Resilience
A Lesson for our Time

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Resilience

Definition: The ability to recover from adversity

- Recovery is a continuum from survival to success.
- Endure, recover, succeed.
- Return to “normal”, advance, excel.
Threat/Adversity

- Internal – strife, disorganization, capacity/capability/complexity, motivation
- External – physical, competitive, financial, regulatory and (economic) environmental.
This is our Ochsner story of adversity and resilience
Immediate Effects

- $70 million in losses
- Compromised business interruption insurance
- $30 million of property damage
- Triple uncompensated care rate
- Greater lengths of stay
- Increased labor costs
- Increased medical education costs
- Significant employee turnover (lost 107 physicians and 2,000 of 7,000 employees)
Our Recovery from Disaster to Success
Over A Decade of Growth

OHS Revenue in (Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>743</td>
</tr>
<tr>
<td>2006</td>
<td>895</td>
</tr>
<tr>
<td>2007</td>
<td>1,149</td>
</tr>
<tr>
<td>2008</td>
<td>1,456</td>
</tr>
<tr>
<td>2009</td>
<td>1,658</td>
</tr>
<tr>
<td>2010</td>
<td>1,825</td>
</tr>
<tr>
<td>2011</td>
<td>1,796</td>
</tr>
<tr>
<td>2012</td>
<td>1,842</td>
</tr>
<tr>
<td>2013</td>
<td>2,044</td>
</tr>
<tr>
<td>2014</td>
<td>2,314</td>
</tr>
<tr>
<td>2015</td>
<td>2,803</td>
</tr>
</tbody>
</table>
Caring For More Patients

OHS Unique Patients
2005-2015

+60%

389,344
406,390
412,912
432,267
460,785
480,243
497,313
517,167
521,082
577,458
623,108

Caring For More Patients

OHS Clinic Visit Volume
2005-2015

54%

Ochsner Health System
Ochsner Clinic Physician Growth

2006-2015

Number of Physicians

<table>
<thead>
<tr>
<th>Year</th>
<th>Physicians</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>585</td>
</tr>
<tr>
<td>2007</td>
<td>627</td>
</tr>
<tr>
<td>2008</td>
<td>709</td>
</tr>
<tr>
<td>2009</td>
<td>756</td>
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<tr>
<td>2010</td>
<td>814</td>
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<tr>
<td>2011</td>
<td>821</td>
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<tr>
<td>2012</td>
<td>860</td>
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<td>2013</td>
<td>886</td>
</tr>
<tr>
<td>2014</td>
<td>961</td>
</tr>
<tr>
<td>2015</td>
<td>1020</td>
</tr>
</tbody>
</table>

Proj.
Continued Excellence In Quality

CARECHEX®
A Rating Service of The Delta Group

**National Rankings:**
- #2 for Organ Transplant
- #1 for Liver Transplant
- #9 for Heart Transplant
- 7 other Specialties in the top 25

**Overall State Rankings:**
- OMC BR #2 Overall Medical Care
- OMC BR #2 Overall Hospital Care

**17 Different Specialties:**
- #1 or #2 in State

#1 Hospital in Louisiana
Nationally Ranked in 6 Specialties:
- #24 in Ear, Nose and Throat
- #31 in Gastroenterology & GI Surgery
- #40 in Nephrology
- #23 in Neurology & Neurosurgery
- #45 in Orthopedics
- #40 in Pulmonology

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11 Great Hospitals in America | 2015

THE LEAPFROG GROUP
Ochsner Health Network Official Launch

• Together, we care for **more than a million patients** statewide every year.

• Together we care for **+70% of the state’s population**

• Together we will **support nearly, 3,000 physicians** as they continue to improve quality and safety and truly innovate the delivery of care in our region.

• Together we **employ nearly 30,000 people**, providing the ability for many Louisiana families to flourish.
Ochsner Health Network

<table>
<thead>
<tr>
<th>MSA Population</th>
<th>No. Of Hospitals</th>
<th>Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0M</td>
<td>33</td>
<td>$5.0B</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>2014 Discharges</th>
<th>Aligned MDs</th>
<th>Patients Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>200,000</td>
<td>4,500</td>
<td>1,000,000+</td>
</tr>
</tbody>
</table>

Population by Metropolitan Area:
- 1,000,000 to 9,999,999
- 100,000 to 999,999
- 10,000 to 99,999
- 1,000 to 9,999
- Ochsners’ specific success factors.
- Attributes of the resilient individual.
- Components of the resilient organization.
Ochsner’s’ Keys for Success in the Face of Adversity

- Higher Purpose
- Group Practice and Group Culture
- Triple Mission
- Excellence
- Self Sufficiency
- Performance: aspiration, humility and accomplishment
- Intrinsic Motivation
Attributes of the resilient individual

- Intrinsically motivated (by values and beliefs)
- Confident
- Optimistic
- Focused
- Self regulated
Components of the resilient organization

- Strong servant leadership by example
- Strong teams
- Culture of improvement (vs. Culture of Perfection)
- Culture of shared performance
- Culture of reality
- Planful-”plans are often useless but planning is invaluable”. “Everyone has a plan until the they get punched in the mouth”- *Tyson*
- Experienced and challenged teams (distress to eustress/positive stimulation). “the more I practice, the luckier I get”. *Palmer*
Phases of Disaster

- Predisaster
  - Warning
  - Threat

- Heroic
  - Impact

- Honeymoon
  - Community Cohesion

- Disillusionment

- Reconstruction
  - A New Beginning

- (Coming to Terms)
  - Working Through Grief

- Trigger Events and Anniversary Reactions

--1 to 3 DAYS --Time--1 to 3 YEARS--
The New Beginning
Change Management
Not all believe that fundamental change is essential.
The old way

Incremental change
Who ate my cheese?

Many will fail

The new way
Fundamental Change
It is not necessary to change. Survival is not mandatory.

W. Edwards Deming
New Entrants

They won’t follow the old rules.
Timing:
If you are not early, you are late.
Job and Process Enhancement
Growing the Next Generation

My employer,
my choice.

My family