WHITEPAPER:

Hidden Challenges Sabotaging Your Lab's Relationships

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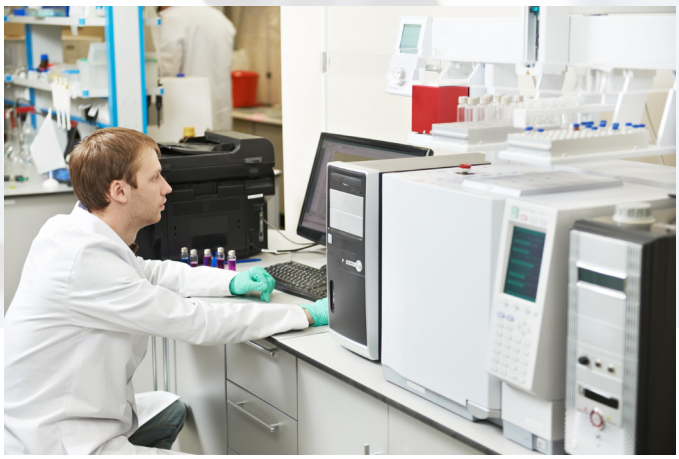


Introduction

In an increasingly competitive healthcare landscape, laboratories are vying for their share of the nearly 6.1 billion clinical lab tests performed annually in the United States. As both independent and hospital-based labs navigate their way toward growth against the headwind of shrinking reimbursement levels, there has never been a more critical time to optimize relationships with current and potential clients.

And while providing superior, consistent service is essential to thriving in today's environment, it is certainly easier said than done. How can labs not only identify hidden threats, but also overcome the obstacles standing in the way of exceeding client expectations?

This guide explores three hidden challenges quietly sabotaging your lab's relationships and provides real-world use cases of three leading healthcare organizations that were able to take control of their client relationships while optimizing their overall performance.

Challenge #1: Disparate Data Silos

Eliminating Data Silos in Your Lab

Given that up to 80% of all diagnostic decisions are informed by lab test results, optimizing the relationship between labs and healthcare providers is essential to thriving in the new healthcare landscape. Yet all too often, laboratories are managed by various departments running a myriad of disparate data systems and silos – making the prospect of capturing a comprehensive client view a daunting proposition.

For many labs, attempting to gain a complete picture of each provider requires too much time and energy on the part of the individual trying to access it. Common systems include LIS, billing, sales, and client service systems, which collectively store an abundance of critical data. The hunt for key information spread among multiple locations often results in two unfortunate situations: an inefficient

1 Reichheld, Frederick F. "Learning from Customer Defections." Harvard Business Review. N.p., 01 Mar. 1996. Web. 12 Feb. 2015.

resolution is put into place because the root cause is too difficult to pinpoint, or too much time transpires during the process of hunting down data, causing an already strained relationship to progress to "crisis mode."

While most labs have access to an abundance of data that can guide decisions and help identify reasons for issues, the challenge typically lies within promptly and easily making sense of this information. Some labs may even employ teams of analysts who do nothing but compile and review data from multiple sources. Yet in addition to the reactive nature of this approach, human error also proves to be a major obstacle. The more people touching data, the more likely it is that problems will be introduced – causing labs to make key conclusions based on skewed information. For example, a persistent turnaround time (TAT) issue may appear to be a staffing challenge, when in reality the lab is properly staffed yet facing service personnel training problems.

Atlas Medical, the Coordinated Diagnostics Company, directly addresses diagnostic connectivity and interoperability in health systems across the continuum of care.

"Healthcare organizations are challenged to acquire and maintain a complete and accurate patient record given the multiple disparate systems that originate orders and results," says Rob Atlas, CEO and Founder of Atlas Medical. "There are clinical connectivity and workflow solutions in the market today that are completely transforming healthcare. With these solutions, diagnostic testing facilities can connect directly with their customers, capture clean orders orders, deliver the right results, and get paid – fast."

In some cases, manually compiled information may be accurate, but client issues could be completely overlooked due to the disconnect between top level or roll-up data and what is actually happening on a per-client basis. For example, an executive team may receive reports showing that overall order volume is up 25% across the organization and assume that operations are running smoothly. In reality, a handful of long-time, mid-size clients are frustrated due to unresolved courier issues and are seriously considering switching to a competitor that has been "waiting in the wings" for the past year. The representatives who regularly interact with these three clients know they are aggravated but try to manage the issues on a one-off basis for fear that if they lose these clients, their jobs may be in jeopardy.

For high-performance labs, having a real-time, transparent view across IT solutions and departments can make a world of difference in managing client relationships. After all, clients do not expect perfection. They expect great, consistent service the majority of the time and want prompt, correct answers or plans when things veer off track.

