

## The Board's Role in Quality and Patient Safety

In the new era of focus on quality and patient safety, the hospital or health care system governing board's oversight is a clearly recognized core responsibility. Indeed, it is central to everything the board does. The board has moral, legal and fiduciary responsibilities to monitor, evaluate and continuously improve the quality of patient care and services provided. Increasingly, boards are subject to regulatory and accreditation accountability.

In the governance hierarchy, the hospital's CEO is directly accountable to the board for quality and patient safety, and the board is responsible for monitoring the CEO's performance. To effectively fulfill this responsibility, trustees must understand that promoting quality care and preserving patient safety are essential to the hospital's reputation.

### Legal Obligation to Provide Safe Care

The hospital governing board has a legal obligation to ensure medical care is safe and quality standards are met. One of the board's most significant duties is approving appointments to the medical staff, and physician credentialing is an important step in the approval process. While the board may delegate this responsibility to a medical staff committee, ultimately, the board is accountable for the competency of the hospital's medical staff. Board members need to fully understand the process the medical staff uses to make final recommendations for clinical privileges and should ensure appropriate physician information is collected, validated and evaluated.

Federal courts have ruled that the governing board is responsible if a hospital is not delivering quality care. If the board knew or should have known about substandard care while the organization continued to submit claims to CMS (and other payers), then the leadership – including its board members – can



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be considered to have committed “quality fraud.” CMS has even withdrawn a hospital’s ability to participate in the Medicare program for violations of various Medicare Conditions of Participation related to quality, including governing body oversight.

Furthermore, the federal Office of the Inspector General (OIG) and the U.S. Department of Justice (DOJ) have increased their interest in and surveillance of quality and patient safety. Because quality is linked to reimbursement for Medicare and Medicaid, the government wants to be sure patients receive the quality of care for which they pay. It may view poor quality care as a “false claim” and inaccurate reporting of quality data as potential fraud. Courts have interpreted the board’s “duty of care” to include a degree of due diligence that requires the board to make “reasonable inquiry” into the hospital’s operations and performance. According to “Corporate Responsibility and Health Care Quality: A Resource for Health Care Boards of Directors,” published in 2017 by the OIG and the American Health Lawyers Association, the OIG expects the board to provide general supervision and oversee quality and patient safety.

Widely recognized and public compliance resources are available as benchmarks for hospitals. The OIG’s voluntary compliance program guidance documents and OIG Corporate Integrity Agreements can be used as baseline assessment tools in determining specific functions necessary to meet the requirements of an effective compliance program, and whether the program’s scope is adequate for the size and complexity of the organization.

The hospital governing board is also responsible for ensuring the organization’s leadership and staff submits an annual quality improvement plan; the board generally reviews and approves the plan. The purpose of a quality improvement plan is to provide a framework for a collaboratively planned, systematic and organization-wide approach to improving patient care and organizational performance. The quality improvement plan is a valuable tool in tracking the hospital’s performance in a selection of high-priority areas, including patient safety, timely access to effective care, infection control, quality and emergency management.



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Regardless of the model used, the hospital should take a systems approach to improving quality and patient safety by engaging employees in all levels of the organization.

## Create a Culture of Safety

An organization's culture is comprised of the beliefs and patterns of behavior that become its norms. Boards play an important role in setting the tone and establishing the culture of an organization as culture often originates from the top. The concept of a "culture of safety" originated outside of health care in studies of high-reliability organizations (HRO).

Health care is similar to many other industries – such as nuclear power plants, airlines and chemical manufacturers – in that it is highly complex and error-prone. High-reliability organizations maintain a commitment to safety at all levels, from frontline providers to managers and executives. For this reason, health care has begun to look to these industries for approaches to reducing errors, and some hospitals/systems are moving to the HRO model to provide patient safety.

Many boards work to create a culture of safety for the organization by first defining exactly what that means. The critical characteristics of a culture of safety may include:

**Commitment to leadership.** It is a priority to involve the governing board, as well as the hospital's clinical and non-clinical leadership, in continuous efforts to improve patient safety and reduce medical errors. A focus on quality and patient safety is aligned throughout the organization, from the boardroom to the front lines of delivering care.

**Open communication.** A blame-free environment exists where individuals are free to report errors or near misses — unintended events that could have led to an adverse event but didn't — without fear of reprimand or punishment. Collaboration is encouraged across ranks and disciplines to seek solutions to patient-safety issues and the reporting of those issues. The hospital's leadership



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encourages employees to report errors, near misses and other opportunities to improve safety and patient care. This requires a high level of trust among employees.

