TRANSFORMING THE WAY WE WORK:
How Innovation Becomes the Next Normal

November 18, 2020 | Virtual Event
EXECUTIVE SUMMARY

The Scottsdale Institute convened 46 health-system innovation leaders for a virtual summit on November 18, 2020, to discuss how innovation is transforming the way health systems operate. Innovation leaders from health systems varying in size and scope from across the country came together to share their use cases and approaches to innovation and the impact of the COVID-19 pandemic on the speed and adoption of innovation in their systems.

Summit objectives included sharing leading innovation practices, gaining insight into operationalizing Innovation, and discussing the mindsets and skillsets needed to modernize health-system operations and care delivery. Specific discussion topics included digitizing the consumer experience, scaling innovation, creating the building blocks of health system innovation and adapting to industry disruptors. The event was sponsored by Deloitte Consulting and moderated by Innovation and Strategy leaders at Deloitte (Maureen Medlock and Josh Lee).

KEY TAKEAWAYS

Throughout the Summit, it became clear participants are committed to using innovation as a transformation tool to improve how care is delivered. While there were many learnings, key takeaways included:

- **Increased focus on discipline throughout the Innovation lifecycle**: maintaining an additional level of rigor to the “process” and treating innovation as more of a science than an art form will help to overcome internal barriers to innovation.

- **Focus on learnings and iterative improvement**: adopting a ‘learn fast, learn cheap’ mentality will enable the Innovation team and organization to focus on learning and growth to accelerate the rate of transformation.

- **Adoption and scale are only achieved at the speed of trust**: including consumers and internal operational stakeholders throughout the innovation journey—from inception to delivery—will foster trust, which will in turn fuel successful change management and adoption.

- **Maintaining a relentless consumer focus regardless of business model**: walking in your consumer’s shoes and having empathy goes beyond simply including them in the process. Rather, health systems should spend time understanding and living in their consumer’s context (“Go To Cambodia” example discussed during the Summit).

- **Think like a disruptor**: shattering orthodoxies of an incumbent health system to think and act like a disruptor is paramount to positioning your organization to thrive in the future healthcare ecosystem.
SUMMIT PARTICIPANTS

Christy Anderson, Executive Director, Banner Innovation Group, Banner Health
Craig Anderson, Director of Innovation, BayCare Health System
Matthew Anderson, MD, Clinical Innovation Lead, Banner Innovation Group, Banner Health
Anu Anuradhika, System Director, Strategic Innovation, CommonSpirit Health
Nicholas Archer, CEO, Project Fulcrum/SVP Consumer Innovation, AdventHealth
Scott Arnold, EVP & CIO, Tampa General Hospital
San Banerjee, VP, Digital Health Experience, Texas Health Resources
Mona Baset, VP, Digital Services, SCL Health
Dan Bazuin, IS Director, Digital Health, Spectrum Health
Christine Brocato, System VP, Strategic Innovation, CommonSpirit Health
Marcee Chmait, Head of Business Development & Strategic Partnerships, Providence
Kathi Cox, SVP, Integrated Experience, Texas Health Resources
Stacy Cupisz, Senior Director, Innovation Labs, Banner Health
Nicholas Desai, MD, System CMIO, Houston Methodist
Jason Dinger, PhD, SVP Consumer Products & Innovation, Ascension
Todd Dunn, VP, Innovation, Atrium Health
Lisa Dykstra, SVP & CIO, Lurie Children’s Hospital of Chicago
Robert Eardley, CIO, University Hospitals
Ken Fawcett, MD, VP, Healthier Communities, Spectrum Health
Loren Hamel, MD, Chief Strategy Officer & President, Spectrum Health Lakeland, Spectrum Health
Jason Joseph, SVP, Chief Digital & Information Officer, Spectrum Health
Patrick Kaminski, VP and Chief Strategy Officer, The University of Texas System
Zain Kazmi, Chief Analytics Officer & Assistant Vice Chancellor Health Affairs, The University of Texas System
Clark Kegley, AVP, Information Services, Scripps Health
Amil Kekic, Innovation Ventures Sr. Dir., Banner Health
Michael Kupferman, MD, SVP, MD Anderson Cancer Center, The University of Texas System
Christian Lagier, VP, Digital Innovation & Executive Dir, TechSpring, Baystate Health
Russ Maloney, Senior Director of Innovation Services, Banner Health
Aaron Martin, EVP Chief Marketing/Digital Innovation Officer, Providence
Marge Mathews, VP, Acute Care & Ancillary Applications, Beaumont Health
Thomas Medsker, Regional Technology Services Coordinator, Mosaic Life Care
Santosh Mohan, Managing Director, Digital Health Innovation, Brigham and Women’s Hospital
Mani Nair, Director BI, Virginia Mason Medical Center
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Juli Plack, VP, Information Delivery & Healthcare Analytics, OSF HealthCare System
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Jim Purvis, Innovation Consultant, Trinity Health
Craig Richardville, SVP/Chief Information & Digital Officer, SCL Health
Jeremy Rogers, Executive Director, Digital Marketing & Experience, IU Health
Danny Sama, VP, Analytics & Chief Data Executive, Northwestern Medicine
Ryan Smith, VP CIO, Intermountain Healthcare
Michelle Stansbury, VP, IT Center for Innovation, Houston Methodist
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Eric Yablonka, CIO & Associate Dean, Stanford Medicine

