Vanderbilt University Medical Center is a 20,000-person community, where each of us is drawn to health care to help people. I see the passion and commitment for our patients and their families throughout VUMC. We, as individuals and as teams, all want to make a difference. We are about people—whether employees, colleagues, patients, or their families.
Some important announcements about our people….

- John Brock has been named Senior Vice President of Pediatric Surgical Services.
- Mias Pretorius has been named division chief of Cardiothoracic Anesthesiology.
- Pierre Massion has been named to director the Vanderbilt-Ingram Cancer Center’s Early Detection and Prevention Initiative.
Let me share some of the new places that we added for care. These are all an indication of our growing by reaching out to meet people’s needs closer to home. Since our last Leadership Assembly, we have:

- Opened the Vanderbilt Eye Institute location in Hendersonville
- Added midwife gynecologic and obstetric care in Thompson Station.
- Added two of our Cancer Center’s highly experienced oncologists providing care in Spring Hill.
- Monday, we opened a Children’s After-Hours Clinic in Murfreesboro, marking our 5th such clinic in Middle Tennessee.
- And, the 9 month old free-standing birthing center on West End Avenue that we operate with Baby and Company celebrated its 100th birth.
Thanks to you, our VUMC leaders, and to your staff, we had a very strong FY16. This last year ushered in significant changes, topped off by our transition to an independent organization. Our Pillar Goals have been and are our guideposts to success. They are directed toward achieving the future direction that we continuously outline and share with you and are aligned with the Fiscal Year 2017 strategic priorities.
We achieved threshold, target or reach for 19 of our 24 goals. This is remarkable, reaching nearly 80% of the goals that we established a year ago. Our department chairs achieved a remarkable 88% of their cascaded goals. This is the result of staying focused, executing on plans and being committed to our mission. We achieved this thanks to hard work of everyone at VUMC.
Let’s take a few minutes to give a high level look at each pillar as a way to honor the hard work and commitment that goes into achieving each goal and please share this information with your staff who are important contributors to this work.

**People Pillar** – We are showing good momentum. Time to fill is improving. Retention is still challenging.

**Service Pillar** – By listening to our patients and families, we are continually improving their experience throughout VUMC. In FY16 we improved access for new patients as measured by our 2-day and 5-day goals. We also came very close to also hitting our 15-day goal. We saw 13% more new patients this year than last year. Patient experience scores as measured through HCAHPS improved remarkably. The Adult Hospital made great improvement in HCAHPS scores. Press Ganey patient satisfaction scores also made progress this year.
Quality Pillar – We had high performance for all four of the quality pillar goals thanks to team work between our clinical operations areas and our quality organization. This high performance takes attention to detail.

Accomplishments in this area include:

• A 12% reduction in hospital associated infections, past our threshold goal.
• Reduction in Surgical Site Infections (SSIs) by almost 25%.
• Catheter Associated Urinary Tract Infections (CAUTI's) were reduced by 45% in our ICUs.
• We have gone over a year without one single CAUTI in our Children’s hospital.
• Our patients experienced 25% fewer hospital acquired conditions, which surpassed reach.
• Our Observed-to-Expected Mortality performance came in at .92, which translates to over a 100 more lives saved at VUMC compared to an average hospital.
• We have reached threshold or better in 6 out of the 9 readmission diagnosis categories. This places us at the Fiscal Year 2016 target goal. The discharge bundle was a success but we need to keep working on reducing readmissions.
Growth and Finance Pillar – We hit the volume targets for surgical procedures and key outpatient procedures; reach goals on net revenue per FTE and Cash on Hand. The organization achieved reach on operating income due to many factors including increase in patient acuity as measured by the Case Mix Index and the growth of our specialty pharmacy business.

For Innovation Pillar – Our Case Mix Adjusted Length of Stay was down over 1.25%, and our nine new bundles took both of these metrics to reach. We continue to work on our Health Plan costs but came close.
The outside world sees our performance as excellent as well. U.S. News & World Report ranked VUMC #1 in Nashville and #1 in Tennessee. The organization was ranked #22 overall of 4,667 hospitals evaluated across the country. Nine VUMC specialties are ranked and then 3 others are recognized as high performers. This is a significant achievement and testament to sustained teamwork and commitment.
We met financial targets in Fiscal Year 2016, partly by holding down expenses. The organization’s financial position allows us to continue investing in our future by replacing equipment, hiring and improving facilities. We are committed and must continue to focus is compensation. We also remain careful and cautious on expenses.

We adjusted our annual budget to provide a 2% increase for this year beginning October 1st. This year we also addressed market adjustments in many areas, and as we continue to meet our targets, we will keep working on increasing compensation. In Fiscal Year 2017, employees can roll over up to 40 hours of unused PTO into their sick bank.
Our Fiscal Year 17 Pillar Goals will move our organization toward being better than ever. Each year, we maintain a manageable number of metrics that are meaningful to the patients we serve, to our operations teams, and permit cascading to the unit level.

