

A Baldrige Success Story:

Sharp HealthCare

Maintains Excellence Amid Growth

*By Pamela Wong*

In 1944, tragedy hit a family in San Diego, California. An Air Force pilot in World War II, 22-year-old Donald N. Sharp, sacrificed his life on a mission near Bonn, Germany.

Six years later, his father, businessman Thomas E. Sharp, determined how he would honor the memory and service of his son. He gave $500,000 to the newly formed San Diego Hospital Association for construction of the Donald N. Sharp Memorial Community Hospital, which was “dedicated to all servicemen who sacrificed their lives.”

“We see ourselves at Sharp HealthCare being on a journey that will never end as we continuously strive to get better for our patients, physicians, and employees.”

--Michael W. Murphy,

President & CEO,

Sharp HealthCare,

2007 Baldrige Award Recipient

Today, the Sharp family must be amazed at how [Sharp HealthCare](http://www.sharp.com/index.cfm) has evolved from the original hospital. Sharp HealthCare, a presenter at the Baldrige Program’s [Quest for Excellence® 2012 Conference](http://www.nist.gov/baldrige/qe/index.cfm), is San Diego County’s largest integrated health care delivery system, serving more than 27 percent of the county’s 3 million-plus residents.

In 2009, the new 368-bed Sharp Memorial Hospital opened its doors. Sharp HealthCare includes three additional acute-care hospitals, three specialty hospitals, two affiliated medical groups, and a health plan, plus a range of facilities and services. Its workforce consists of 26,000 physicians and more than 14,000 employees.

Importantly, Sharp is committed to fulfilling its vision as the best place to work, the best place to practice medicine, and the best place to receive care in San Diego.

In 2001, to better achieve its vision, Sharp HealthCare launched the [Sharp Experience](http://www.sharp.com/choose-sharp/sharp-experience/), its initiative to improve performance, and began using the Baldrige [Health Care Criteria for Performance Excellence](http://www.nist.gov/baldrige/publications/hc_criteria.cfm). The health care system aligned all operations and activities under six pillars of excellence—quality, service, people, finance, growth, and community. As a result, the organization not only improved, it thrived.

In 2004, Sharp began applying for the California Awards for Performance Excellence (CAPE), administered by the Baldrige-based [California Council for Excellence](http://www.calexcellence.org/), which is part of the Baldrige Enterprise. By 2006, Sharp had received the bronze-level Eureka Award and the Silver Award, and it had become the first health care system to receive CAPE’s Gold Award.

In 2007, Sharp [won](http://www.baldrige.nist.gov/PDF_files/Sharp_HealthCare_Profile.pdf) the Baldrige Award. Its many results at that time included the following:

* Deaths from heart attacks had been lower than the national benchmarks since 2004.
* The number of Sharp Health Plan patients with diabetes who had levels of low-density lipoprotein (LDL) cholesterol—the so-called “bad cholesterol”—above 100 had dropped by 44 percent that year.
* The incidence of breast and cervical cancer screening and blood sugar testing among members of Sharp’s medical groups had increased steadily since 2003 and outperformed the top decile in the state of California’s publicly reported database.
* Sharp had exceeded the national benchmark for first-year functional improvement following joint replacement, the result of a program that tracked parameters such as pain, function, deformity, and range of motion for 10 years following surgery.
* Between 2001 and 2006, Sharp HealthCare’s net revenue had increased by 56 percent, and between 1999 and 2005, it gained more than four percentage points in market share, unprecedented in a mature health care marketplace.
* In-patient satisfaction with the nursing staff had improved more than 300 percent from 2002 to 2007.
* The economic value of Sharp’s services to the San Diego community had increased from $101 million in 2001 to more than $180 million in 2006.

These are truly outstanding results. But since 2007 has Sharp maintained its role-model performance in caring for the people of San Diego County? The recognitions continue to come. For the 13th year in a row, Sharp HealthCare has been named among the top 100 integrated health care networks in the nation by IMS, a leading health care data analyst, and it is repeatedly recognized as a patient-centered hospital. Sharp’s annual revenue has continued to increase, reaching $2.1 billion in 2009, and, in 2010, the organization gave nearly $336 million in unreimbursed community benefits, programs, and services.

Sharp HealthCare continues to use the Baldrige Criteria, according to Nancy Pratt, senior vice president for clinical effectiveness, and plans to apply for the Baldrige Award again, after the required five-year wait for award winners has elapsed.

“[Baldrige] has helped us significantly,” says Nancy. “We just finished up our best financial year, and we’ve had improvements in our bond ratings in two successive years, which is pretty unheard of in our industry. All the measures we put in place created a growing, more financially successful organization.”

But it isn’t about the awards or the recognition. As president and CEO Michael Murphy said in *San Diego Physician* magazine, “We see ourselves at Sharp HealthCare being on a journey that will never end as we continuously strive to get better for our patients, physicians, and employees.”

The journey continues.