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SPONSOR

Deloitte: Harish Patel, Katie Rial, Jordan Skowron
Moderators: Joshua Lee, Maureen Medlock
Writers: Harish Patel, Katie Rial, Jordan Skowron
What's Hard About Innovation?

Innovation has never been more instrumental in helping health systems and hospitals enhance clinical care, operate efficiently and achieve their financial and strategic goals. Innovation can provide direction to a health system and can help drive patient outcomes. The ability to modernize and transform is no longer a competitive advantage, rather it is tablestakes. Despite the clear imperative and desire to innovate, each organization inevitably encounters barriers. We started the summit discussing barriers to innovation and ways to overcome them.

A pre-Summit survey pulsed participants on a broad range of innovation topics. The participants identified their top three barriers to Innovation as: (1) concerns about ROI, (2) access to internal investment/funding for innovation, and (3) reluctance to change within the provider community. Other barriers mentioned included other initiatives and BAU activities taking priority within the organization.

Jason Dinger, PhD, SVP Consumer Products & Innovation, Ascension, addressed some of these barriers and shared his experiences in how to overcome barriers to innovation—specifically, highlighting the importance of scoping and horizon-setting internally and externally, within business units and across the organization, and for both time and money. Building on this, he discussed the need to manage and balance CapEx and OpEx considerations to pull the appropriate levers in driving ROI. Tying it all together, he suggested managing expectations across the innovation lifecycle—across the ideation or concept phase, throughout execution, and in driving scale. Dinger demonstrated the need for a structured approach to overcoming barriers and resistance to transformation.

Josh Lee, Principal at Deloitte Consulting, Healthcare Strategy Leader, remarked, “We have seen a marked change; innovation is starting to become a science rather than an art form. There is increased discipline across the innovation lifecycle. It has become the science of coming together to modernize and professionalize the best idea.” The participants engaged in meaningful discussion on the balance of creativity and rigidity in driving innovation. The discussion was nicely punctuated by Ken Fawcett, MD, VP—Healthier Communities, Spectrum Health, “I agree, transformational change has never occurred by reasonable people.”
THE DIGITAL CONSUMER | How do we attract and retain our customers?

Innovation is everyone’s job. Innovation is dependent on asking the right questions, understanding what needs should be met and then solving for them. “I think a key ingredient that we don’t always think about in healthcare is asking the question, ‘What is the problem we are trying to solve?’” stated Kathi Cox, SVP, Integrated Experience, Texas Health Resources. This point was underscored by Christy Anderson, Executive Director—Innovation, Banner Health: “The questions we ask, and the focus on solving for the consumer experience, are critical in staying focused with innovation.”