Every member of our work force can impact these goals. Many of the goals continue to be similar, with an appropriate ramping up to reach a higher target. There are also several new strategic pillar metrics that help shift our organization’s focus into new areas and are aligned with the Fiscal Year 2017 strategic priorities.
For People — We will continue to improve retention and work force engagement.

For Service — We wish to continue to improve patient satisfaction and access as measured by 5-day and 14-day access goals for new patients.

For Growth and Finance — We continue to focus on discharge and procedure volumes and throughput which is measured in part by length of stay, net revenue per FTE, margin and cash on hand.

In Quality — We have four major pillar goal categories:
2. Continue to reduce O/E Mortality — The goal is to save yet another 100 lives.
3. Patient Harm Index — We are measuring Infections and Conditions as part of one combined Patient Harm Index.
4. Our newest goal is Clinical Effectiveness/Population Health which is about engaging patients, families and the community in ways that deliver effective and appropriate preventive health interventions and enhance care coordination.
   - We have chosen to include 8 clinical effectiveness measures for this year. We will promote patients getting breast cancer screenings, colorectal screenings and flu vaccinations and grow from there. There is work to make it easier for our clinicians to identify opportunities and document completed screenings.
   - We will roll out 70 performance measures in waves over about two years.
   - Please note that there is, over the next 3 years, about $140 million dollars of pay-for-performance riding on this work.

The Innovation Pillar has undergone the biggest transformation. There are three pillar metric goals:
- Academic Performance which holds us accountable for maintaining our key differentiator.
- Value-Based Care is a composite of three goals to balance growth, quality and cost improvement. This includes bundles of care.
- TeleHealth is advancing, we now have 17 departments that are currently participating in
telemedicine initiatives. New telemedicine initiatives are starting in multiple areas.

We also have a measure for the EpicLeap implementation – on time, on budget and with full functionality.

- EpicLeap will have an impact on all five of our Pillar areas.
- The effective implementation of Epic is critical to our success.
For the first time, we combined three surveys—our Culture or engagement Survey along with a Quality/Safety survey and a Magnet nursing survey to learn more about what people are thinking. The data and literature tells us that team engagement, safety, nursing excellence and patient satisfaction are all directly correlated.
The results of last year’s pulse survey stimulated us to implement HR bundles that help with retention and time-to-fill. We used that data to identify, intervene and improve many local teams. We also opened up lines of communications through Town Halls and Conversations with Leaders. All of this work is making a difference.

The culture survey feedback is one of the most important guideposts we use and we see signs of significant progress and moving in the right direction.
We saw a 19% jump in people feeling we have a clear sense of direction.
We also saw a 10% jump in willingness to recommend VUMC as a good place to work.
Overall engagement is a compilation of questions such as whether one is generally a satisfied employee, recommending our organization to a family or friend and being proud to tell people you work here. When looking at overall engagement, here again we are on the upswing.

- Our engagement score increased by 5% to 3.97 which is statistically very significant.
- So all the work our leaders and teams have accomplished this past year with many new communication forums and channels such as huddles, “insights and ideas” meetings, mini surveys, HR Bundle work, Stay interviews, Rounding by leaders, has **definitely** pushed us in the **right** direction.

Some questions of the survey pointed out areas that could use some attention.

1. Giving employees the opportunity to participate in decisions by their supervisor that affects their work environment.
2. Adequate staffing of work units
3. And assurance that information from this survey will be used to make improvements.

These are results from the survey that point us to areas will work on during the coming year. Employee engagement is important. It is important to how people feel and to how an organization performs in every way. Disengagement is damaging personally and for organizational performance.
As part of our Culture Survey, we also asked the open-ended question:
What do you like best about working at VUMC?
The People! At VUMC, we are about people – our employees, our patients and their families. People are the reason we are here.
An important part of engagement is having common organizational goals that everyone can latch on to. We have talked about goal cascading and alignment before. This year, every staff member will have goals in common.

- Retention is one goal for all staff. Everyone can contribute to making this a better place to work encouraging our co-workers and colleagues to stay with us.
- Each of us also has a second organization goal – Either Academic Performance or Patient Satisfaction depending on which is most appropriate for a person’s job. Academic Performance reinforces us as an Academic Medical Center. Patient Satisfaction is about our promise to serve our patients and their families.

These will also be universally shared goals intended to align our overall performance. Add to this the further specific goal-setting work you are doing in your own areas, and we can make a tremendous impact. Recall the quote from Theodore Roosevelt, “An organization in which everyone in an engaged workforce is traveling in the same direction is unstoppable.”
Help get the conversations started to support our organization goals and strategic priorities for Fiscal Year 2017, for example:

- **Retention Goal**: What can I do to make VUMC a place where people want to stay and grow their career?
- **Academic Performance Goal**: “What can I do specifically do to support and advance our research and education mission?
- **Patient Satisfaction Goal**: “What is the one thing I can do to improve the experiences our patients have at VUMC? Think about how you would want to be treated if you or your family member were a patient.

For all of your goals this year, please develop concrete plans this week for contributing to the goals you touch.

it is time to lay out your personal concrete plans for contributing to the goals you touch.