ATLAS® MEDICAL

About Atlas Medical

Atlas is a trusted provider of industry leading configurable software that is changing how healthcare is coordinated across the care continuum. Atlas solutions span the private and public health sectors, offering products and services that address diagnostic connectivity, clinical data interoperability and public health disease surveillance.

Real-World Case Study: North Memorial Reference Lab

North Memorial Reference Lab (NMRL), a service of North Memorial Health Care in Minneapolis, MN, struggled with vast data silos that came about after the health system's aggressive launch of four new IT systems.

"Bringing real-time intelligence to the forefront and arming staff with a framework for communication and collaboration enabled NMRL to identify exactly where to focus, drive the right actions, and build amazing client relationships."

Bobbi Kochevar, NMRL

"We knew issues were happening but had difficulty pinpointing the root cause," says Bobbi Kochevar, NMRL Director of Diagnostic and Therapy Services. Fragmented systems and a lack of real-time information led to situations where multiple people were working on the same issues without coordination. Inevitably, clients felt the impact of these challenges and service began to suffer.

The NMRL team crafted a plan that would ultimately boost client retention and growth, reinforcing relationships along the way, via the following steps:

1. Creating a central hub of intelligence
2. Aligning departments and driving accountability
3. Maintaining ongoing performance visibility

"In a fast-moving environment, it can be easy for tasks to slip through the cracks,' says Kochevar. "Action items often end up in one-off emails and are captured within an assortment of databases, which ultimately prevents all stakeholders from quickly assessing a client's current status." Bringing real-time intelligence to the forefront and arming staff with a framework for communication and collaboration enabled NMRL to identify exactly where to focus, drive the right actions, and build amazing client relationships.

NMRL activated their cloud-based, healthcare CRM solution in 2013. According to Kochevar, streamlined reporting and communication processes that are available in real-time, throughout the organization, have provided her team with a holistic view of client relationships. When discussing the impact of eliminating data silos at NMRL, Kochevar points to three key areas:

- **Real-time intelligence fosters superior relationships:** Critical data housed across various IT systems made it difficult for stakeholders to deliver the best service and experience possible. Replacing disparate data silos with holistic profiles of each patient and provider gives NMRL the insight necessary to proactively address client needs and delivery truly personalized service.

About North Memorial

North Memorial Reference Laboratory serves a variety of organizations, including long-term care and skilled nursing facilities, nursing homes, assisted living facilities, physician offices, clinics, and complementary and alternative medical providers. NMRL offers personalized customer service and consultative support from local pathologists.

- **Accountability aligns all stakeholders & departments:** As NMRL's client base grew over time, so did the need for a transparent communication channel. For example, a client service rep may have logged an issue with a client but forgotten to make the sales rep aware prior to an in-person meeting. Not only can this lead to duplicate efforts and potential misunderstandings, but it also makes it difficult for leadership to identify the root cause of problems and impact change.

- **Ongoing visibility drives performance:** The inability to track real-time progress against Key Performance Indicators (KPI's) led to lost time, revenue, and opportunities. Even more difficult was the ability to keep staff focused on important metrics amid daily fires and issues that needed to be resolved. Now, KPI's are front and center, so all employees are aware of where NMRL stands against its goals.

Within a mere 10 days of activating its healthcare-specific CRM solution, NMRL's customer service rep logged a complaint and assigned it to the correct lab supervisor for follow-up. The supervisor researched the issue, inserted correct documentation, and added an appropriate root cause and corrective action. The sales rep then set up a meeting and came armed with the knowledge necessary to explain the situation and make the client happy. NMRL went in with an at-risk client and came out with a client reference - saving a$150,000 account in the process. At the same time, the hospital has increased client on-boarding from one new account per month to one each week due to its streamlined internal processes. "Our team has ultimately achieved stronger retention and increased growth by creating a more transparent culture," says Kochevar.

Challenge #2: Delayed Issue Tracking

Reversing Delayed Issue Tracking in Your Lab

Considering that a typical lab's quality review cycle occurs every 90 to 120 days, and the reports that are reviewed have been manually compiled in arrears by lab employees, client issues often go unresolved for weeks or even months, during which time the client may engage with a competitor.

In a highly competitive healthcare landscape, labs can't afford to not have a clear, real-time view of all client issues. What happens, for example, if a lab realizes a significant volume decline in an account 6 months in arrears? With insight into critical accounts, managers would have been able to recognize the downward trend in time to take proactive action.

For high-performance labs to truly reverse the delayed issue tracking cycle, team members must have access to:

- A real-time, 360-degree view of important client communications and activity history online and via mobile devices.

