By Ronald L Copeland, MD, FACS

The Problem with Variation

"What lies behind us and what lies before us are tiny matters compared to what lies within us."
often attributed to Ralph Waldo Emerson

A common expression likens the challenge of organizing physicians to that of herding cats. This metaphor is based on the recognition that their training and development makes physicians very independent and autonomy-oriented. The virtues of independent practice may have served us well in the competitive atmosphere of pre-med studies and medical school training, but this benefit is not clearly true in today's health care arena. The problem with variation in medical practice is that this variation is a double-edged sword: It can form the basis for creativity and innovation or it can be a cause of poor outcomes, defective processes, and ineffective stewardship of resources.

Given today's need for health care delivery systems that function in a highly integrative fashion, collaboration has become a highly valued behavior in medical practice. An ongoing assumption among many experts has held that group-model medical practices deliver population-based care more effectively than large network models or more loosely associated models. The theory underlying this assumption is that group models can 1) leverage their self-governance and integrated relationships to achieve a higher degree of alignment, 2) define strategic goals more clearly, and 3) promote greater compliance with care guidelines that are based on evidence-based medical research. The debate continues as to whether these higher levels of performance as measured by clinical outcomes and cost-effectiveness in group models offer greater competitive advantage than large network models that may sometimes offer greater choice and achieve greater patient satisfaction.

Five Key Drivers of Satisfaction:

Care Index

- Interest and attention of physician
- Have a regular physician
- Ability to see own physician
- Days waiting for an appointment
- Time on the phone to make an appointment

Figure 1. Five elements that correlate with health plan member satisfaction.

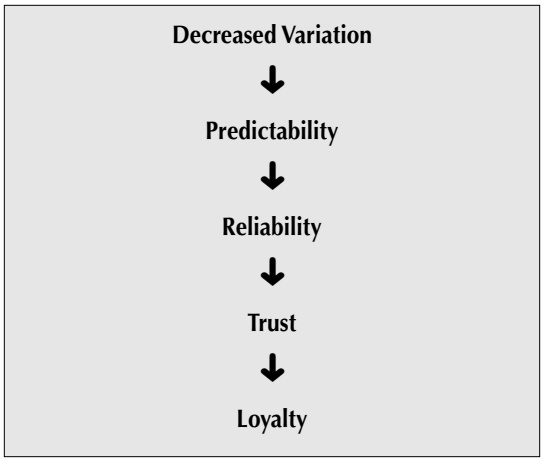

Figure 2. Defining appropriate norms for service performance has a "ripple effect" that leads to customer loyalty.

The challenge for Permanente Medicine is to combine the best of both worlds. With few exceptions, we have been able to greatly leverage our group-model, integrated-delivery approach to consistently outperform the marketplace in clinical quality outcomes as measured by NCQA, HEDIS, and others—but we have not enjoyed similar success in the service/satisfaction category. I believe that our success in the clinical arena has been fueled by our ability to define and establish evidence-based best practices and to effectively decrease inappropriate variation in clinical practices. We have, in fact, found successful means to "herd the cats!" If we are to enjoy similar results in service improvement, we will need to apply the same principle of defining appropriate service-related standards of behavior and performance, eliminating inappropriate variation from those standards wherever possible.

Now that we have begun to apply an "evidence-based" approach to service improvements, the Care Experience Council has confirmed, through exhaustive research and analysis of the service literature, that the elements of the "Care Index" do correlate highly with patient and member satisfaction (Figure 1). Therefore, as we build practices and guidelines

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around these critical elements, our challenge will be to maximize compliance. The scheme shown in Figure 2 demonstrates what I believe is the positive ripple effect of two specific activities: 1) defining appropriate standards for achieving high levels of service performance and 2) preventing what health plan members perceive to be deviation from these norms and variation in clinical practices.

In summary, if our goal is to produce a value proposition based on high quality, outstanding service, and competitive pricing, then our approach to service must be the same as the approach we have taken to ensuring HEDIS or CMI compliance. To grow our membership, we must retain current members and attract new members. And as described in Figure 1, loyalty of our members is a function of both the extent to which we meet their needs and the competitive value proposition that we offer reliably and consistently. The KP Promise contemplates our ability to offer and consistently deliver on this commitment across the entire KP Program. Although this value proposition has traditionally been directed toward employers, a focus on individual consumers is becoming increasingly necessary.

As is true for all change agendas, success requires courageous leadership, sustained focus, continually reinforced training, timely completion of performance metrics, and recapturing the hearts and minds of our physicians and employees. Ours is the business of caring—and most of us chose the health care profession because we believe in this mission. Ultimately, it is this shared belief and the manner in which we use our group model that positions us to "herd the cats" and to actualize, for ourselves and our patients, the belief that we provide the best health care delivery model in the world. ❖

A Practical Path

"Relax, hit it easily, smoothly; keep your head down and
your eye on the ball; follow through toward the pin."
M Scott Peck, "Golf and the Spirit," Three Rivers Press