

ROI-Q REPORT

New report quantifies the return on investment for quality (ROI-Q) demonstrating that investing in workforce development drives improved clinical and financial outcomes

FOREWORD

Having worked in healthcare for 25 years, I am gratified to have seen significant improvements in quality and safety. But there is still much work to be done. The cost model for healthcare is unsustainable. It is unacceptable that 1 in 4 hospital admissions resulted in adverse events and approximately one-fourth of the events were preventable. Further, the perception of a binary choice between quality and cost reveals a deeper issue: our industry has yet to effectively position quality and safety as essential business strategies for financial sustainability and profitability.

The root cause is clear: for decades, healthcare has misunderstood or neglected the true value of quality and safety – treating it as mere compliance rather than a strategic advantage to be leveraged to meet organizational goals. This stands in stark contrast to industries like aviation and manufacturing, where quality is central to performance and profitability.

Compounding this issue is the lack of consistent, standardized training in quality and safety for the healthcare workforce. The academic pathways for quality and safety are limited, and the discipline is taught inconsistently across, and even within, healthcare professions like medicine, nursing, health business administration and more. This variability in training results in variability in skills and sensibilities for quality and safety in the workplace.

While we couldn't go back and re-train five generations of healthcare professionals, we believed it was possible to reverse-engineer quality roles, structures and systems — and equip the workforce with the skills needed to succeed. If we could do that, we believed quality and safety would improve, and the bottom line would reflect it.

That conviction led to our founding thesis and a decade of work creating and validating a set

of foundational tools: the industry-standard Healthcare Quality Competency Framework™; a Professional Assessment; a national database and benchmarking tool to evaluate workforce capabilities; skilling and reskilling resources; and most recently, a program that activates the Healthcare Quality Competency Framework across organizations to assess quality roles and structures, upskill individuals and reduce variability across the workforce in order to improve both healthcare and financial outcomes, Workforce Accelerator®.

The results from initial implementations of the Workforce Accelerator program are in and the path for overcoming some of healthcare's greatest challenges is now more clear than ever.

Today, NAHQ has proven that:

- 1. Competency-based performance can be elevated and this can be visualized with data
- 2. Elevated performance leads to improved quality and safety
- 3. These improvements have a measurable impact on the bottom line

It takes the power and perspective of a national organization, with a global footprint, to see this potential and activate it.

And it takes leadership from the field to buy in to an idea as bold as scaling quality, safety and financial outcomes.

This report is a success story, but not just for NAHQ. It was made possible by leaders who stepped forward – demonstrating visionary leadership in activating this program within their organizations. They chose to invest in quality and were rewarded with a return on that investment of millions of dollars... and patients' lives improved and saved.

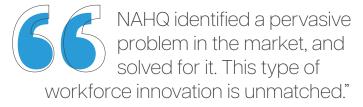
This report shares how that return on quality investment (ROI-Q) can be demonstrated, and the power and potential of replicating this work and scaling it across the country and around the world. This program has demonstrated the opportunity for cost savings in the US alone in the billions of dollars – and the potential harm reduction would be transformative for patients and families.

NAHQ's board, staff and I remain deeply committed to this work – because we believe its impact on healthcare can be profound. In an industry often defined by its challenges, NAHQ is offering real solutions.

I am deeply grateful to all the leaders who joined NAHQ to advance this worthy cause. And I invite other leaders to join us as well – because we've only just begun.

Stephanie Mercado CEO. NAHQ

Stephene & Just.



David B. Nash

Founding Dean Emeritus, Jefferson College of Population Health

EXECUTIVE SUMMARY

The healthcare industry is navigating an unprecedented perfect storm – workforce shortages, rising costs, an aging population and an urgent need for workforce reskilling in the face of policy changes and demands for efficiency and cost-cutting. This report identifies barriers to our progress and a way forward to overcome those barriers on scale.

THESIS

Healthcare quality, patient safety and financial performance will improve if we address a root cause for our deficiencies: sub-optimal quality management systems and lack of workforce competencies to systematically activate and elevate quality and safety.

APPROACH

This report introduces a first-of-its-kind approach to affect a return on investment in quality — and offers a validated process to build workforce capabilities while driving measurable cost savings and revenue gains. The real-world results featured are from some of the largest health systems in the US including Kaiser Permanente, CHRISTUS Health and the Veterans Health Administration.