- Real-time notifications that alert the appropriate team members of changes in order volume, revenues, turn around time, or outstanding issues that are due for resolution.

- Easy-to-use dashboards that display up-to-the-moment client status, issues, and concerns.

With a holistic view of every client and the ability to see all clients – such as those producing the highest volume or revenue – within an up-to-the moment central location, labs will also have the peace of mind that expansion and new business opportunities stay

at the forefront. By providing proactive service and quickly resolving issues, labs can free up more time to spend visiting key clients, discovering needs that translate into additional revenue.

According to Laboratory Billing Solutions (LBS), a leading revenue management solution, billing issues are notorious for taking weeks, sometimes even months, to resolve – if they are even recognized to begin with. Capturing metrics around client volume, client profitability, and missing information can clearly identify opportunities to improve financial performance and ensure that the lab is compensated in a timely manner.

"Billing related data is compiled on a monthly basis for financial reporting purposes but rarely examined or flagged for corrective action and follow-up at the client level," says Tom Hirsch, President of LBS. "Being proactive about using the information to address issues and opportunities with your customers can have a significant impact on outcomes."

LABORATORY BILLING SOLUTIONS
Partnering to Improve Your Results

About Laboratory Billing Solutions

Laboratory Billing Solutions offers comprehensive laboratory revenue cycle management for hospitals, independent, physicians & pathology groups. LBS was founded in 2004 by laboratory executives and software developers with over 80 years of experience operating some of the most successful hospital-based and independent laboratories in the industry.

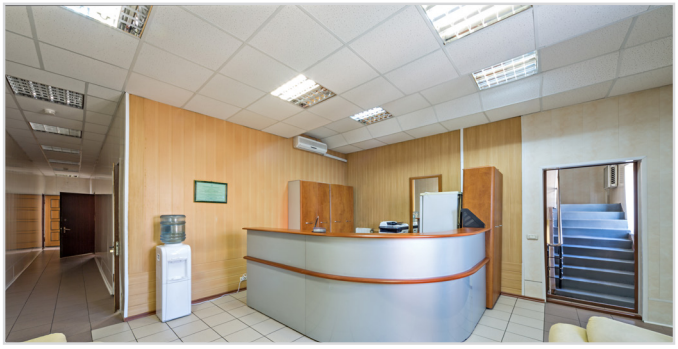
Real-World Case Study: NextHealth

NextHealth, a Dallas-based premier provider of comprehensive clinical qualitative and quantitative urine drug testing and medication monitoring, struggled with reporting and communication challenges that made it difficult to assess overall performance, as well as the status of specific clients. Issues were slipping through the cracks, sabotaging fruitful client relationships.

"Now, we are able to track detailed interactions with our clients instantly, creating a great communication portal between NextHealth operations and our sales team."

Marissa Manley, NextHealth

"As a data-focused laboratory, we knew it was critical to track our interactions and outcomes with each client," says NextHealth Lab Administration Manager Marisa Manley. "But manual processes proved to be extremely inefficient from a productivity and quality standpoint and didn't give us the real-time, granular insight our team needed." In order to stay a step ahead of their clients, NextHealth needed to access a real-time, 360-degree view of each client relationship -- without relying on cumbersome spreadsheets or one-off communications.



About NextHealth

NextHealth provides toxicology laboratory services for Medication Monitoring (Urine Drug Testing and Oral Swabs) - delivering the most effective, productive, and cost efficient solutions available for meeting and exceeding the needs related to therapeutic drug monitoring.

Since activating their cloud-based healthcare relationship management solution, NextHealth has virtually transformed their reporting and communication processes. "Building strong relationships and providing superior customer service to our customers has always been a top priority," adds Manley. "Now, we are able to track detailed interactions with our clients instantly, creating a great communication portal between NextHealth operations and our sales team." Reports that previously took nearly 40 hours each week to compile are now immediately available at the click of a button to anyone within the organization who needs the intelligence.

Today, client managers across the country who spend most of their time out of the office visiting clients are able to provide proactive, tailored service by quickly looking up a clinic and identifying whether they should discuss any recent issues or concerns during their onsite visit. Additionally, the healthcare relationship management solution used across departments guides these client managers on exactly how and where to spend their time. Using a dashboard configured by Manley, each client manager is able to see its various groups of clients (for example, Group A receives one visit per week, Group B receives a bi-weekly visit, and Group C receives a monthly visit) and actual visits versus targets at both a roll-up and account level, creating instant accountability.

