Top 10
Data
Governance
Tips for Healthcare
Analytics Success

The delivery of healthcare is transforming – and the data you already have inside your organization is the key to your ability to survive and thrive. But while enterprise-level, vendor-neutral data sources are critical to identifying opportunities to improve financial and clinical outcomes, they also bring complications, such as managing regulatory submission, eliminating data silos and creating shared enterprise knowledge among users. **One issue is clear: a thriving data governance culture and practice is essential to your organization's healthcare analytics success.** Without it, your organization's ability to innovate in light of unprecedented industry change is at risk.

These 10 points give you the 50,000 feet overview of what you need to know today about data governance – along with practices you can apply to keep pace with your peers.

✅ Data is your biggest asset.

Since data doesn't live on the balance sheet, organizations may fail to realize it is an asset, just like plant, property and equipment. But think of the consequences if it disappeared – how would you operate?

- Data is an asset you must oversee and control
- Managing your data is an ongoing effort that requires new organizational skills and competencies

Your data – unique to your organization – is critical to transformational success. McKinsey Global Institute (MGI) estimates that $300 billion in potential annual savings can be realized from applying digital data findings to the US health care system.[1] Furthermore, "use of… data will become a key basis of competition and growth," making information governance a strategic imperative for your organization.[1]

Your systems and knowledge must establish and support an enterprise view that reaches across departments and silos to maximize total organizational success. Creating an enterprise-

wide point of view requires new competencies, culture and systems that your organization may be unprepared to deliver.

✅ Your data needs tending.

It lives in multiple systems, and may have different meanings to different users. Data points frequently conflict, and lack of standardization (a recognized understanding of its uses and application) can cause errors. If your organization is like most, you may be wasting critical time and effort validating and researching information. By the time they've finished wading through the mire, your staff may give up and make decisions based on gut feelings rather than data-driven, trusted information.

Data governance is the process of creating accountability and stewardship for your information assets. A multi-disciplinary, strategic framework that brings together operational, clinical,

financial and IT stakeholders to manage and optimize your information can create a strong foundation for enterprise-wide analytical decision-making that supports your strategic plan.

- Today's regulatory environment requires new levels of data collection and validation
- Clinical and financial data now combine to measure quality success

- A successful healthcare analytics culture requires a multi-disciplinary approach to manage significant data volume

✓ Data governance can be scary.

Data governance sounds academic and overwhelming – and with good reason. Strong data governance addresses data quality, hygiene, maintenance, policies, processes, compliance and risk management – and requires a true culture change to create enterprise-level information strategies.

A data governance strategy must also be flexible since your information needs are evolving rapidly. They are different today than yesterday, and while tomorrow's needs are uncertain, it's clear that changes are ahead. The skills needed to convert your growing data set into useable information continue to evolve, and the analyst or database administrator of yesterday is the not the data scientist you may need today or tomorrow. Closing the gap in your analyst continuum is a daunting but critical task.

If you have the time to do so, you may want to start small – at the project implementation level, for instance – and grow. If you need to go immediately "all in" so that you can accept value-based payer contracts, you'll need professional advisors to quickly move you forward.

You are probably applying some good data practices in your organization, either formally or informally. Identifying these projects or areas, formalizing best practices and communicating them throughout the organization is a great way to start.

Then, as your needs evolve and mature, so can your data governance structure.
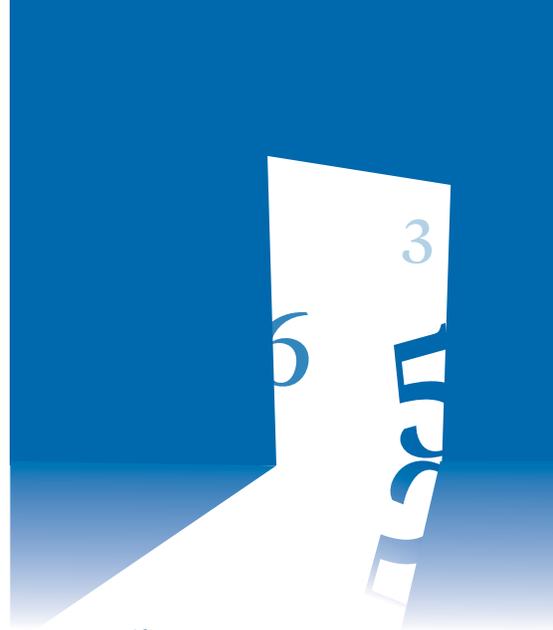
According to an industry-leading research company, "at least half of analytics initiatives will be suboptimal due to insufficient data management and governance requirements."[2]

✓ Your plan should be unique.

