

Creating a Competitive Advantage with Lab Client Services

How to Boost Service Levels, Then Benchmark Your Lab Against the Best

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Cindy Murphy, MPH
Vice President, Healthcare Strategy and
Performance Excellence

ACCUMEN[®]
Consulting | Execution | Utilization | Growth

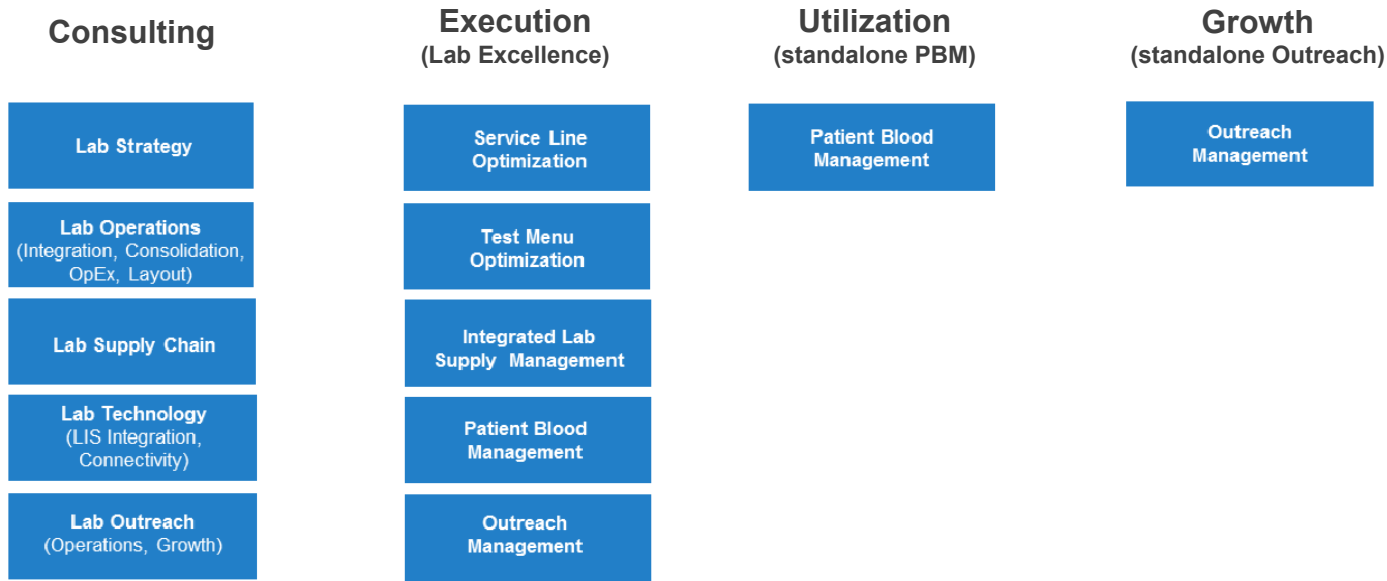
From today's session together, we will:

1. Identify how benchmarking serves as a dynamic tool to accelerate the process improvement cycle for strategic initiatives
2. Identify processes implemented to achieve improved quality and service results in the laboratory
3. Identify six key areas of focus to secure the strategic value of the hospital-based clinical laboratory

About Accumen



Accumen's Mission of *Profoundly Impacting Healthcare*™ drives us in Accelerating Breakthrough Performance for health system laboratories.



Chi IQ® Benchmarking
 Benchmarking solution designed for hospital and independent laboratories leveraging decades of laboratory and technology best practices. Provides accessible, accurate, and actionable intelligence



The Accumen + Chi Partnership

- Creates the nation's *leading Lab Consulting, Execution, Utilization, and Outreach company*
- Combines the country's best Lab talent, processes, and technology into one team to create unprecedented value for the health care industry
- Creates the benchmark in the Lab industry for excellence – become the standard others measure themselves against
- Accelerates aspirations to make a significant impact on Health Care delivery transformation



... a partnership that has served nearly 500 clients with hundreds of active benchmarked hospital laboratories across the US.



