

# IT'S TIME!

## TRANSFORMING OPERATIONAL EFFICIENCY: WHAT TO DO NOW

### A Checklist for High-Value Healthcare

With payment models in the midst of rapid change, hospital, physician practice and long-term care executives like yourself are thinking hard about alternatives for maintaining and even enhancing revenue.

The good news is that there are many options you

can explore to help you achieve these ends by way of increased operational efficiency. Let's consider a few of the actions you can take to enable your organization to continue delivering high-value healthcare to patients – while also ensuring high-value returns.

#### **Action Item 1: Provide the greatest value proposition to payer-partners.**

When you drive down overall costs to payers on a disciplined and consistent basis, while simultaneously improving clinical outcomes, you position your practice or institution as a premium care source for the patients in their networks. That can pay off both in higher-volume and in bonuses. In order to prove such a value proposition to payers, and thereby enhance your own fiscal performance, you must improve your existing processes and technology solutions for managing your quality measurements – or start developing and implementing these capabilities if you haven't done so yet.

That begins with uploading various quality metrics from external sources and formatting them so that they can be integrated into existing

or new quality management structures. To attain and exceed quality specifications, you must also use predictive analytics so that it is clear what to do in real-time to support a particular patient – keeping him from developing pneumonia in the hospital, for example – versus merely using business intelligence to compile reports of these and other instances after the fact. This requires the ability to do concurrent review and connect information from across multiple systems to identify patterns in data that point to patient risk. Doing so enables you to apply that knowledge to developing plans for dealing with individual cases across all of a facility's touch-points.

#### **Action Item 2: Reach out for the resources to support the venture.**

If your organization is like most others, it is unlikely that you have the staffing in place to understand all the components – and all their nuances – that go into building an effective quality management system and structure. After all, the healthcare quality measurement industry has grown from nothing into a fairly sophisticated and highly specialized accounting sector in just the last few years.

respected academic medical centers in the country have discovered that they need specialists to support their system efforts, as well as to bolster their plans to connect quality measurement processes with medical, administrative and other staff in the most seamless and efficient fashion possible. Mid-sized and smaller facilities and practices would do well to follow their lead.

Because of that, even the largest and most

### **Action Item 3: Be prepared for change.**

At one time, quality measurements for surgical infection rates were among top-of-mind items in the healthcare sector. But as hospitals succeeded in taking steps to get these infection rates down to lower levels, SCIP (Surgical Care Improvement Project) quality measurements migrated off the CMS and Joint Commission's quality measures list. At the same time, other metrics – infections resulting from other sources, such as test tubes, for example – gained spots.

Given the rate of change, as exemplified by the above examples, you need to have a strategy for adapting your quality management processes to new requirements on an ongoing basis – even as you continue to build on what you've done, regardless of whether specific measurements are dropped from official reporting requirements.

### **Action Item 4: Compete where you can, not where you can't.**

Some large institutions have well-deserved reputations for high quality performance in specialized areas, such as open heart surgeries. So it's no surprise that they treat huge volumes of patients for those conditions, as well. These centers of excellence also have developed the expertise and ability to perform these services at a different price structure than the average community hospital. For most general-purpose medical centers, then, it's simply not worth competing heavily for that same clientele.

### **Action Item 5: Reconfigure staffing to support collaborative care in coordinated care program settings.**

Sharing patient data across physician practices, hospitals and even nursing homes via electronic medical records is important for optimizing the performance of total system provider communities, where all parties involved are financially rewarded or penalized as a group. Each participant must improve their internal quality metrics, of course. But beyond that, together you must invest in personnel and defined processes to ensure ongoing communication across individual facility boundaries.

After all, you don't want to lose the knowledge that you've acquired over time that led to quality and safety success in those areas.

Given the lack of in-house resources, most healthcare organizations and practices tend to opt to continue to work in an ongoing fashion with the consultants who've helped them from the start. It is possible, of course, to modify those relationships – for your outsourcers to configure systems and structures so that you can self-manage them. In such cases, you want to be sure you're working with consultants who are willing to redefine the engagement so that they come back to conduct annual or semi-annual checks on your status, providing report card methodologies and coaching about how to improve on the current state.

If you fall into the community hospital sector, stay focused on raising quality for the broad base of services you are required to provide, and on lowering their costs. Basic cardiology, general surgery, delivering babies – there are thousands of areas that can bring you better payment returns as you continually push for improved outcomes at reduced costs to payers.

You likely will have to take baby steps into effective case management for inter-party care coordination. Moving some duties of a staff member around to others so that she can spearhead team communication is one option, as is using a consultant to start that ball rolling. Equally important is having physician leadership onboard. Employees who want to get in on the ground floor can be asked to donate time to take on roles in the project, too.

Executives who push forward on these fronts will find that high-value patient care and strong financial returns are within reach for their facilities or practices. Simply put, the time to act is now.