With real-time visibility into critical issues, NextHealth is able to proactively follow-up and provide unparelleled client service. In their billing department alone, NextHealth has achieved a 434% increase in the number of samples paid on. Manley estimates that the solution has freed up nearly 80% of her time for other initiatives, while other users are achieving 15-20% productivity gains with a real-time view of all clients, activities, outcomes, and communications.

Challenge #3: Lack of Real-Time Utilization Insight

Optimizing Utilization in Your Lab

Measuring and tracking unnecessary or repetitive testing can be a daunting task for any healthcare organization. According to a study from Beth Israel Deaconess Medical Center, an estimated 30% of all laboratory tests run in 2013 across the healthcare continuum were unnecessary[1]. But in today's "volume to value" transition, reining in test utilization and costs is an essential priority. While it is the hospital's responsibility to provide value-based healthcare to their patients, lab's need to provide this same value to their physician clients.

Most labs already store massive amounts of data related to test ordering patterns. However, very few are able to quickly and easily access and translate this data into meaningful, actionable insight. This insight creates patterns that enable healthcare professionals to immediately know who ordered what tests, and organize that data by physician, specialty, and diagnosis to paint an integrated picture of the entire delivery of patient care.

Utilization is more than just monitoring doctors who are over-ordering tests – it is monitoring who is ordering the appropriate tests. Labs can then engage in proactive conversations with physicians, building value and bolstering client relationships. There are three main areas of test appropriateness, all designed to optimize the healthcare experience:

1 1 Zhi M, Ding EL, Theisen-Toupal J, Whelan J, Arnaout R (2013) The Landscape of Inappropriate Laboratory Testing: A 15-Year Meta-Analysis. PLoS ONE 8(11): e78962. doi:10.1371/journal.pone.0078962.

1. The Right Test at the Right Time

It is an all too common habit of physicians to batch order tests based on historical practice. The goal of improved utilization is to make the shift from historical practice to best practice. High performance laboratories have gained visibility into ordering data from the LIS that enable them to pinpoint:

- Adoption: How are physicians transitioning to ordering new tests? Is the lab communicating with their clients and providing adequate education materials around changes to their test menu?

- Over-utilization: Which physicians are ordering the least common tests for a specific diagnosis? Are they consistently ordering a panel of tests to 'cover all of their bases?'

- Under-utilization: Which physicians are not ordering the most common tests for a specific diagnosis? What is the reason behind this?

- Frequency: Which physicians are ordering tests that are consistently 'normal' for patients? Are these tests necessary? Comparing frequently ordered tests against industry-wide benchmarks can help stakeholders understand if the problem stems from the diagnosis or from the physician group.

With real-time insight into all facets of appropriateness, utilization stakeholders can track physician progress, create tasks to follow up with the physician, and aggregate issues over time to create a holistic utilization picture. Creating an actionable workflow results in proactivity, which creates change. Tracking utilization from beginning to end and with real-time, granular insight builds a new cache of data that can then be used to build best practices – in turn creating a value-based relationship between labs and providers.

2. Test Coverage

When physicians order tests with little attention to best practices, labs run the risk of losing money by ordering tests not covered by certain insurance carriers. Tracking which tests are consistently covered by major payers builds a more complete picture of utilization habits that can potentially save an organization millions of dollars each year. To glean the most insight into ordering practices and test coverage, high-performance labs routinely track:

- Count of tests declined under the NCD, by both diagnosis and specialty

- The most recently declined tests by provider, CPT code, and diagnosis

Labs already provide over 80% of the information in a patient's Electronic Medical Record, making them a critical source of data across the continuum of care. Now, labs can influence ordering patterns from a coverage standpoint, so physicians can make informed decisions that alleviate reimbursement concerns.

3. Ongoing Education

Gaining insight into critical ordering patterns enables labs to become a valuable source of education to their physician clients. By accessing test-specific and physician-specific benchmarks, real-time utilization insight guides physicians in a meaningful way. Physicians recognize and appreciate the effort

put in on the lab's part, which creates a stronger, reinforced client relationship.

This ability to appropriately influence physician behavior also creates growth-related opportunities for the laboratory. Knowing the total volume of tests and the number of tests run per patient gives labs the data necessary to focus sales campaigns where they have the most impact. Labs seeking to expand their footprint with current clients now have everything they need for maximum growth:

- Insight into which tests are most commonly ordered and by whom
- Visibility into ordering activity by time and specialty
- The ability to focus in on specialties ordering most frequently and with the most billable tests per requisition
- The tools to track changes in order volume by physician, ordering location, and specialty to know when an account may be at risk

These patterns and insight serve as a guide for profiling new opportunities. For example, a lab may build a profile of a particular type of practice that is both a successful and profitable client. The lab can then compare that profile to other practices, paying attention to the tests they are currently performing versus what could be beneficial to their practice. The sales team is then able to use targeted marketing resources in order to educate the practice on additional services.

