Today's Session:
Engage Frontline Staff & Prioritizing Portfolios

Kathy Luther, RN, MPM
Jill Duncan, RN, MS, MPH

These presenters have nothing to disclose

WebEx Quick Reference

- Welcome to today's session!
- Please use Chat to “All Participants” for questions
- For technology issues only, please Chat to “Host”
- WebEx Technical Support: 866-569-3239
- Dial-in Info: Communicate / Join Teleconference (in menu)
When Chatting…

Please send your message to All Participants

If you’re joining with colleagues, please type the organization you represent & the number of people joining from your organization.

Example: Midwest Health Alliance – 3

Please type your name and the organization you represent in the chat box!

Example: Chris Jones, Midwest Health Alliance
IHI Expedition Team

Kathy Luther, RN, MPM
Vice President, IHI

Jill Duncan, RN, MS, MPH
Director, IHI

Kayla DeVincentis
Project Coordinator

Today’s Guest Faculty

Angela Graham, RN, MSN, Director of Outcomes Management King’s Daughters Medical Center

Jennifer Harrington, Vice President, Clinical and Support Services Anne Arundel Medical Center
Agenda

- Welcome & homework review
- Understanding categories of waste
- Identifying waste at the front line
- Beginning to describe the financial impact and potential savings associated with removing waste
- Case study examples
- Wrap up and next steps

**PRIMARY DRIVERS**

**AIM**
Reduce operating expenses 1% per year while continually maintaining or improving quality.

**WILL**
Align Enterprise

**IDEAS**
Identify Waste

**EXECUTION**
Prioritize, Manage Portfolio of Projects to Remove Waste

**SECONDARY DRIVERS**

- Establish True North Metrics (Big Dots)
- Align Waste Reduction Strategy Throughout Organization
- Align Systems for Efficiency
- Adopt Integrated Performance Measurement Systems

- Engage Staff in the What & Why of Value Delivery
- Establish Data & Feedback Loops
- Patient & Family Perspective of Waste
- Ensure a Safe Environment for Sharing Ideas
- Develop New Skills at All Levels

- Eliminate Clinical Quality Problems
- Optimize Staffing
- Maximize Flow Efficiency
- Manage Supply Chain
- Reduce Mismatched Services—overuse, coordination
- Reduce Environmental Waste (Healthy Hospital Initiatives)

- Evaluate Cost & Quality Impact
- Prioritize Projects and Manage Organizational Energy
- Create a Portfolio of Projects
- Solve Problems and Execute PDSA Cycles
- Measure and Monitor Results
**Homework Review**

1. Agree on an approach (either by service line, across your organization or within a specific department)
2. Identity an aim (dollar aim; cost/case or cost/discharge)
3. Clarify your team and the roles of each member

Send ‘Tweet’ of 140 characters or less to Jill at jduncan@ihi.org by Friday, June 22nd

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**Ground Rules**

We learn from one another – “All teach, all learn”

Why reinvent the wheel? - Steal shamelessly

This is a transparent learning environment

All ideas/feedback are welcome and encouraged!
We are looking at
  o the top 10 opportunities and Cost per case
  o the team is the Charge Compliance taskforce
  o across the organization until we identify departments with higher opportunity

Robin Zudell RN, CPHQ
Clinical Outcomes Manager, Performance Improvement
Queen of the Valley Medical Center; Napa, CA  94558

"AHS will be applying this expedition to 2 clinics as an initial pilot with an aim of saving a % of operating costs with the involvement of quality, operations and finance teams"

UH Rainbow Babies and Children’s/MacDonald Women’s Hospital
1. Across the organization
3. Members of Quality Team and Finance will work together to determine costs of Serious Safety Events from hospital baseline period.

Stephen Czekalinski, MBA, RN, BSN
Quality Improvement RN
Rainbow Babies & Children’s Hospitals

Analyze catheter associated UTI, including $ impact of Medicare reimbursement. Per case analysis based on 2011 baseline number of cases. - - - Virginia Mason Medical Center

Review, analyze both quality & financial consideration for our top admitting diagnosis (Pneumonia with and without complications) and make recommendations for better outcomes.