RESULT

194% improvement in

cost avoidance resulting in \$6,530,400 of savings over two years

Kaiser Permanente, Northern California

\$15-20 million in annual gains from

pay-for-performance incentive programs
CHRISTUS Health

92% decrease in

HAC penalties
Kaiser Permanente, Northern California

50% reduction in

serious safety event rate
CHRISTUS Health

Improvement in

CMS Star Ratings, outpacing comparisons Veterans Health Administration

IMPACT

For the first time ever, NAHQ has quantified the financial return on investing in quality and patient safety (ROI-Q) refuting the false choice that quality must come at the expense of reducing cost. In fact the opposite is true: investing in the workforce to advance quality and safety produces impressive ROI-Q.

While quality and safety initiatives generally include a measurement of clinical or operational impact, this usually happens at the project level, not a system level and most times ROI is not quantified. A literature review confirms that NAHQ is the first organization to demonstrate the impact of a scaled investment in quality and safety, with impressive results measured in both clinical and financial impacts.

This timely, data-driven paper has the potential to reshape how leaders approach quality, safety and operational performance in healthcare. NAHQ's ROI Estimator articulates the national opportunity for cost savings to be billions of dollars — and the opportunity for improved healthcare outcomes will improve the lives of millions of patients and their families.

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NAHQ's Workforce Accelerator program was a game changer. It helped reduce variability in quality and safety performance across our 14 Northern California service areas, driving better patient outcomes and increasing organizational efficiency. We also saw measurable gains in employee engagement and retention. Most notably, we achieved a sixfold return on investment."

Carrie Owen Plietz, FACHE

Interim Executive Vice President, Group President and Chief Operating Officer, Care Delivery,
Kaiser Permanente

NAHQ
Workforce
Accelerator
results prove (1) the
program can level up
performance of quality
and safety teams
and (2) elevating that
performance significantly
reduces harm and
serious safety events,
improves culture and
save millions of dollars.
This is gold."

Dr. James (Jim) Merlino, MD

Executive Vice President and Chief Innovation Officer, The Joint Commission and former Chief Clinical Transformation Officer, Cleveland Clinic

5 business strategies to improve quality and safety outcomes and drive improved financial performance

STRATEGY 1	10
Communicate ROI of quality & safety	
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Assess, train and certify teams with the industry standard	
with the industry standard	
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Activate quality as a business strategy	
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Define every contributor's role in quality	
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Require annual quality & safety training	10
for the entire workforce	

ABOUT NAHO®

The National Association for Healthcare Quality® (NAHQ) is at the forefront of elevating the profession and advancing the discipline of quality and safety across the continuum of care. We set the industry standard through our expertcreated, twice-validated Healthcare Quality Competency Framework and help individuals and organizations achieve it through educational programming, industry-leading data-driven intelligence, and the only accredited certification in healthcare quality, Certified Professional in Healthcare Quality® (CPHQ). NAHQ also serves as a welcoming community to 20,000 members and CPHQs, plus a trusted partner to 150+ organizations helping build quality infrastructures, workforce planning and professional development programs and quality cultures.

Learn more at **NAHQ.org**



The NAHQ Healthcare Quality Competency Framework

CREATED BY EXPERTS PEER-REVIEWED VALIDATED TWICE IN THE FIELD PUBLISHED

This framework defines the domains. competencies and skills required for high-functioning quality organizations and teams.

workforce accelerator.

Workforce Accelerator is NAHQ's customizable data-driven program designed to lead an organization through a structured process:

Understand the organization's unique quality and safety objectives

Assess the workforce of an organization to determine who is doing what type of quality and safety work, at what level, aligned to the framework

Define the desired state of roles and responsibilities for each employee and for teams

Address gaps via individualized professional development plans and skilling

Reassess the workforce to measure personal performance improvement and alignment

Measure organizational impact and ROI

WORKFORCE ACCELERATOR PARTICIPATION

Total Participants

1,239

Participating Organizations/Systems

14

Hospitals/Locations Impacted

340

Upskilled in 2024

13,000









COMMUNICATE ROL OF QUALITY & SAFFTY

PROBLEM

There is a perception that it is difficult to balance competing priorities of high-quality, safe care and bottom-line results. Additionally, there is concern that healthcare leaders will choose efforts at one end of the spectrum over another. Or worse, compromise on both by achieving balance at the midpoint.