ACCUMEN + **Chi**
LABORATORY IQ

A powerful combination
of all things lab

Where it all began:

***To measure is to know –
if you cannot measure it,
you cannot improve it.***

- Lord Kelvin (1824-1907)

Guiding Performance Principle #1: Understand Success

The Trivial Many

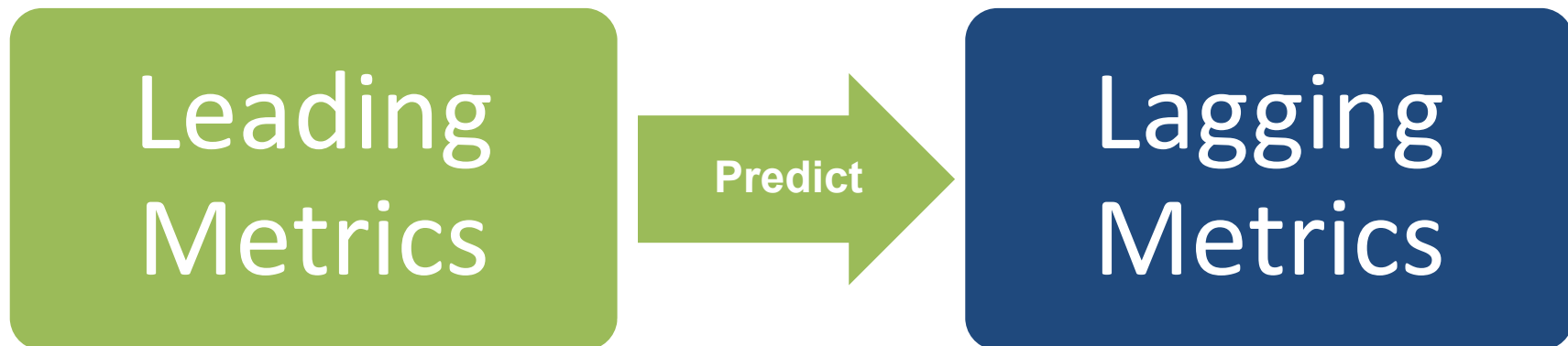
- Where all metrics are of equal importance
- Metrics that measure activity levels – not outcomes
- Indicators that don't directly influence outcomes

The Vital Few

- Represent the most important performance outcomes
- Represent the critical few success measures

Guiding Performance Principle #2:

Manage Inputs, Report Outputs



Manage Inputs, Report Outputs:

1. Daily:

- Huddles to discuss vital few metrics
- Safety touchpoints
- Use Accumen Performance Suite as tool
- include all staff and leads

2. Weekly:

- Dashboard reviews as ongoing pulse check of performance
- Assessment of actual-to-expected performance
- Address barriers to success in real-time

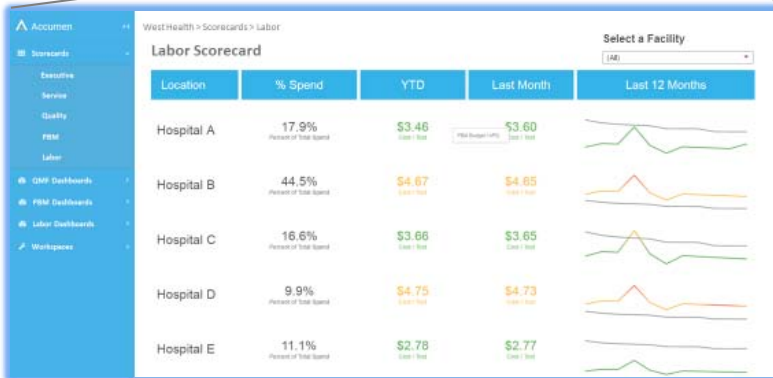
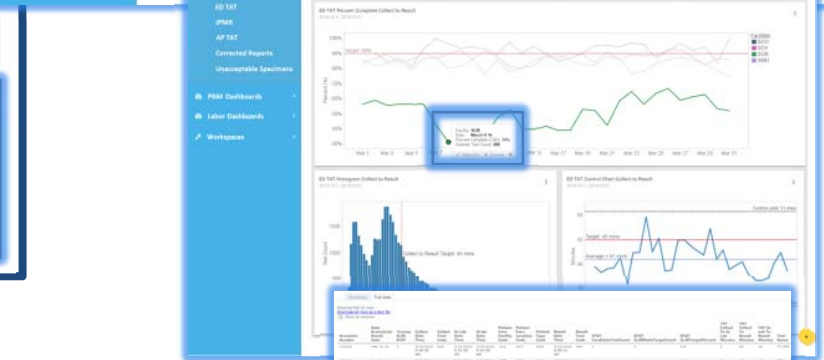
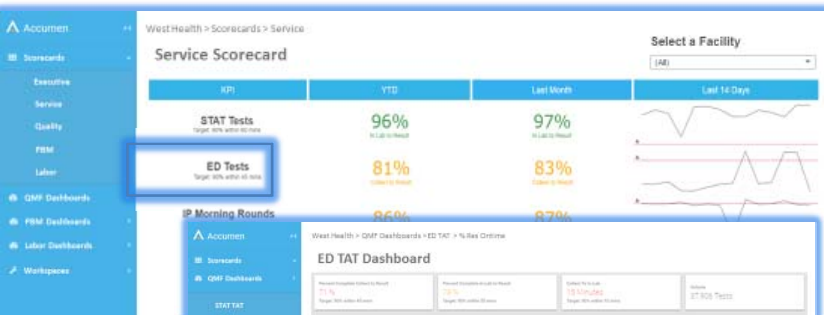
3. Monthly:

- Meetings specifically to review scorecard of performance
- Provide support of ongoing performance improvement/needle-moving projects
- Establish and monitor ongoing metrics: including leading indicators for Quality and Service
- Hold each other accountable for achieving targets

Accumen Performance Suite (APS)



A Cloud-based Performance Platform providing rapid integration and presentation of data informatics and lab workflow-based applications



- Enables simple, web-based access to System, Hospital, and Lab Performance Data
- Empowers Operations to drive action & improvement
- Supports Operational Improvement and Lab Transformation



Guiding Performance Principle #3:

Eliminate Variation

- Our patients/clients remember us on our worst day
- Identify your capabilities
- Reduce **process** variation

How much time do I spend systematically reducing variation?

How much time do I spend each day reacting to special events?

Guiding Performance Principle #4:

Understand the Cost of Poor Quality

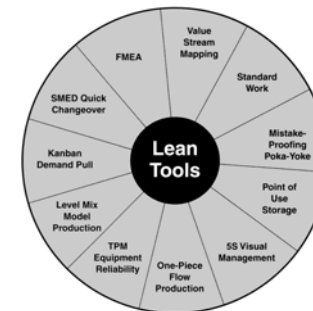
1. Impacts patients lives
2. Impacts outcomes of care delivery
3. Decreases morale and professional accountability
4. Increases costs



HRO



Six Sigma



Lean

Guiding Principles:

1. Understand Success. What are your vital few?
2. Report Outcomes, Manage Inputs. What will you manage?
3. Eliminate Variation. How will you identify it?
4. Understand the cost of poor quality. How is it impacting you today?

Take Action - TODAY:

1. Find your vital few
2. Control outcomes by using:
 - Process measures
 - KPIs
 - Leading metrics
3. Quantify your capability levels and create a cadence:
 - Measure against patient/client expectations
 - Use benchmark data, best in class, not averages
4. Articulate the story – use your data to tell the story.

Focus Areas that Secure Strategic Value

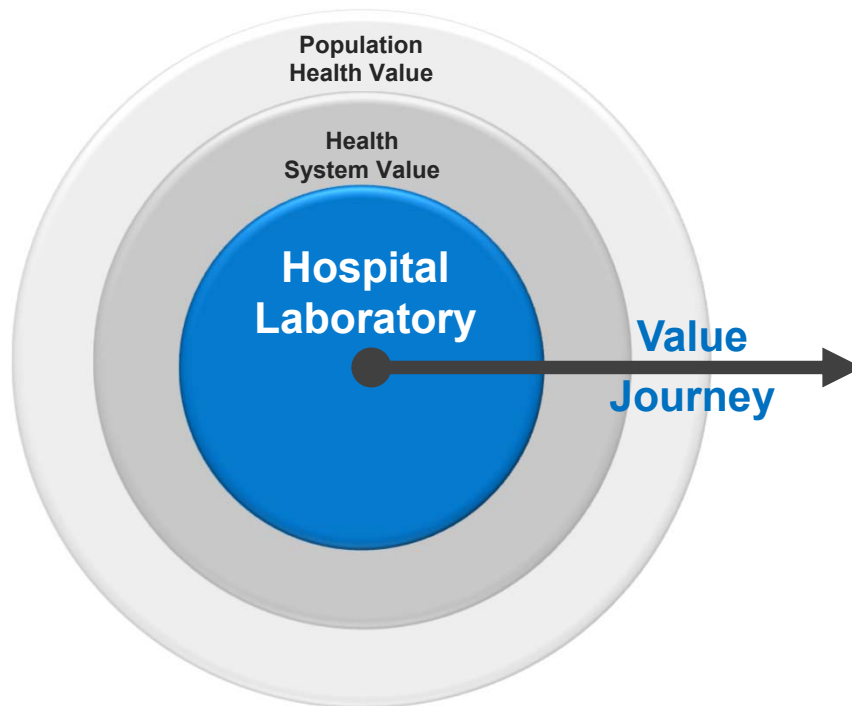


Six focus areas that help health systems secure strategic value:

- Drive Laboratory Efficiency
- Improve Quality and Service
- Provide Real-time Laboratory Operations Information
- Optimize Lab Supply Chain
- Implement Effective Patient Blood Management and Test Utilization Strategies
- Grow Outreach and Improve Physician Alignment

Immediate Opportunity *Optimizing & Modernizing the Lab*

- Efficiency
- Quality
- Service
- Growth



Future Opportunity *Preparing the Lab to Support Population Health*

Health System Impact

Lab clinical data contributes to high-value decisions and Integrated Care

- Blood utilization improvement
- Test utilization improvement
- Optimized laboratory reporting
- Impact on Length of Stay, Adverse Effects, Readmissions, etc.

Population Health Impact

Lab impact on population health

- Population Informatics
- Physician/patient affiliation
- Clinical Outcomes
 - disease area
 - mortality rates
 - infection rates, etc.

In order for Hospital Labs to reach full potential...

- Leverage local presence, pathologist talent/access, turnaround time
- Strengthen Brand, reputation, and relationships (Physician & Patient)
- Proactively assess advances and opportunities in Lab testing technologies
- Drive asset utilization & productivity

Common Lab Strategies...

Maintain Status Quo

Divest Outreach & Retain Hospital Lab Services

Divest Outreach & Outsource Hospital Lab Services

Opportunity...

Retain: *Patient Centered-Care*
Optimize: *Improve Quality and Service to optimize lab by 15-25%*
Grow: *Increase MD and Patient Loyalty*

Areas of Value in the Laboratory



Speed & Accuracy

Patient Care
(Lab quality metrics, Testing Technology Advancements)

Physician Service & Integrated Care
(ED, AP, and STAT Turnaround time, Tracking, Reporting)

Health System Performance
(Test Utilization, Blood Utilization, Length of Stay, Adverse Affects, Readmissions, etc.)

Insights & Analytics
(Integrated reporting for Physician/Pathology, Connecting Inpatient/Outpatient data, Population Informatics)

Efficiency

Lab Supply Chain Cost Savings

Optimized Test Menu

Labor Productivity Savings (Operations/Administration)

Outreach Support & Infrastructure Savings
(Customer Service, Billing, Logistics)

Capital Management Savings
(Technology innovation and/or Lab Modernization)

Growth

New Outreach Test Volume Revenue

Optimize Revenue from Owned/Affiliated Physicians

Maximize Lab Revenue for Physician Group and/or Hospital acquisitions

Post Reform Reality

The hospital is no longer
the center of gravity in a
value-driven world



Everyone must rethink
their business model



Price, Access and Risk: The
New Model of Partnership



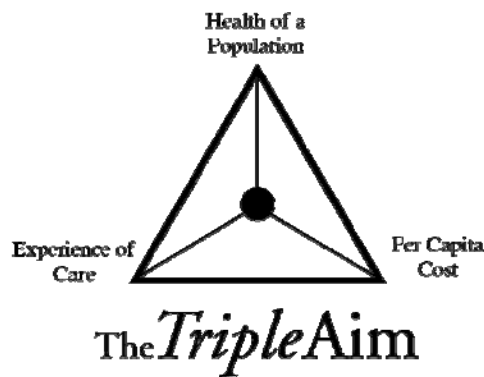
An immediate need exists
to integrate delivery
resources



Greater focus is necessary
in community-based care
and post-acute care

*The greatest danger for most of us
is not that our aim is too high
and we miss it,
but that it is too low
and we reach it.
-Michelangelo*

Transformation journey for better patient care:



- Establish a vision in a value-driven world
- Engage your team in the value they provide for the future of patient care
- Remain patient-centric
- Take action – don't get left behind
- Measure, measure, measure
- Reward and Recognize

Questions



Cindy Murphy

**Vice President, Healthcare Strategy and
Performance Excellence**

O: 858-397-5884

M: 619-587-0924

E: cmurphy@accumen.com

Profoundly Impacting Healthcare.™

Learn how at ACCUMEN.com