[Decrease readmission rates, increase revenue, better outpatient management, improved processes, better core measures, etc]

Brenda L Sturm MSN FACHE
Vice President, Nursing
Daviess Community Hospital

Great Plains Regional Medical Center- North Platte, NE
Approach: Organization wide
Aim: To decrease the overall 30 day readmission rate to 10.07% by December 2012 through the reducing heart failure readmissions. Dollar aim: Save $4,800/ HF admission
Team Members: Leader: Director of Case Management; Physician Champion: Hospitalist; Senior Leader Champion: VP of Clinical Quality
Members: Representatives from: Nursing, Respiratory Therapy, Hospitalist Program, Home Health, Case Management, Pharmacy, Cardiovascular Services, Finance, Quality
Approach:
For FY13, Harborview has embarked on a project to review practice variation with the focus to decrease unnecessary variation. HMC’s approach will be multi-faceted starting with service lines and managed across the departments based on utilization, including external benchmarking. First quarter services include: Spinal Surgery, Ophthalmology and Thoracic Surgery.

Dollar Aim
$1,735,000 over FY13 (7/1/12 – 6/30/13) accumulative across all services, inpatient & outpatient. This amount is a smaller portion of the HMC FY13 Performance Improvement Initiative goal of $23.6 million

Team
Performance Improvement membership includes executive operational leadership including CNO, Administrators for inpatient and outpatient divisions with finance and chiefs of staff and key physician leadership within the service. Each service review will include department management and directors as well as chief of service and service physician leadership.

Denise M. Leverentz
Director, UW Medicine Finance Decision Support

1. Agree on an approach (either by service line, across your organization, or within a specific department): we have chosen to take a service line approach to examine the cost of Cataract Surgery in our hospital. The reason being, the government (our single payor) is going to reimburse us at a higher level per case, but we still don’t know whether we will be making a profit or not. This would determine whether or not we increase volume.

2. Identify an aim (dollar aim; cost/case or cost/discharge): the aim is to establish a cost/case

3. Clarify your team and the roles of each member: team members include- myself (Chief of Surgical Services and Interim COO); Nursing Director for Surgical Services; MD MBA student who is actually doing the data collection

McGill – Montreal, Canada
Assignment # 1

1. **Approach:** department-specific projects
2. **Aim:** 1-3% reduction in the cost/bed/year *(may be revised)*
3. **Team members:**
   a) Dr. Alber Paules (Quality Officer – Quality Improvement Dept.)
   b) Mr. Ahmed Saleh Al-Amri (Receptionist – Patient Affairs Dept.)
   c) Radhwan Khedher Al-Ameer (Payable Manager – Finance and Budget Dept.)
   d) Mr. Hari Ibrahim Al-Ogaibi (Customer Services Officer – Patient Affairs Dept.)
   e) Mr. Mohamed Azrae (Budget Specialist – Finance and Budget Dept.)
   f) Ms. Hessah Faisal Al Refai (Auditor Salaries Specialist – Finance and Budget Dept.)
   g) Ms. Yusra Naeem Qari Tilbay (Customer Services Officer – Patient Affairs Dept.)
   h) Mrs. Salma Khaled Baabbad (Bank Guarantee Specialist - Finance and Budget Dept.)
   i) Other members may be added from the following departments: Infection Control and OR.

### Portfolio Management

- **Aim of Portfolio:**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Projected Savings</th>
<th>Savings to Date</th>
<th>Quality Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing unnecessary extra patient days resulting from cancellation of scheduled OR procedures.</td>
<td>SAR - To be calculated</td>
<td>SAR</td>
<td></td>
</tr>
<tr>
<td>Reducing unnecessary extra patient days resulting from the prolonged stay of inpatients due to poor coordination of the processes associated with discharge.</td>
<td>SAR - To be calculated</td>
<td>SAR</td>
<td></td>
</tr>
<tr>
<td>Reducing avoidable extra patient days resulting from the patient stay inside the ICU due to acquiring ventilator-associated pneumonia (VAP).</td>
<td>SAR - To be calculated</td>
<td>SAR</td>
<td></td>
</tr>
<tr>
<td>Reducing unnecessary admissions at the weekends for patients who are scheduled for surgery at the beginning of the new week.</td>
<td>SAR - To be calculated</td>
<td>SAR</td>
<td></td>
</tr>
</tbody>
</table>
Thank you!