Just like your strategic plan, your data governance framework should be tailored to your organization. It should align with your outward vision and support your annual clinical and financial objectives.

It may be tempting to think you can implement the same data governance strategy used by a colleague from another organization, but data governance strategies are not "one-size-fits-all." Your model should leverage your strengths and address your gaps. Issues such as your patient population, payer mix and service line structure impact the problems you want to solve

using data-driven information and should guide the development of your data governance strategy. A strategy that is tailored specifically to meet your organization's needs will help ensure that you have the right data to answer your questions, solve your problems, and identify your opportunities.

Key Elements of Data Governance
- Define standards for data sources and definitions
- Establish ownership of data quality management
- Streamline and automate data collection and reporting
- Create enterprise-wide accountability

☑ Data Governance is culture and a journey.

Executing change – such as transitioning to value-based care – requires time. Your data governance framework should grow with your vision. Start with key systems or projects that tie to current initiatives, and be sure to include your whole organization in the journey.

Today, financial success and quality are a single continuum, and interdisciplinary effort is required for execution. Everyone has a stake and individual interests are not exclusive.

Establishing leadership and prioritizing your strategic goals leads to success. Who suffers when data is bad? Since IT is rarely on the hook for missed opportunities or poor decisions, answering that question can pinpoint the motivated leadership you need to create an information-oriented culture.

- Align data governance with your strategic plan
- Share your goals for the year
- Involve stakeholders in governance execution

☑ Data governance is not an IT project.

Managing information involves stakeholders throughout the enterprise, not just IT. And, unlike an IT project that has a defined destination from inception, analytics processes seek to convert data into knowledge that results in a change in activity. Chilmark Research estimates that 70% of analytics projects fail.[3] According to Business Week, "IT tends to consider Business Intelligence (BI) projects successful much more frequently than end users – sometimes at a ratio of 2:1."[3]

Involving key leaders and staff members in your journey creates accountability and drives the cultural change needed to unite your enterprise.

When validating clinical data, you need stewards who understand it. IT staff typically lacks information

nuance and context, and don't pay the price when data is bad. Clinicians, physicians, financial users and quality experts should all have a voice in defining data parameters and standards. Who is the right source to resolve a patient

registration issue? If a medication error emerges, who owns and understands how the information is stored, accessed and updated? It's important to assign accountability to your tasks and systems so that you use the right information in the right context. Experts who can answer questions such as these need to be part of your governance process and culture.

Governance in action: Managing readmissions
Readmissions impact both clinical quality scores and, due to Medicare penalties and commercial payer contracts, the bottom line. How can you determine what is generating your readmissions and quantify the financial impact? Who will you hold accountable to implement and evaluate new policies aimed at improving your readmission rate?

☑ Every decision should have a single source of truth.

Imagine your staff making a critical decision, such as determining how to grow a new clinic, deciding to hire new physician or scheduling surgery block times. Decisions like these impact your bottom line and the quality of the services you deliver, and incomplete or erroneous data can lead to expensive errors. Do your users currently spend time wading through multiple systems and sources determining the best method to measure an outpatient visit? If so, what does that cost you in terms of lost time? If not – and your users are trusting unvalidated sources to provide critical information – can you be certain your information is leading to strong decision making?

Decision-making shouldn't include shopping for the data source that supports a foregone conclusion. Instead, a single source of healthcare analytics truth should inform and guide all decisions. Your decision-makers can't align and deliver if they can't agree on the facts that available at the departmental level. Delaying timely decisions due to staff discussion and conflict may affect quality outcomes, patient throughput, volume and revenue.

Given the amount of data and sources in your organization, can your decision makers define truth?

- Organizations need to move from data silos to shared, actionable information
- Comparison shopping belongs in the grocery aisle, not in healthcare enterprises

☑ Ask "what if" instead of "how many?"