When thinking about attracting and retaining customers, Michelle Stansbury, VP, IT Center for Innovation, and Nick Desai, MD, System CMIO, Houston Methodist, do just that by first identifying patient needs that will create long-lasting market sustainability with the Houston Methodist Center for Innovation.

Stansbury noted the Houston Methodist Center for Innovation framework’s objective is to become the Provider of Choice by redefining access, finding smarter solutions, changing interactions, leveraging high assets and embracing technology. Specifically, from the customer experience perspective, Houston Methodist focuses on three priorities to solve the problem of the current customer experience: convenience and flexibility, easy digital use and personal connection where patients feel known. This vision takes many forms, but two that the Center for Innovation is currently focused on are Touchless Experiences and Voice Assist.
“In order to have the Touchless journey, we looked at what we have now and the gaps. We wanted people to find us, schedule and arrive without having to touch any type of device. COVID-19 did escalate this idea because now more than ever people are scared about coming into the institution,” said Stansbury regarding the Touchless Experiences at Houston Methodist.

Our pre-Summit survey data showed that all respondents viewed consumer convenience as an opportunity. Participants selected adoption of self-service tools (scheduling, on-demand video visits, patient reported data) as the biggest opportunity to digitize the patient experience, with 69 percent of respondents ranking it as the #1 opportunity and all respondents ranking it within their top three—showing that providing a seamless, touchless digital experience is top of mind.

With the Voice Assist work being done, Desai explained that the strategy and plan is to scale it across the whole care spectrum. In collaboration with Amazon, Houston Methodist created MIA (Methodist Interactive Assistant) to take the concept of Alexa and make it a reality within a surgical setting. MIA functionality integrates both Voice Commands to prompt devices to project information and Ambient Listening to capture ongoing conversations between Patient and Provider.

As leaders identify the problems they want to solve and begin to building the solutions, Stansbury and Desai said there is a strong patient need for a holistic experience, both operational and innovative, which stems from buy-in and thought partnership with clinicians and the physician organization. Robert Eardley, CIO, University Hospitals, Cleveland, shared a similar experience with their digital consumer forum, including the chief physician and experience officers.

Participants also discussed ‘failure’ and the concept of failing fast to drive iterative and incremental transformation. Todd Dunn, VP, Innovation, Atrium Health, suggested...
After 24 months, I plan in pencil because technology is changing so quickly and is out of our control. The only thing that we can control and take hold of is around the longer initiatives like the business model structure.
Kegley shared a similar experience around a picture-based navigation solution initially intended to help patients make their way from the parking garage to their destination in the hospital. The “aha” moment, however, occurred when staff, who still had trouble finding their way around campus, began using the solution themselves. These examples illustrate another important point that Anuradhika made: you don’t know what you don’t know. Casting a wide net when assessing success can lead to the discovery of unexpected but significant value.

Too often, innovations fail because they are designed and tested in a vacuum. Another important learning from Anuradhika and her team: “If a project stays with the innovation team, it dies.” More than that, involving operations and those close to the issues is a critical aspect of identifying and building solutions that close gaps for both the business and patients.

In addition to connecting the dots across innovation and operations in the ideation and design phases, Anuradhika and her team found that different phases in the innovation lifecycle demand different stakeholders. While earlier phases may benefit from primary ownership by the innovation team with input from operations, ultimately deployment, scaling and continuous improvement should be driven by the operational owners. Kathi Cox agreed: “Where we have been most successful is assuring that operations are involved as participants in the design phase. Once we deploy…then operations has to be the driver of the deployment so that iterative design can be part of the process.”

