Financial Advantage 5 Factors for Success
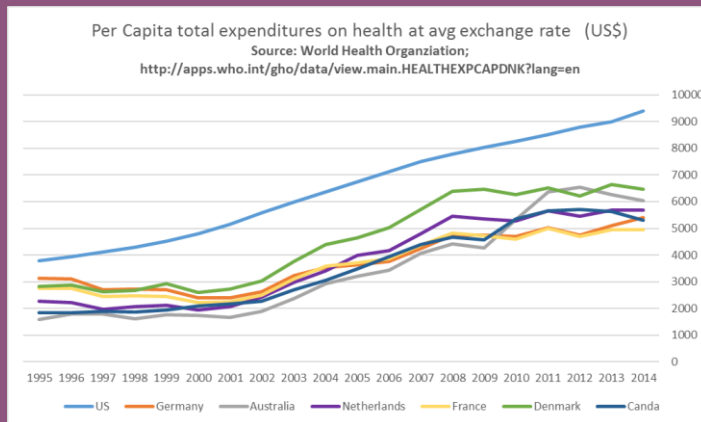
Presented by: Nancy Babbitt, FACMPE

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5 Factors for Success

1. **Workflow**
2. **Technology**
3. **Revenue Cycle**
4. **ROI**
5. **Culture**

Health Care Spending Trends

Per Capita total expenditures on health at avg exchange rate (US$)
Source: World Health Organziation;
http://apps.who.int/gho/data/view.main.HEALTHEXPCAPDNK?lang=en

1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014

US   Germany   Australia   Netherlands   France   Denmark   Canda

Lofty Goal: Quadruple Aim

Better care

More satisfied patients

Lower total medical costs

More satisfied providers

"I want you to find a bold and innovative way to do everything exactly the same way it's been done for 25 years."

Workflow

Product

➢Patient
➢Specimen
➢Document
➢Materials

WORKFLOW - Unnecessary movement

Team Member

➢Searching

➢Facility Limitations

WORKFLOW - Unnecessary movement

DOWNTIME: 8 Wastes in Medical Care Delivery

Type of Waste	Description	Where it shows up
Defects	• Time doing something incorrectly • Inspecting for errors, or fixing errors	• Patient registration processes • Clinical care (pre-authorizations) • Revenue cycle errors
Over-Production	• Doing more than what is needed • Doing it sooner than needed	• Duplication of tests; • Talking "at" patients instead of "with" patients, • Doing someone else's work
Waiting	• Waiting for the next event to occur • Next work activity	• Any space called "waiting" • Re-authorizations, • Staff work waiting for MD response • Re-testing
Non-Utilized Talent	• Waste and loss by not engaging team members who touch the process • Not listening • Not supporting	• Reduced motivation to work at top of license • CYA behaviors

*Modified from Graban, M. (2011) Lean Hospitals: Improving quality, patient safety, and employee engagement, 2nd edition. CRC Press Boca Raton

DOWNTIME: 8 Wastes in Medical Care Delivery

Type of Waste	Description	Where it shows up
Transportation	• Unnecessary movement of "product" (patient, specimen, documents, materials)	Patient arrival > registration > waiting room > vital signs > waiting room > exam room > waiting for clinical support > discharge > imaging/lab > discharge
Inventory	• Excessive cost through storage • Excessive movement • Waste and spoilage	• Non-standardized rooms • Stocking procedures • Thinking about where something is located • Not monitoring pull dates
Motion	• Unnecessary movement by the team through the system	• Searching (ECG, pulse ox, thermometer, meds,) • Facility limitations
Extra Processing	• Doing work not valued by the customer • Work caused by definitions of quality not aligned with patient needs	• Collecting information with no review, no data, • No expected outcomes

*Modified from Graban, M. (2011) Lean Hospitals: Improving quality, patient safety, and employee engagement, 2nd edition. CRC Press Boca Raton

An Affiliation Success Story:
Infectious Disease Physicians, Annandale, VA

➢ 360 degree care setting
➢ Same physician covering the same patient
➢ Pilot program – home health agency
➢ Lowered *readmission rate* –
➢ Lowered 72hr readmissions to **ZERO**
➢ Reduced antibiotic costs by 6.5%
➢ ROI: 20% increase through shared savings
➢ Collaboration

"It's simple. My nurse blindfolds me, I spin around a few times, and then I try to reattach your tail."

