Healthcare CEO/COO – Cherye Morgan LLC is most interested in serving senior executives that recognize they are not alone with the challenges of managing their organizations in a complex and changing environment. We are experienced in helping executives identify pain points, strategies, visions, and concerns about the future and able to solve for them through strategic and operational initiatives. *Many of our C-Suite clients are asking the following questions:*

1. ***Where is my organization on the road to value-based care? Have we taken more than baby steps towards truly value-based care and optimized reimbursement models? How do we manage the transition to value based care while Fee-for-service is still our main template and the road of change is long and uncertain?*** Most of us believe it's going to be a long journey, and the journey is going to be different for each organization. Local markets, regional biases, federal and state regulations, as well as the organization's own institutional structure and corporate cultures will all contribute to the uniqueness of every provider's situation and as such, must drive a customized approach to the journey.

2. ***Where are we on the road to population health? Are we proactively providing services along the care continuum, either by ourselves or jointly with other providers and community organizations? If not, where do we begin?*** As organizations move to value-based care, the risk dynamics change from an operational to a population focus. Bearing population risk means concentrating on the value of care delivered to a defined population, and it requires innovative and transformational care delivery models to manage different risk segments. Timing for this is everything and will vary in each market.

3. ***Do our strategies complement or contradict each other? Today's health systems are forced to continue to invest in things old school – such as bricks and mortar hospitals and clinics, while also pursuing nontraditional strategies that seek to lessen dependence on volume of care. How will we be positioned if both efforts are successful? Will we need to continue to maintain a volume and value strategy? Will we make them complement or contradict each other?*** While some organizations need to put their financial houses in order, others have optimized their financial performance to the point where efficiencies are more difficult to draw out. And for some, success may require providers to take action that reduces Fee for Service (FFS) payments with the potential to undermine some level of financial stability. Waiting too long to make necessary investments, however exposes the organization to the same risk. The next stage in the journey from providing care to managing health is putting a plan in place; a roadmap for transitioning from volume to value.

4. ***Are we fulfilling our mission of keeping the "covered lives" under our responsibility healthy and alive or are we fooling ourselves? Are we viewing individuals as unique while maintaining meaningful bonds with the communities we serve?*** As organizations' strategic focuses change, they often must revisit their core mission and values and ensure strategy is aligned to support them. The organization's mission statement must explain what the business is trying to achieve. While it may seem unimportant, it's not. For internal decision-making, your mission statement guides employees to make the right decisions and reminds them of the customers they are meant to serve. Clearly communicating this mission and living by it is something leaders should make a priority.

5. ***How and when de we change payor contracting strategies? When and how do we change our operating platforms?*** We need to continually keep our eyes on government policy drivers; local and regional market drivers; the organization's current position/profile regarding value-based transition; and the organization's strategic intent for adoption of new care models. Together, these considerations provide a framework for making key decisions regarding the speed of transition from FFS to value-based reimbursement in a manner that is on pace with the local market.

6. ***Do we also see patients as consumers?*** Healthcare providers need to see the members of their population base as consumers with diverse and unique health and wellness needs and take creative actions to design solutions to meet those needs. Some additional questions to consider are: ***Are we interfacing with our patients in a retail-oriented, consumer-friendly fashion? Where is my organization on this scale? What essential and innovative services can we pursue to improve the experience of patients and/or "health consumers"?***

7. ***Do we provide quality patient care? Do our metrics prove it? Are our metrics improving and aligning with industry leading practice standards? Does our care differentiate us in the marketplace? Can we document our quality and excellence and share it clearly and meaningfully with stakeholders?*** The documentation of meaningful metrics is not just for operational oversight anymore. The public is also requesting that providers demonstrate their value. Value translates into high quality patient care, delivered in the right setting efficiently, clinically appropriate, and at the appropriate cost.

8. ***Are we embracing risk and innovation? Risk is not just to be managed but welcomed as organizations need to stay creative and innovate. Have I increased my tolerance for risk and worked with my board and peers to establish a culture of risk throughout the organization?*** The senior leadership and the board need to be completely aligned in understanding the organizations tolerance for risk and this needs to be closely integrated into the corporate strategy. Embracing a balance of risk in pursuit of innovation is a fine line for which leaders must sort out in a unified manner. Innovation should always be pursued in alignment with the "risk appetite" or the clearly defined types and degree of risk that an organization is willing to accept in pursuit of its goals, and how it will manage the risks it creates through its operations and relationships.