Looking for “Waste”

• Variation from benchmarks
• The usual suspects
  - pharmacy, supply chain, overtime hours, delays
• Lean strategies – reduce process steps, staff “steps”, supply waste, etc.
• Top down strategies – often budget driven
Keys to Success

• Find and categorize “waste”
• Identify potential projects
• Clinicians and finance work together to develop financial models
• Prioritize projects using criteria:
  — Ease of implementation
  — Linkage with other efforts
  — Estimated $$ amount
• Measure progress, $$ weekly @ start

One way: Waste Identification Tool


Developed in partnership with the UK – Health Foundation
Establish a Realistic Portfolio for Waste and Cost Reduction

**Identify Potential Waste Streams**
- Many Methods
  - Waste ID Tool
  - Dashboards
  - Benchmarking
  - Mimic Other’s Projects

**Waste, Cost, and Quality Assessment**
- Finance engages with potential waste initiatives
- Data collection and analysis verifies opportunity
- Plan to capture $ and redeploy bottom line

**Build and Execute a Portfolio**
- Select initiatives considering goals and environmental realities
- Integrate waste initiatives into organizational goals
- Execute on the initiatives with leader support
- Capture $ and redeploy

Realistic, Effective Portfolio Of Projects

Front Line Engagement

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Hospital Inpatient Waste Identification Tool Worksheet: Ward Module

<table>
<thead>
<tr>
<th>Ward/Unit:</th>
<th>Date &amp; Time of Review:</th>
<th>Reviewed by:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Patient Bed ID</th>
<th>WASTE STREAMS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>WASTE</td>
</tr>
<tr>
<td>----------------</td>
<td>--------</td>
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<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTALS**
- If any waste areas are checked, note YES for waste
- # beds or patients with any waste identified
- % of total beds and patients reviewed
- TOTAL BEDS & PATIENTS REVIEWED

DRAFT
Customization and Adaptation

Benefits

• Engages front line staff
• Speaks with “data”
  —How often?
  —Where?
• Sets up staff to help drive change
<table>
<thead>
<tr>
<th>Bed ID</th>
<th>Waste</th>
<th>Waste Streams</th>
</tr>
</thead>
<tbody>
<tr>
<td>T-1</td>
<td>X</td>
<td>Awaiting PICC, IR</td>
</tr>
<tr>
<td>T-2</td>
<td>X</td>
<td>Lap chole comp 12/25</td>
</tr>
<tr>
<td>T-9</td>
<td>X</td>
<td>Futility EOL, family</td>
</tr>
<tr>
<td>T-7</td>
<td>X</td>
<td>No Plan</td>
</tr>
<tr>
<td>T-11</td>
<td>X</td>
<td>No (insulin) drip on floor</td>
</tr>
<tr>
<td>B-S</td>
<td>X</td>
<td>No OR til Fri</td>
</tr>
<tr>
<td>B-Y</td>
<td>X</td>
<td>Card. Consult, no family meeting, EOL</td>
</tr>
<tr>
<td>B-O</td>
<td>X</td>
<td>Pt fell, No OR til Fri</td>
</tr>
<tr>
<td>B-S</td>
<td>X</td>
<td>End of Life (EOL)</td>
</tr>
<tr>
<td>C-A</td>
<td>X</td>
<td>Trach Collar trial not done</td>
</tr>
<tr>
<td>V-B</td>
<td>X</td>
<td>Awaiting trach &amp; E-Tube</td>
</tr>
<tr>
<td>V-A</td>
<td>X</td>
<td>Inf &amp; EOL futility</td>
</tr>
<tr>
<td>V-P</td>
<td>X</td>
<td>Pneumothorax, &amp; EOL futility</td>
</tr>
</tbody>
</table>

Total # of wasted beds the numerator: 16
Total # beds reviewed the denominator: 19
% waste: 84%
Process Steps

- Select an area (unit or patient condition)
- Identify staff who “see waste”
- Identify categories of waste – *include* “other”
- Customize worksheet
- Develop implementation plan
  - Short test cycles – shift, unit, patient, process
- Aggregate categories of “waste”

Waste Tool: Customization

![Waste Identification Tool Worksheet](image-url)
Interim Healthcare (Homecare) Front Line Staff Interviews Using Waste ID Tool

(Definition of Waste: Any activity that does not benefit the service user (could be patient, internal/external customer). Adverse Events/Comp (Optional)

<table>
<thead>
<tr>
<th>Interim Healthcare (Homecare) Front Line Staff</th>
<th>Reviews/</th>
<th>Date &amp; Time of Review</th>
<th>Reviewer(s)</th>
</tr>
</thead>
<tbody>
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Branch/Patient Care Module Instructions