Technology

TECHNOLOGY

EHR
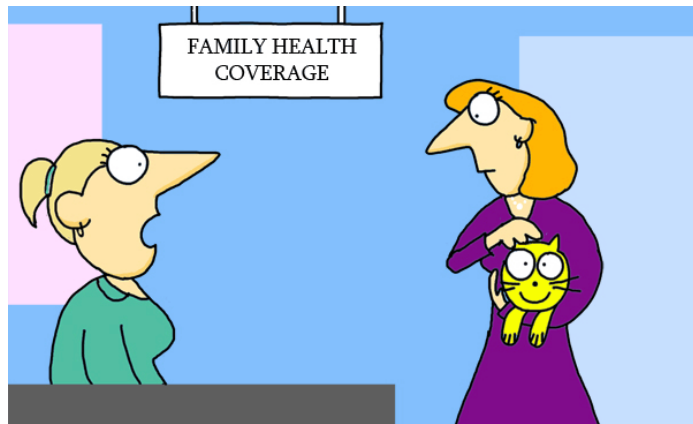➢ Link Codes
➢ Customize Templates
➢ Risk Management

TELEHEALTH- MGMA E-book
➢Telehealth Adoption and Best Practices
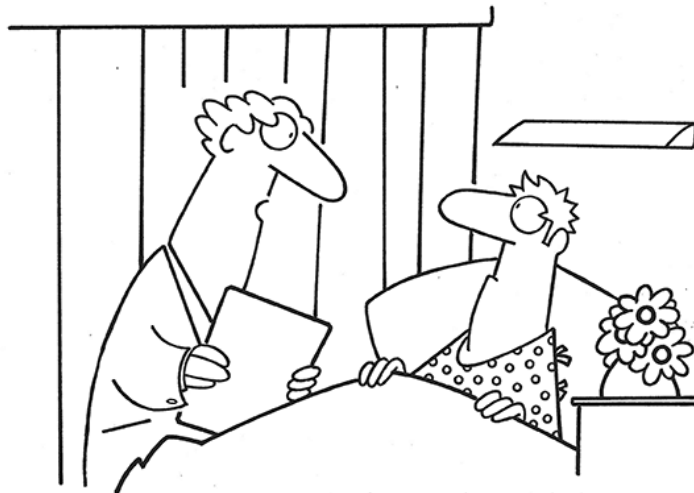➢Free to national MGMA members, $79 for non-members

REVENUE CYCLE

"I understand that the cat is your family, but NO."

REVENUE CYCLE

➢ # 1 Payer
➢ Fee Schedule
➢ Denials
➢ No –Shows

"You're suffering from a serious medical condition called 'lousy insurance'."
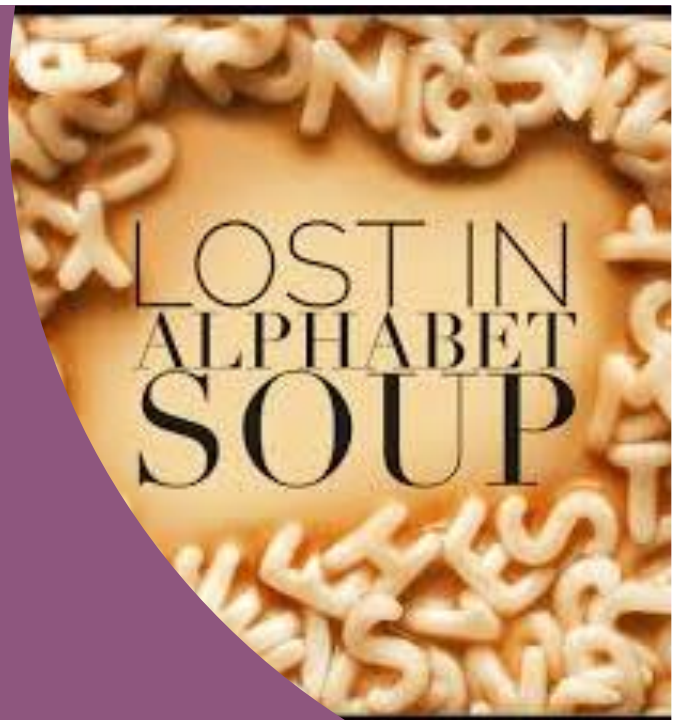
RETURN ON INVESTMENT

Return On Investment

- ➢ PCMH
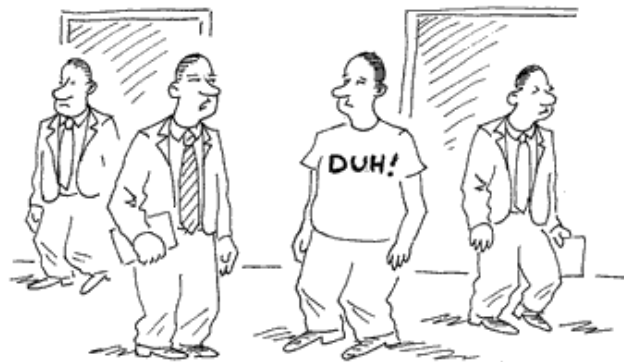- ➢ MACRA
- ➢ ACO
- ➢ BDTC
- ➢ HEDIS
- ➢ TCPI
- ➢ EPHC

