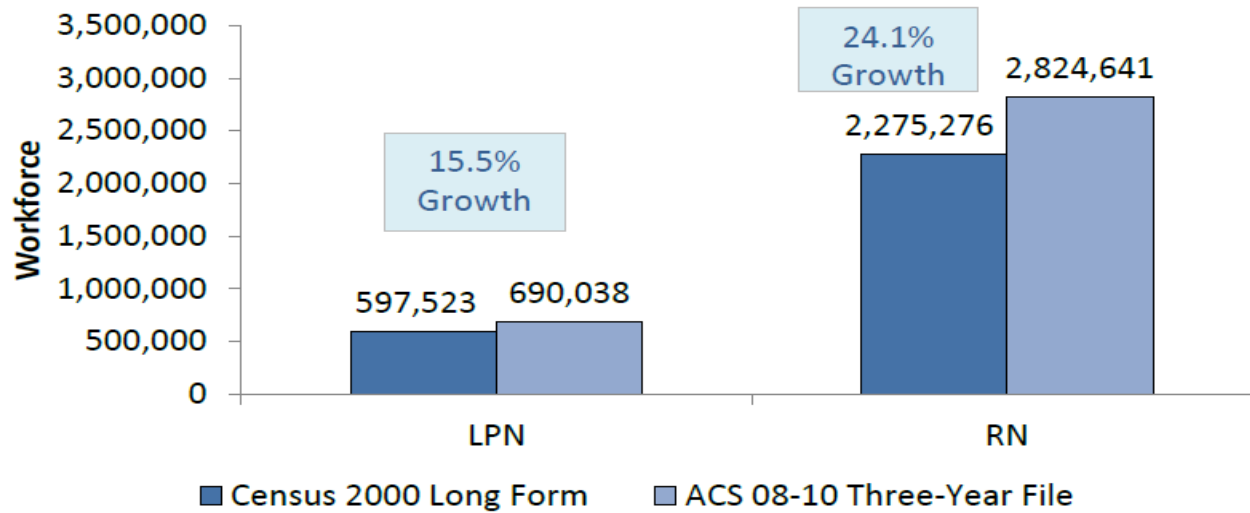


Changes in the Nursing Workforce





Nursing Workforce Trends: Growth



	Per Capita Supply 2000	Per Capita Supply 08-10	% Change in per Capita Supply
RNs	808.5	920.9	13.9%
LPNs	212.3	225.0	6.0%

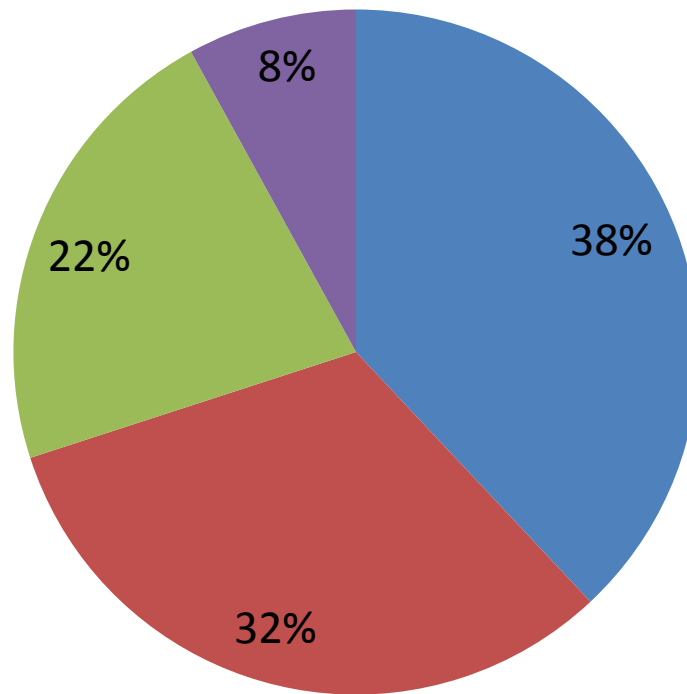
2013 Data from the US Healthcare Workforce Chartbook in Brief

<http://bhpr.hrsa.gov/healthworkforce/supplydemand/usworkforce/chartbook/chartbookbrief.pdf>



Generations in the Workplace

■ Baby Boomers ■ Generation X ■ Generation Y ■ Veterans





Change in RN Retirements

% of Nurses still in the workforce at 50	1969-1990	1991-2012
Working at Age 62	47%	74%
Working at Age 69	9%	24%

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

Setting	% of Nurses Working in Setting
Hospital	57% **5% Decline from 2008 Data
Ambulatory Care Settings	9%
Home Health	6%
Nursing Homes	6%
Other Settings	22%

**RN Data from 2013 National Nursing
Workforce Survey**



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**





Guidance for Nurse Leaders



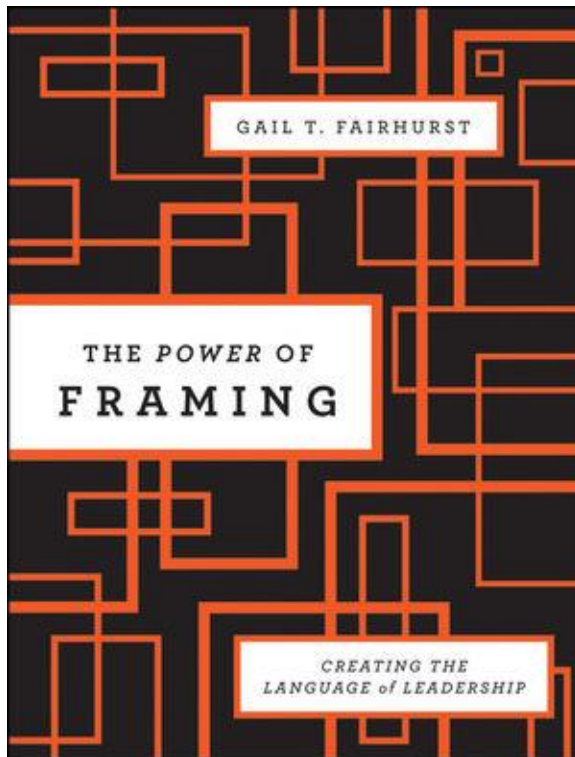


Maintaining a Healthy Work Environment

- 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

Tim Porter-O’Grady

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?





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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.
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- [Institute for Health Care Improvement Open School http://www.ihl.org/education/ihopenschool/Pages/default.aspx](http://www.ihl.org/education/ihopenschool/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&q=leadership](http://www.ted.com/search?cat=ss_all&q=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.