As products and services are pushed out, the challenge shifts to driving end-user adoption through change management. As Anuradhika and her team discovered, “Like all else in life, adoption and scaling happen at the speed of trust.” Developing that trust requires an understanding of the current ecosystem, pain points and how you are addressing what matters most to the “customer” of your solution.
Marcee Chmait, Head of Business Development & Strategic Partnerships, Providence, added, “If you build metrics, milestones, and communication around the project for patients and everyone else, you’ll develop the trust needed to scale the solution. Participants agreed that rigor around governance, sponsorship and transparency in target outcomes were powerful tools to gain the trust and buy-in needed to scale and reap the full benefits of innovation efforts.

**ACT I & II—MAKING IT REAL** | What are essential building blocks?

Innovation also can become real through empathy and kindness. Dunn started his session off with the idea that empathy is the heartbeat of healthcare. “If we innovate well, it will ooze out empathy not as a noun but as a verb.” He elaborated on this concept by introducing the “Love Metric.”

Dunn shared a story about Chris Charles, who went to Cambodia with the mission to help solve iron deficiency. His idea was to distribute square iron blocks so villagers could put them in their cooking pots, thereby leaching iron into their food. But Charles was stunned to find they didn’t utilize the blocks for this purpose, but rather used them as door stops and in other less-than-beneficial ways because the blocks held no meaning or purpose to the villagers. But as Charles further immersed himself in the local culture, he learned the Cambodian symbol for luck was a fish. So after testing many shapes with the local smelter, Charles learned the fish ultimately was the most welcomed symbol, and villagers happily complied by putting a lucky iron fish into their family’s dinner pot. Thinking he could solve the same problem elsewhere, Charles took his “Lucky Iron Fish” to India, where it was rejected by that highly vegetarian culture. Innovating again, he swapped the fish design for a leaf, and the local Indian community readily accepted it.

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'The University of Texas System'
“Sometimes I think we try to innovate too often outside of the context of where people live, work, learn, pray and play. Chris Charles moved to Cambodia. When was the last time you went to Cambodia? Where is your Cambodia?” Dunn asked. Act 1 and Act 2 of innovation are just like the consumer companies spending an enormous amount of time in people’s lives in their context. As teams and leaders want to innovate, they need to first travel to their consumers’ “Cambodia.”

Christian Lagier, VP, Digital Innovation & Executive Dir, TechSpring, Baystate Health, agreed that innovation and disruption are personal. Everyone needs to be engaged, and not just as if the initiative were merely an operational or technological improvement. Lagier mentioned that his organization “goes to Cambodia” through teams that are trained to use Human Centered Design Methodologies.

The pre-Summit survey showed that in the past year, 63 percent of respondents have made digital and infrastructure investments in the integration of consumer marketing and care delivery workstreams, and 50 percent have made investments in human design/consumer experience processes. Over the next two to three years, 58 percent of respondents anticipate making additional investments in human design/consumer experience.

Mona Baset, VP, Digital Services, SCL Health, asserted, “Your patients and consumers will tell you everything you need to know. We leverage our Patient Advisory Council which always provides interesting and surprising insights.” Nick Archer, CEO, Project Fulcrum/SVP Consumer Innovation, AdventHealth, added that “the root of innovation is about finding how to alleviate the mental burden of the healthcare consumer.”

Jason Joseph, SVP, Chief Digital & Information Officer, Spectrum Health, noted, “‘Going to Cambodia’ is really ‘Going to Gemba’ in Lean speak.” He further mentioned his organization is implementing Agile via SAFe and value streams, and is working to hard-wire such a consumer focus into those operational efforts as well.

The question of how to engage patients and consumers in a virtual world due to the COVID-19 pandemic also was discussed. Scott Arnold, EVP & CIO, Tampa General Hospital, engages their patient and family advisory board online through Teams and Zoom in lieu of face-to-face interactions. This has been a “very effective and insightful” source of feedback for new or impending innovations, he said.
To innovate together, we also need a common understanding of language, nuance and terminology. “In Act 2, we need to overcome the Tower of Babel. We need to understand the language and the process. We need tools and a common language and process to really make this work,” said Dunn. If Act 1 is characterized by the function of what we are trying to do through a social and emotional understanding of the consumer’s progress, then Act 2 is the need for tools and language to create common understanding across the team.