SOLUTION

In an industry battling to improve patient care, reduce escalating costs and solve for a looming workforce shortage all at once, the best investments are those that improve safety, patient outcomes *AND* the bottom line simultaneously.

That solution is quality. Quality teams must learn to make the case for how their quality efforts are paying off. Investing in quality pays off, and that ROI of Quality (ROI-Q) can be demonstrated. CHRSTUS Health has proven that.

NAHQ helped advance our performance to Top-Decile. We moved faster and more effectively towards achieving quality, safety and efficiency with the Workforce Accelerator Program. The ROI of this program is unmatched and pays dividends year-over-year."

Claire Lauzon-Vallone
Vice President, Quality & Safety,
CHRISTUS Health

SUCCESS STORY CHRISTUS Health

At CHRISTUS Health, VP of Quality & Safety Claire Lauzon-Vallone is able to draw a direct connection between how investment in the quality workforce and infrastructure is improving healthcare outcomes and improving the bottom line.

Claire engaged NAHQ three years ago to help develop a robust quality management system.

After working with NAHQ to implement Workforce Accelerator and the Healthcare Quality Competency Framework over the last three years, CHRISTUS Health reports an ROI that is more than 20x annual return on their workforce investment. The proven approach was an anchoring and enabling factor in aligning quality teams, improving patient safety and achieving measurable success.

SIGNIFICANT COST SAVINGS

\$3M COST AVOIDANCE

related to Harm Metrics over 3 yrs

\$15-20M ANNUAL GAINS

from pay-for-performance (P4P) Incentive Programs

CONFIDENCE, ENGAGEMENT & DECISION-MAKING

IMPROVED STAFF PERFORMANCE



BETTER PATIENT OUTCOMES

50% SERIOUS SAFETY EVENT RATE

SAFETY CULTURE & QUALITY OF CARE

RECOGNITION & RATINGS

HOSPITAL TO SAFETY GRADE 13A



READ THE CASE STUDY



ASSESS, TRAIN AND CERTIFY TEAMS WITH THE INDUSTRY STANDARD

PROBLEM

It is imperative that quality professionals are competent and skilled to do their best work.

The Institute of Medicine's report, "Crossing the Quality Chasm²," emphasizes the importance of education in improving the quality of care. It highlights that healthcare professionals with advanced education are better equipped to integrate evidence-based practices, work in interdisciplinary teams, and use informatics to support decision-making.

And, NAHQ's own peer-reviewed research confirms that those who are CPHQ certified are performing at higher ends of the competency spectrum than their non-CPHQ peers³.

Yet many organizations don't fund professional development. Those who do fund it often place responsibility for selecting appropriate training on employees themselves. This "choose your own adventure" approach is not effective because it does not guide employees toward what they need to learn to advance organizational objectives.

SOLUTION

Organizations should take a more strategic and standardized approach to team development. Most critically, they should fund professional development. Additionally, they should direct teams' learning journeys, ensuring intentional alignment to advancing organizational objectives.

NAHQ's industry-validated Healthcare Quality Competency Framework serves as the standard, defining the domains, competencies and skills necessary for high-functioning quality organizations, teams and individual contributors.

While some organizations take on the challenge of doing this work themselves, NAHQ developed and validated an approach that guides leaders through a structured program to optimize their quality management system and teams. NAHQ's program provides a roadmap that optimizes performance and improves clinical and financial outcomes through: a detailed assessment of the workforce; identification of gaps in workforce competencies and the quality management structure; and the implementation of individualized upskilling plans to fill those gaps.