1. Use of services to patient non-compliant with overall care regimen
2. Patient unavailable for service (PNC)
3. Potentially avoidable adverse event (AE)
4. Prophylactic/Preventative care (PM)
5. Use of treatments that are not appropriate (UT)
6. Use of treatments beyond therapeutic results (TTR)

Institutional Agency Code (Optional) - "IAC"

Waste Streams

<table>
<thead>
<tr>
<th>Patient Ineligible (PI)</th>
<th>Unnecessary Admission (UA)</th>
<th>Unnecessary Medical Supplies (UMS)</th>
<th>Excess Supplies Provided (ES)</th>
<th>Total Patients Reviewed</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

Northeast Medical Center Environmental Services (Customized) Waste Tool

HOSPITAL WASTE IDENTIFICATION TOOL - EXAMPLE

<table>
<thead>
<tr>
<th>Unit/Name of Hospital</th>
<th>Room Number (Applicable)</th>
<th>Time/Shift</th>
<th>Discharge Log Books Incomplete</th>
<th>Flow Delay</th>
<th>Isolation Procedure Not Accurate</th>
<th>Nursing Item Not Removed</th>
<th>Post Infection Control Not Practice Observed</th>
<th>Other Waste Identified</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

Waste Topics (Examples)

<table>
<thead>
<tr>
<th>Waste Topics Identified</th>
<th>Hospital/Units/Services</th>
<th>Total Observations</th>
<th>Identify U/Waste</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

*** Red column headings may be modified or customized to capture waste issues that are not listed.
Finding Waste: Examples

- ICU -- inappropriate admissions (3 per week)
- Home care: wound care protocols
- CLABSI’s beyond ICU tracking
- Outpatient/EC/ UrgiCare visits
- Lots of “waste tools”:
  - Call light logs
  - OR cancellations
  - Avoidable days
- Choosing wisely (ABIM)

What’s the Cost

Finance
- Spreadsheets
- Aggregate numbers
- MS- DRGs, icd-9s
- Averages, means
- Services, service lines
- Payor class

Clinicians
- Charts
- Patients—one-at-a-time
- Conditions
- “Worst case”
- Complicating factors
- Social factors
Financial Models: Clinicians & Finance

• Which patients?
  — Identification – condition, admit source, unit
    — DRG, APR-DRG, principle diagnosis
  — Inclusion-exclusion criteria
    — Age, chronic conditions,

• Final model?
  — Literature based
  — Case match
  — Historical costs, actual costs, cost/charge ratio

• Size of sub-sets
• Cost of sub-sets

Approaches to Cost Identification

• Case match
• Pre and post
• Condition – heart surgery, pneumonia
• Flow, delays
**Case Match**

**When to use**
- Conditions that are independent of DRGs or diagnoses (HAIs)
- Ability to subset data by a variety of criteria
- Large enough patient group

**Steps**
- Identify “event”
- Agree on inclusion criteria
- Develop and vet data set

**Example**
- **-Sepsis as complication**
  - Inclusion criteria
    - Age <90
    - LOS day, ICU day (<30 days)
    - Diagnosis, condition
    - Admit source, primary diagnosis
  - Develop data set of patients with sepsis
  - Analyze by admit source, age, M/F, diagnosis, LOS
  - Case match with similar non-septic patients

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**Before and After**

**When to use**
- Conditions that are independent of DRGs or diagnoses (HAIs)
- Ability to identify patient population
- Large enough patient group

**Steps**
- Identify “event”
- Agree on inclusion criteria
- Develop and vet data set

**Example**
- **-Sepsis as complication**
  - Inclusion criteria
    - Age <90
    - LOS day, ICU day (<30 days)
    - Diagnosis, condition
    - Admit source, primary diagnosis
  - Develop data set of patients with sepsis
  - Analyze by admit source, age, M/F, diagnosis, LOS
  - **Follow the same data set over time**
Patient Condition

• Identify condition
• Flowchart process steps

<table>
<thead>
<tr>
<th>Home</th>
<th>MD office</th>
<th>Urgi-care</th>
<th>ED</th>
<th>OR</th>
<th>Hospital floor</th>
<th>Hospital ICU</th>
</tr>
</thead>
</table>

• Identify “start” and “stop”
• Set up cost model – over all, and by step
• Identify waste at each step
• Identify “cost” of waste at each step

Flow and Delays

• Identify area of focus
  – ED, ICU, OR, Ambulatory
• Consider cost associated with delay
  – Staff overtime
  – OR “down time”
  – Extra beds needed/avoided
  – More patients seen–with same resources
• Model cost based on type of delay
  – Hours, OR case, increased capacity
Waste Tool to Projects: Medicine