Cost Burden Estimate for MIPS Quality Score Reporting

➢ EHR - $646.51

➢ Qualified Registry - $723.50
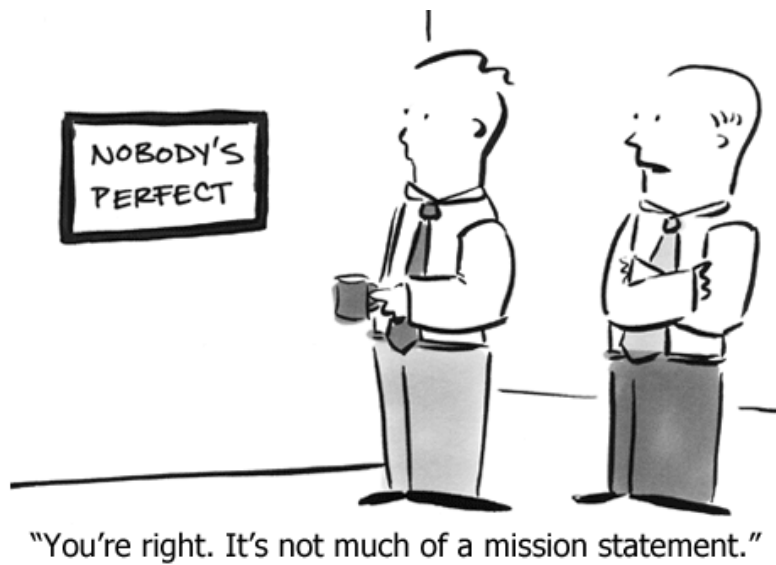
➢ *Annual cost estimate per MIPS Eligible Clinician*

"Perkins, we need to talk about your understanding of company culture."

CULTURE

CULTURE

➢**Leadership**

➢**Communication**

➢**Accountability**

"You're right. It's not much of a mission statement."

CLINICALLY INTEGRATED NETWORK

Alignment: A Journey in Learning
Kootenai Care Network, Coeur D'Alene, ID

- ➢ Outside the Health System
- ➢ Do Healthcare Differently
- ➢ Clinician Responsibility
- ➢ Start Simple
- ➢ Reliant on Population Health Analytics Tools
- ➢ Structure & Details

"I said 'barium,' not 'bury him'!"
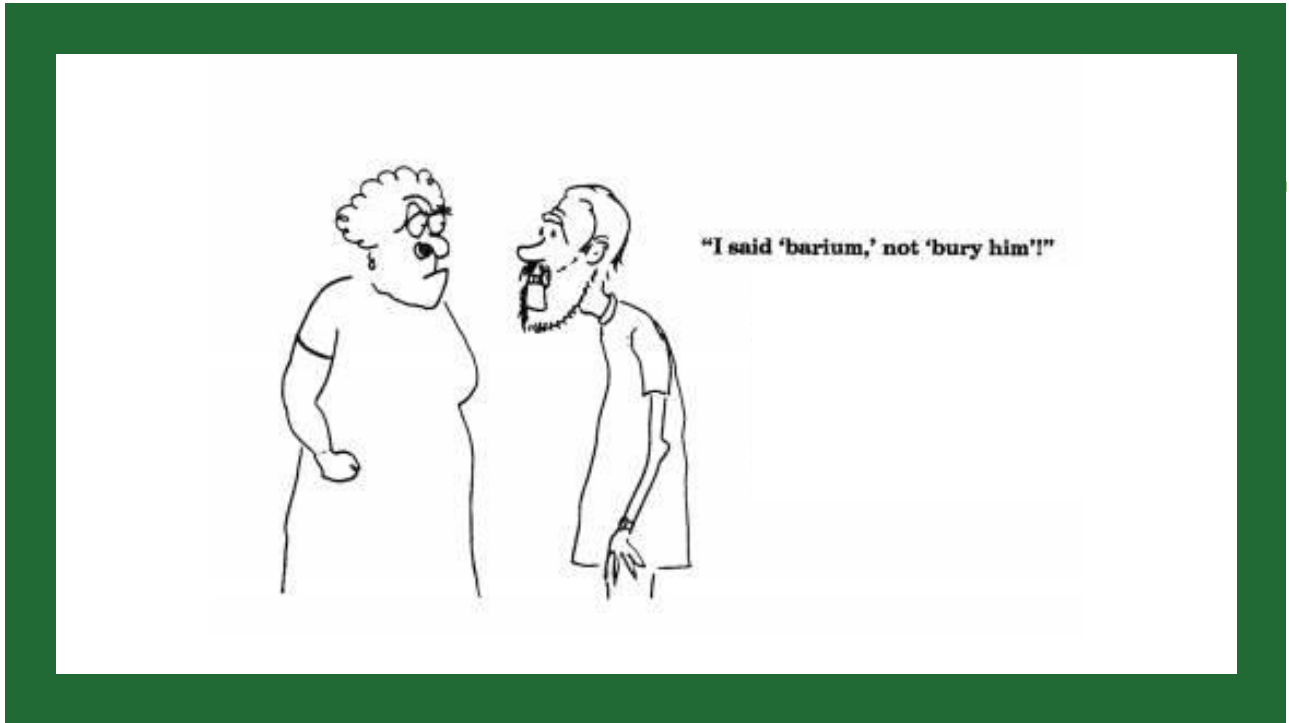
Thank you!

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