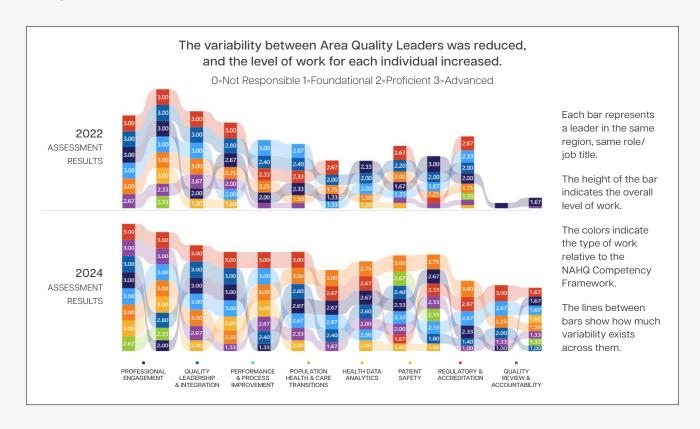
SUCCESS STORY

Kaiser Permanente, Northern California

Kaiser Permanente Northern California's mission is to deliver high-quality, affordable health services. Robin Betts, vice president of Safety, Quality, and Regulatory Services, KP NCAL knew her team could play a key role in supporting this mission and wanted to ensure they had the support they needed to do their best work. Robin recognized there was system-level variability between employees in like roles as well as opportunities to elevate the level of work. She believed addressing these issues would improve patient outcomes and deliver millions back to the bottom line.

Robin did not have budget available for this initiative. To fund it she reclaimed individual professional development dollars and reallocated them to a more holistic upskilling strategy aligned to organizational objectives. Robin also reviewed line items in the budget and eliminated less effective solutions such as outdated technology solutions and registries.

KP NCAL has now activated 170+ staff into the Workforce Accelerator program from quality leaders to frontline clinical nurse consultants.



Robin now has a budget for the program because it more than pays for itself. This is the impact at KP NCAL in the third year of implementation.





6X RETURN ON WORKFORCE INVESTMENT

READ THE CASE STUDY



ACTIVATE QUALITY AS A BUSINESS STRATEGY

PROBLEM

In 2024, NAHQ research revealed that within the healthcare industry, there is not yet consensus on what the definition of "quality" even is, nor is there agreement on who is responsible for it. This results in quality often being misunderstood, siloed and inconsistently executed.

This is the result of quality having evolved organically over the years without the benefit of a common industry standard for management systems or workforce competencies. Most healthcare organizations were organized at the local level and roles evolved organically. Today, many healthcare organizations lack intentionally defined roles and responsibilities for their quality infrastructure and most do not have a definitive understanding of who is doing what work, and at what level.

HOW WOULD YOU DESCRIBE HEALTHCARE QUALITY?



A shared responsibility of the entire workforce



Is synonymous with healthcare excellence



Refers to compliance with regulations



Refers to a profession or field within healthcare



Is the responsibility of a select few in specific roles

Source: NAHQ Awareness & Usage Study, 2024

SOLUTION

Organizations are addressing this challenge by aligning their structures and teams around the NAHQ Healthcare Quality Competency Framework and working with NAHQ to implement Workforce Accelerator.

Working with NAHQ, organizations have been activating quality as a business strategy, integrating quality management principles into every aspect of their operations to achieve long-term success—not just meeting standards but creating a culture where quality and safety are core values.

SUCCESS STORY

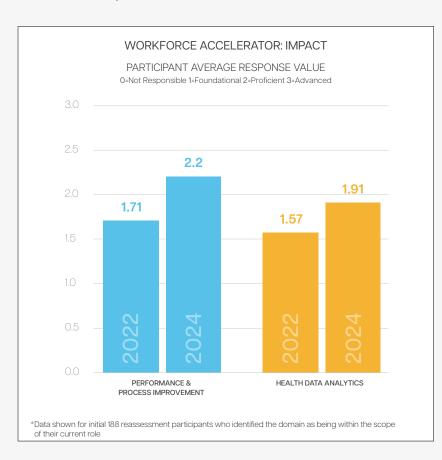
The Veterans Health Administration (VHA)

The Veterans Health
Administration (VHA) is the largest healthcare system in the United States. It is complex and nuanced – and it's a critical lifeline to veterans. In 2021, Kristi Groves, now acting associate deputy under secretary for Health for Quality & Patient Safety, prioritized veterans by prioritizing quality and safety, aligning with NAHQ to activate the Workforce Accelerator program.

What began with an initial deployment with 3 leaders has now expanded to incorporate over 400 quality champions.
Additionally, the VHA has activated monthly communities of practice groups for quality professionals, those that are "quality curious," and physicians, who are all finding their voice and deepening their role in quality.

After activating their team with professional development guides aligned to the NAHQ Healthcare Quality Competency Framework, VHA conducted a reassessment that resulted in statistically significant increases in the level of work performed across all 8 domains.