If yours is like many healthcare organizations, your analysts may not be analyzing. Instead, they may spend significant time creating a variety of reports using a variety of source systems for a lengthy list of stakeholders. How much time do they spend researching data definition and resolving discrepancies instead of providing useable information? Your analytics tools may go unused – and fail to deliver the intended ROI – as analytical staff members manage mundane issues. Even worse, your leaders may not be receiving the intelligence they need to make informed choices.

Centralized, retrospective report writing that provides answers to the "how many" questions, such as "How many procedures were performed at the clinic?" is a significant gap from proactive, predictive modeling that allows your decision makers to confidently answer "what if" questions. Information that is distributed throughout your organization, rather than isolated in report writing, can help you proactively transition to new care and payment models. Information that is presented in a visual and timely way can help promote progress towards your goals.

How can you accelerate your healthcare analytics capability? Given the regulatory, financial and quality challenges of the current environment, today's healthcare organizations should consider creating analytics departments composed of both quality and financial experts. Providing a regular forum for analysts to interact and exchange information, share institutional knowledge and establish data standards can also yield tangible results. Enabling a culture and platform that minimizes analytical clutter and allows your leaders to ask and answer the "what if" questions equals optimized healthcare analytics.

? Answering the "how many" for questions such as outpatient visits, procedures and patients is NOT analytics intelligence. Proactive insight is needed to move your organization forward.

☑ You may not want to go at it alone.

Choosing healthcare analytics to identify opportunities for improvement is just a start, and success is more than an initial investment. Driving a culture of change requires resources, change management and dedication. Given the growing complexities and regulatory demands, now's the time to get your data straight.

Leaders are often challenged to identify where and how to start, and your staff may be unprepared due to competing priorities, full workloads and lack of training. IT may be unsuited to lead this transformation. Given the shortage of well-trained data analysts and scientists, you may also lack the necessary analytical expertise to embark on your healthcare analytics journey. According to the 2011 MGI study, the US needs 140,000 – 190,000 analytical talent positions and 1.5 million data-savvy managers to leverage potential information intelligence benefits.[1] Workflows and incentives may also need restructuring.

Experienced change agents, specifically skilled in data governance and organizational change management, can fuel your transformation. Look for experts who are knowledgeable in the information needs of today's healthcare environment with a successful track record of client transformation.

☑ If you do nothing, do this.

Identify immediate data governance priorities based on your strategic plan

- Appoint a work group comprised of key stakeholders to define needed data points
- Establish user rules for data quality - IT definitions may be inadequate
- Inventory your source systems – those technology assets that provide critical data for analysis – and understand their uses and limitations. Answer questions such as "What is the best system and method to count outpatient visits?"
- Share your goals throughout the organization, create clear targets, assign ownership and create accountability checkpoints

Establishing this framework and expanding as you grow leads to greater maturity – and better questions. Until you know what questions to ask, you may not know what's possible.
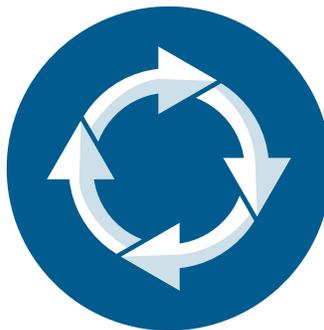
WARNING: Delaying Your Data Governance Strategy May be Detrimental to your Clinical and Financial Health

To ensure success in the transforming healthcare industry, you need to implement your healthcare analytics data governance strategy today. McKesson's expert Business Advisor consultants can help guide the creation of a strategy that meets your organization's unique needs, manage change and operationalize data governance.

For more information about McKesson healthcare analytics or Business Advisor services, visit mckesson.com/datagovernance.

[1] McKinsey Global Institute. (2011). Big data: The next frontier for innovation, competition, and productivity [White paper]. Retrieved from http://www.mckinsey.com/insights/business_technology/big_data_the_next_frontier_for_innovation

[2] IDC Health Insights. (2013). Healthcare Payer 2014: Predictions: Focus on Analytics [White paper] Retrieved from http://www.idc.com/getdoc.jsp?containerId=HI244841

[3] Chilmark Research. (2013). Building an Infrastructure to Drive Healthcare Analytics. Retrieved from http://www.chilmarkresearch.com/chilmark_report/building-an-infrastructure-to-drive-healthcare-analytics/

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