Real-World Case Study: St. Vincent Seton Hospital

St. Vincent Seton Specialty Hospital, an acute, long-term care hospital located in Indiana, took a proactive step towards the "volume to value" shift by creating a real-time, holistic view of its utilization trends. With patients often remaining in the hospital for 30 days or potentially even longer, repeat testing is a significant aspect of both patient care and hospital costs.

"Even more importantly, our physicians are armed with the intelligence necessary to provide superior care to medically complex patients over extended periods of time."

Troy Reiff,
St. Vincent Seton Specialty Hospital

"Above all else, our mission is to provide the highest level of care to our patients," says Troy Reiff, RN, COO. "This includes arming our physicians with the knowledge necessary to order the right tests and panels at the right time rather than repeating them out of habit."

In order to instantly identify trends and opportunities for improvement at both the physician and patient level, the hospital needed to gain a holistic profile of each patient while easily accessing the wealth of intelligence trapped among various systems.

About St. Vincent Seton Hospital

St. Vincent Seton Specialty Hospital if a faith-based longterm acute care hospital (LTACH) located in Indianapolis, IN that specializes in the treatment of medically complex patients who require extended hospitals stays - often of 25 days or longer.

Today, St. Vincent Seton has a solution in place to eliminate data silos and transform its utilization data into actionable intelligence. Using a cloud-based solution, St. Vincent Seton can now view the hospital's overall performance, individual physician performance, and holistic patient profiles with a click of the button. Answers to critical questions are now instantly available to Reiff and his team, including:

- Which physicians are ordering the highest number of unnecessary panels?
- How do they compare to their peers?
- How is their behavior changing based on feedback from the clinicians?

For example, a physician may initially determine that a patient should receive a complete metabolic panel (CMP) in order to monitor kidney function. However, specific tests within the panel may repeatedly show as normal. Rather than continuing to test with the CMP, Reiff's team is able to use this intelligence in order to provide real-time feedback to the physician (i.e., they may suggest only utilizing a blood creatinine and BUN test) and then monitor how the physician modifies his or her approach after receiving this information.

Within a year, St. Vincent Seton reduced unnecessary testing by nearly 7%. At the same time, patient acuity increased by 5%. "With the right foundation in place, we are confident that St. Vincent Seton is now a step ahead of the 'volume to value' curve," adds Reiff. "Even more importantly, our physicians are armed with the intelligence necessary to provide superior care to medically complex patients over extended periods of time."

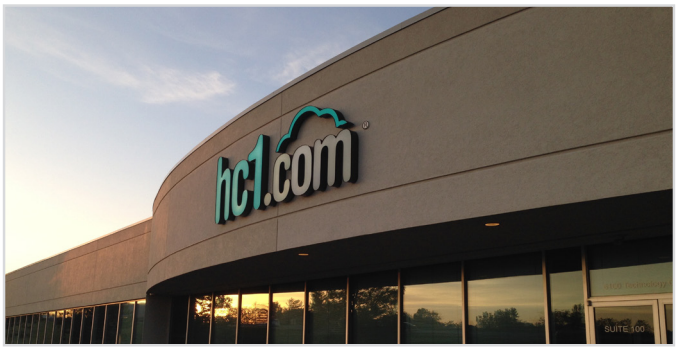
Conclusion

A monumental shift is underway within the lab industry, and accurate testing is no longer enough to remain competitive. Given today's landscape, labs must make excellence in client service their top priority to attract and retain clients.

In order to achieve the highest level of performance, labs must generate and maintain strong, reliable client relationships. Today's lab leaders are delivering superior, consistent service that bolsters relationships across the continuum of care by:

- Eliminating data silos for transparent communication across departments
- Proactively tracking issues for real-time follow-up
- Optimizing utilization practices to provide value to physician clients

Due to fierce competition, falling reimbursement rates, and new quality-based care mandates, the need for long-term, profitable relationships is more urgent than ever. By overcoming these common challenges that often remained buried in the "day-to-day" operations, your lab will be a step closer to its objectives and on the path to relationships that last a lifetime.



About hc1.com

The hc1® Healthcare Relationship Cloud® enables health systems and diagnostic labs to personalize the healthcare experience for patients and providers throughout the entire care journey. By combining the ultimate healthcare CRM, real-time analytics, and secure collaboration capabilities in one HIPAA-compliant, secure private cloud solution, hc1 automatically constructs comprehensive patient profiles to deliver an outstanding patient experience. Learn more at www.hc1.com.