Since implementing Workforce Accelerator and related national efforts, every VHA region and its associated healthcare system had a significant increase in engagement related to Health Data Analytics and Performance and Process Improvement.



Additionally, with the VHA's ongoing focus on quality and safety, CMS star ratings continue to improve, outpacing comparators.



DEFINE EVERY CONTRIBUTOR'S ROLE IN QUALITY

FROM QUALITY DEPARTMENTS, FRONTLINES, C-SUITES AND BOARDS OF DIRECTORS

PROBLEM

Over the years, regulatory and accreditation agencies have recommended or required healthcare leaders and boards of directors to engage more on the topic of quality and safety.

2022 AMERICAN HOSPITAL ASSOCIATION GOVERNANCE SURVEY



of boards recognize quality as a priority



fail to include quality reviews in every meeting



devote less than 20% of their time to these crucial issues

Source: American Hospital Association. (2022). AHA 2022 National Health Care Governance Survey Report.

Effective hospital leadership is essential for driving innovation, optimizing resource utilization and fostering a culture of continuous improvement that prioritizes patient safety, satisfaction and engagement.

Healthcare leaders must elevate their view of quality, seeing it as the catalyst for sustainable solutions and ensure everyone in the organization understands their role in advancing quality and safety, and believe that role matters.

SOLUTION

Everyone from staff to board members can only be expected to value and activate what they understand. While a nuanced comprehension of quality is not needed for every healthcare stakeholder, a macro-understanding is necessary.

NAHQ's Healthcare Quality
Competency Framework brings
consistency and clarity to the
field, providing a clear pathway
for all healthcare professionals,
regardless of their role, to
contribute to quality & safety and
improve patient outcomes.



SUCCESS STORY

Columbus Regional Health

When Jennifer Dunscomb, vice president, System Quality & Patient Safety from Columbus Regional Health in Indiana partnered with NAHQ to implement the Workforce Accelerator program, she made sure to incorporate leadership, including key physicians. Reports on the program and the impact it was having on the organization were added as a quarterly agenda item at Quality and Safety Practice Council meetings. Jennifer and her team facilitated board immersion experiences in quality and safety work. Columbus Regional Health are getting their Board on board with quality.

SUCCESS STORY

A regional medical center in Texas

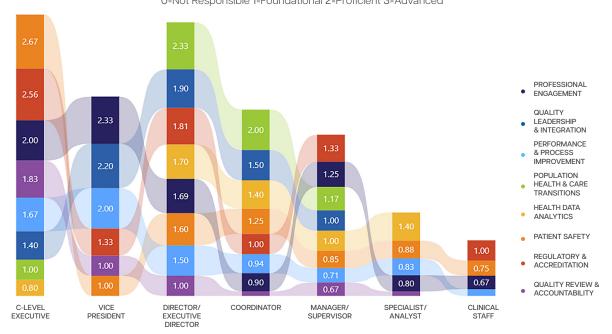
When a regional medical center in Texas sought to elevate the quality competencies of their workforce, NAHQ guided them through the Workforce Accelerator program. Based on organizational objectives, an assessment was conducted not only with their core quality team, but also their C-Suite, including the CMO, COO/CNO and Chief Administrator.

The assessment report articulated with data what the systems believed to be true: their staff and leaders were viewing and executing quality functions differently, but not intentionally. With this data in hand, roles could be clarified, and upskilling could be activated.

Advancing quality and safety in healthcare requires prioritizing it at every level of the organization, from the bedside to the boardroom table

Everyone has a role in quality, but most organizations have not intentionally defined those roles. This chart illustrates unintentional variation in quality functions, skills and work effort.

0=Not Responsible 1=Foundational 2=Proficient 3=Advanced





REQUIRE ANNUAL QUALITY & SAFETY TRAINING FOR THE ENTIRE WORKFORCE

PROBLEM

The healthcare workforce consists of 14.7 million professionals. Millions of people, representing 5 generations, have been trained differently, or not at all, in quality and safety.

It's time to change this. Healthcare organizations annually execute compliance training for sexual harassment, cyber security and other topics required for all healthcare staff. However, time and money are cited as barriers to annual safety training for frontline staff. We want patients to walk into the halls of healthcare with the full faith and trust that they will receive high-quality, safe care. We can do better, and Lifespan (now Brown Health) demonstrated that in a pilot program with NAHQ.