**Continuous learning.** Learning is valued among all staff and leadership. The hospital learns from its mistakes and seeks new opportunities for performance improvement.

**Accountability.** A culture of safety recognizes errors as system failures, rather than as individual failures, but individuals are also held accountable for their actions.

**Patient-centered.** Staff and leadership are committed to patient-centered care as a core value. Patient-centered care means patients are respected, continually informed and listened to. A patient-centered hospital empowers patients, family and friends to actively participate in care decisions.

**Use of data.** Data about errors and near misses are collected and analyzed on an ongoing basis, and are used to evaluate processes and identify areas for improvement. This analysis may focus on systems thinking – understanding a system by examining the linkages and interactions between the system's components – as well as human factors. The analyses of data collected are shared, fostering participation and further demonstrating that the goal is improvement, not blame.

**Teamwork.** The hospital's leadership encourages caregivers to work collaboratively. They ensure team training and team building activities are ongoing. Further, they empower each member of the team to identify and/or act to prevent potential errors.

**Evidence-based.** Patient care practices are based on evidence. Standardization to reduce variation occurs at every opportunity. Processes are designed to achieve high reliability.



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## Responsibilities for Quality and Patient Safety

Often there is interaction between the board and medical staff on quality and patient safety strategy, and the board receives patient safety and quality measurement reports on a recurring basis.

In order to properly interpret these reports, board members should understand the infrastructure of patient safety and quality in their organization, along with current performance measures. This may include awareness of what data reporting is required, the process and/or technology systems in place, how data is collected, why it's collected and what's done with it. The types of information board members need to understand include: connections among regulatory bodies and their roles in monitoring quality and patient safety, how the hospital ensures employees and medical staff are accountable for quality and patient safety, the content of reports discussed in board meetings, and how the hospital or health system works to achieve clinical excellence. Members of the governing board should be familiar with national trends and understand fundamentals such as how to read a quality dashboard and what questions to ask about improvement initiatives.

As hospitals and systems track their own progress it is helpful to seek information about the best performers in the hospital industry to benchmark against. By doing so, health care leaders begin to explore what successful organizations are doing differently. Reading selected articles and educational materials, as well as attending conferences, will contribute greatly to a member's breadth and depth of knowledge.

In addition to measuring and monitoring the hospital's effectiveness, many boards evaluate their own effectiveness on priority areas as a part of the board's regular self-assessment process. Board composition is often reviewed periodically to determine if certain expertise is needed in quality and patient safety. If so, this becomes part of the criteria used in selecting new board members.



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## **The Link to Quality and Patient Safety and Strategic Planning**

The governing board of a hospital or health system is important to an organization's strategic planning process. A strategic planning process can be used to position the hospital or health system in a rapidly changing environment, identify core areas of focus for an organization, and determine what the organization wants to be in the future and how it will get there.

Quality and patient safety can be central to a hospital's short-term and long-term strategies, which the board helps establish. Additionally, the board may integrate quality and patient safety priorities and goals with their fiduciary responsibilities. For example, the budget and use of financial resources should align with achieving quality and patient safety goals.

### ***Aim High: Goals for Quality and Patient Safety***

In order to appropriately and effectively track progress, well-run boards establish clear goals. Hospitals should be encouraged to pursue the highest benchmarks set by best performers, rather than aim solely to meet national averages.

Goals around quality and patient safety need to be specific and measurable. For example, "Our hospital will reduce central line- and catheter-associated infections by 50 percent within 12 months" is specific, measurable and sets a finite time within which the goal must be accomplished.

Hospitals and health care systems aren't alone in their quality and patient safety work. The substantial focus in these areas has led to availability of funding for national and state quality and patient safety programs. Hospitals and systems might consider participating in national quality improvement activities if these activities align with mutual priorities. These programs are often free and, more importantly, they may provide valuable, otherwise unavailable comparative data.

### ***Measure Progress***

Identifying indicators and measuring progress are key components to effective oversight. A quality indicator is a measure of an important aspect of the quality of care or the quality of services. It is not itself a direct measure of quality, but acts as a screening tool or reference point to monitor, evaluate and improve care. Quality indicators may be reported as rates or occurrences and are tracked over time to reveal trends or patterns.