9. ***Are we educating patients and families enough about change? For example, many of our patients are being treated by clinical assistants and health professionals other than their physicians. Are we communicating the rationale behind this so that people understand why their care and caregivers are changing, and messaging it so that they understand that it can be for the better? How can we better message expectations for the acute care stay when most often patients and their families assume they will stay in the hospital until completely well?*** We know that effective communication between patients and caregivers improves patient satisfaction, increases adherence to recommended treatments, and leads to better health outcomes. As a result, we encourage patients to communicate openly with their caregivers and become active participants in their medical care. At the same time, however, we know that some patients prefer to leave healthcare decisions to their doctor or other healthcare professional. Given the diversity of the healthcare team today, it is critical that everyone is on the same page about the plan of care and communicating "one voice" with regards to the patients' needs and clinical plan. It can be very confusing if the healthcare team is not united in the care and the messaging of that care. Additionally, it is our role as health care providers to ease communication barriers (speech,

hearing, visual) and help patients participate in their care to the extent they are able. Most patients in the hospital have some limitations in communication. This can be due to unfamiliarity, medications, pain or discomfort, medical procedures, and/or a new diagnosis. Being prepared to mitigate these barriers to good communication is the healthcare team's responsibility and should be taken seriously.

10. ***Is our board on board? Many organizations are changing so quickly that their boards can't keep up or have changed membership and composition due to consolidation. Is my leadership team aligned with the board on strategy? If not, what can be done to improve the situation?*** A robust trustee orientation program should have at least these three parts;
    1. A basic introduction to the organization and to the U.S. healthcare system. It is important to use a multipronged approach: Trustee training should be didactic and experiential.
    2. The assignment of a mentor to each new board member, ideally an experienced board member who can answer questions and model basic board competencies, such as effective governance responsibilities;
    3. Incorporation of an experiential learning component, such as shadowing an administrator or other senior leaders, and participating in clinician rounding. For example, spending four hours with an ER doctor can really give a new board member a good feel for the organization; or spending time in a clinic shadowing for the day would help them see the organization through the eyes of the patient. If they don't have a healthcare background, and most trustees don't, the first three years are so new, especially given healthcare reform and the move from volume to value. A well thought out trustee orientation process is critical.

11. ***Do we have the right executive team and structure? Mergers and acquisitions and general industry disruption have caused the C-suite to shift. Is my team set up to execute on our strategic vision for the future?*** Many people assume that the hardest thing about 'Strategy' is the planning. 'Knowing what to do'. Organizations fill their strategy roles with 'ideas' people. Logical enough, but the simple reality is that 'knowing what to do' is the easy part. Making it happen is what sets good strategy people apart from the crowd. Most organizations need a coach to help them through this journey unless they have an executive team that is acutely aligned and capable of firing on all cylinders during their day to day operations and have the vision to understand where their strategy should be taking them.

12. ***Do we have the right leaders in place? Healthcare organizations may know where they're going, but do they have the right people to take them there? This includes, importantly, physician leadership. Are executives and staff burned out?*** This has been a rough several years for many people in healthcare. Effective leadership does what's best for the whole organization. There are basically two common types of leaders:

    1st - Those who want to create a purely 'clan culture'—that is, the relationships within the organization take precedence over individual effectiveness. In this case a leader may take too long to pull the trigger on terminating an ineffective employee. It takes courage to do what is best for the patient and the organization and many leaders do not have that courage.

    2nd - On the other end of the spectrum, some leaders create a culture of fear falsely believing that this somehow will get things done. They might scream and yell, pound the table, or use profane language. This may appear to be effective in the short run, but in

the long run, it creates an environment where people will look for the first opportunity to leave. Everyone deserves to be treated with respect and dignity. It's better to light a fire within people than to light a fire under people—but it takes an effort, along with humility, patience and the ability to really lead that many current leaders are deficient in. It is important to know how to do things well, but it is even more important to know what things to do and not to do. When selecting leadership, organizations should look for both. Without good selections and placement, burnout is inevitable for many in the organization. This is a significant concern for CEOs themselves, the executives around them, physicians, and employees throughout their organizations.

13. ***Who will be the effective competitors in the future?*** These might not be those organizations that we've seen as our traditional competitors. There are new health services and healthcare-related technology companies that we must now consider – not just the hospital across town or the other regional health system – competing for dollars and market share.