SOLUTION

NAHQ's HQ Concepts in Healthcare Quality and Safety for Frontline Staff is an annual compliance training aligned to the industry standard Healthcare Quality Competency Framework and has produced extraordinary results. This is one of the easiest things the industry can do quickly, and it can have an enormous impact as is demonstrated by the following example.



One-hour online course

Ideal for frontline and professionals beyond the quality team

Establishes a shared vocabulary and toolkit across the organization years, our system received no HAC penalties, which have resulted in a million dollars of cost savings to the organization."

> Nidia Williams, PhD MBB. CPHQ. FNAHQ

Vice President, Quality & Safety, Lifespan (formerly)

SUCCESS STORY

Lifespan (now Brown University Health)

Lifespan committed to educating nurses, physicians and frontline staff on the significance of safety and quality processes. They partnered with NAHQ to implement standardized training to more than 10,000 employees through NAHQ's HQ Concepts in Healthcare Quality and Safety for Frontline Staff course. The course was selected for its ability to develop the necessary competencies to upskill every individual with common knowledge and tools to ensure they are aligned, coordinated and create organizational capacity and operational excellence for quality and safety.

REDUCED HAC PENALTIES

and millions more in cost avoidance from reduced harm

INCREASED PARTICIPATION

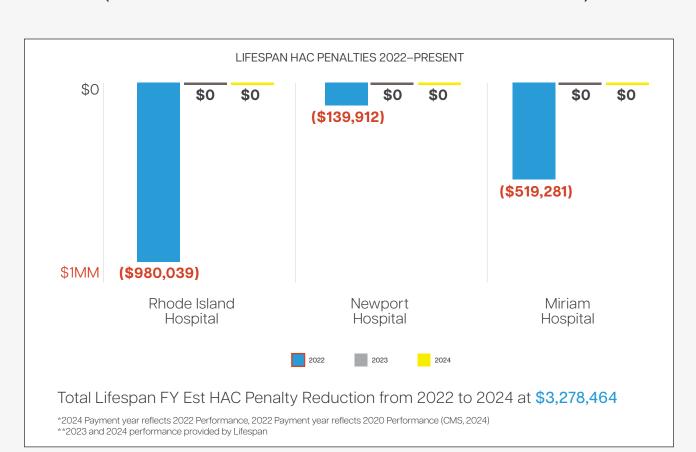
in the Press Ganey **Culture of Safety Survey**

IMPROVED

in every domain of survey

Prevention & Reporting Resources & Teamwork Pride & Reputation

MOST IMPORTANTLY, REDUCED HARM AND LIVES SAVED



READ THE CASE STUDY



NAHQ is on a mission to make the case for quality. We are proving that investing in teams advances quality and safety, improves healthcare AND improves the bottom line.

This is our mission.

This is our passion.

This is our calling.

Join us to make healthcare better.

To learn more about how NAHQ can help your organization implement these solutions and achieve an ROI-Q, click here



National Association for Healthcare Quality 8600 W. Bryn Mawr Ave, Suite 710 N | Chicago, IL 60631 NAHQ.org

- 1. Bates, David W., et al. "The Safety of Inpatient Health Care." The New England Journal of Medicine, vol. 388, no. 2, 2023, pp. 142–153.
- 2. Committee on Quality of Health Care in America, Institute of Medicine. "Crossing the Quality Chasm: A New Health System for the 21st Century." Washington, DC: National Academy Press; 2001.
- 3. Miltner, Rebecca; Pesch, Lucie; Mercado, Stephanie; Dammrich, Thomas; Stafford, Terry; Hunter, Jaclyn; Stewart, Glenda. "Why Competency Standardization Matters for Improvement: An Assessment of the Healthcare Quality Workforce." Journal for Healthcare Quality 43(5):p 263-274, September/October 2021. | DOI: 10.1097/JHQ.00000000000016

NAHQ's Workforce Accelerator program is not intended to state or define medical practice requirements or standards of care, which differ by state, region, and country. It provides information relating to healthcare quality for reference purposes. NAHQ does not control the organizations or individuals that participate in the Workforce Accelerator and makes no representations regarding outcomes or care for specific patients. All references to organizations' cost savings and revenue gains are based on their past experience, and future participants' results may vary.