FUTURE STATE | How do we think like our disruptors to win?

Healthcare is now an industry disrupted. Digital natives such as Amazon, Google and an ever-increasing number of startups are breaking into healthcare, reimagining every aspect of operations, pushing the boundary of where and how care can be delivered, and setting a new standard for the patient experience.

In our pre-Summit survey, 57 percent of respondents identified that their biggest threat to revenue sources were coming from government payors and commercial health insurers, and that tech firms were identified as offering the biggest opportunities for partnership. Faced with the possibility of obsolescence, incumbents must embrace this disruption and think like disruptors to stay relevant.

Providence has done just that: In 2014, it established Providence Ventures with the goal of investing and partnering with some of the most innovative and disruptive healthcare organizations in the market. Closely connected to Providence Ventures is Providence’s Digital Innovation Group, which supports the development of new solutions in the “digital whitespace” identified by the digital strategy, with the goal of spinning these solutions off into freestanding organizations.

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Aaron Martin, EVP & Chief Marketing and Digital Innovation Officer at Providence, prefers a combination of the partnership model and the incubator model. Ultimately, he said, health systems lack the resources to manage and continuously improve technological innovation long-term. Providence Ventures and the Digital Incubator, free of the common limitations to speed and agility that health systems face, have enabled Providence to act nimbly in the face of disruption. For example, in the wake of COVID-19, Providence released its COVID-19 Digital Insight series to chart the path forward for healthcare players.

Additionally, Providence Ventures and the Digital Innovation Group have acted as an accelerator for Providence’s own digital market ambitions. Faced with pressure from competitors like Amazon Care, CVS Aetna, and Optum, Providence has built an integrated digital platform that provides a seamless care experience, supporting end-users through everything from managing health finances to accessing services to communicating with their doctor. Providence’s app is powered by DexCare, a digital platform conceived and developed within the walls of Providence’s Digital Innovation Group.

Martin and his team also recognized the importance of tapping into opportunities created by payer-provider integration. Consumers rely on their insurers as one of the top sources of information to choose their primary care and specialist providers. Leveraging the portfolio of technologies and capabilities identified by Providence Ventures and developed by the Digital Innovation Group, Providence is working to create an integrated/seamless plan-member experience that positions Providence’s network of clinicians as the clear choice for care.

Providence also has invested in digital engagement. The Providence app itself provides a unified access point for care that integrates across all lines of business and third-party apps and keeps patients engaged through personalized, predictive, multi-modal experiences. Patients can access third-party apps through the Providence app that their doctors “prescribe,” and access all the functionality available through MyChart within the app. Another example of how this app is leveraging cutting-edge technology to improve the patient experience is by integrating with their health insurance plan to provide an easy-to-understand view into their health-related finances.

Longer-term, Martin believes there will be a “robust, consumer-led retail side” to healthcare that health systems must compete within. Although we can’t be sure exactly what such disruption will bring in the coming years, one thing is certain: organizations that evolve to meet the changing needs of their customer base will be better positioned to weather disruption.
Conclusion

As we think about the future of healthcare, Innovation is a catalyst for transformation to elevate the consumer experience and improve health outcomes every day. While organizations are in different stages of their transformation journeys, the leaders who participated in the Scottsdale Institute 2020 Virtual Innovation Summit are reimagining the industry and raising the bar through Innovation.

About the sponsors

The Scottsdale Institute (SI) is a not-for-profit membership organization of 60 prominent, advanced, not-for-profit health systems and academic medical centers whose mission is to improve healthcare quality, efficiency and personal experience through IT-enabled transformation.

Our North Star is thought leadership guided by SI’s Three Pillars of Collaboration, Education and Networking. We convene intimate, informal and collegial forums for senior healthcare executives, including but not limited to CEOs, CMOs, CIOs, CMIOs and CNIOs, to share knowledge, best practices and lessons learned. Our goal: Gather the right people to discuss the right topics at the right moment.

For more information, visit www.scottsdaleinstitute.org.

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