- Worked with MDs in Medicine Service Line
- Category Identification – ICUs, Floors, Observation unit --- Care/clinical delays specific to each area
  - Consultation, procedure and test delays
  - End of life –discussions, decisions
  - Inappropriate admissions
  - Adverse events
  - Sedation management
  - Delays in treatments- extubation, ambulation,
  - Types of patients– level of care
  - Repeated labs with care team/unit change

Topics Identified

- MICU
  - Delays in procedures, tests, consultations, end of life discussions, handoffs
  - ABG testing– particularly vent weans
  - Repeated labs from EC to MICU transfer
- Hospitalists
  - Patient populations: Sickle Cell, Chest Pain (non-cardiac evaluation)
  - Repeat reference tests – for known conditions- (eg: HIV status)**
  - Serial lab tests ** (lab techs)
Waste Project Portfolio
Medicine Service Line

<table>
<thead>
<tr>
<th>Impact on Quality</th>
<th>Substantial Cost Savings</th>
<th>Moderate Cost Savings</th>
<th>Negative Impact-No savings or loss</th>
</tr>
</thead>
</table>
| High              | • Sickle Cell management ($450K/year)  
                    • Chest Pain management ($400K/year)  
                    • To be evaluated: ICU days awaiting consultation, procedures, end of life discussions |  | • EC – MICU admits (duplicate tests on MICU admit) |
| Moderate          | • ABG testing $15 K  
                    • Confirmatory tests  
                    • Repeat tests  
                    • Supplies |  |  |

Case Studies
Idea Bank

• Inception: December, 2007-was to be a 6 month program
  — Total Savings/Revenue generation $9.65 million
  — Team Member payout of $165,000

• Allow front-line team members to submit cost-saving ideas for a portion of the savings.

• Online tool that allowed idea submission to be easy for the user
Examples of Ideas

- Cath Lab and Radiology-change type of contrast & vendor
  - $137,000
- Switch closure devices (Boomerang and angioseal) to Syvek patch for cardiac cath
  - $77,000
- Common canister program for MDI
  - $447,000
- Changed suture vendor
  - $27,000

Continued...

- Eliminated “free food” for physicians and vendors in the café
  - $72,000
- Bundle patient care items into kits
  - $37,000
- Leased printers instead of purchasing
  - $102,000
- Reduced cost and use of free car seats to new mothers
  - $51,000
Waste Identification Tool

- Utilized by the Vice President Group in the beginning
  - Bi-weekly rounding to identify processes that failed the patient and the team
  - Identified opportunities for improvement in:
    - Laboratory
    - Radiology
    - Cath Lab Scheduling

WIT: Fueled Projects

- Cath lab scheduling process:
  - 48 steps to 8
  - Biggest surprise-physician involvement!
- Laboratory equipment
  - Less “send outs”, more done in house
  - Cost of machinery/technology did not outweigh
- Length of Stay
  - Quickly identified who couldn’t “pull the trigger”
WIT: Making a Comeback

• Today…fueling A3 projects around the organization

• Identifying potential “just do-it’s” or Rapid Improvement Projects

• LEAN methodology

Contact Information

Angela Graham, RN, MSN
Director of Quality Outcomes
Angie.graham@kdmc.net
606-408-4918
About Us

• Anne Arundel Medical Center
  – Located in Annapolis, Maryland
  – Entity of Anne Arundel Health System
  – FY11 Admissions 25,289
  – Licensed Beds 336
  – FY11 Emergency Visits 76,288
  – FY11 Outpatient Visits 86,166

• Cost and Quality Team
  – Anastasia Brown, Director of Quality and Regulatory Affairs
  – Jennifer Harrington, VP, Clinical and Support Services
  – Anne Marie Pessagno, Senior Director, Nursing
  – Bob Reilly, Chief Financial Officer
  – Mitch Schwartz, Chief Medical Officer
### Project Progress Scale

0 – Non-starter  
1 – charter established  
2 – activity, but no changes  
3 – Modest Improvement  
4 – Significant Progress  
5 – Outstanding Success

<table>
<thead>
<tr>
<th>Primary Drivers</th>
<th>Secondary Drivers</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical Quality Problems</td>
<td>Malpractice claims</td>
<td>Ventilator Liberation</td>
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<td></td>
<td>Coordination of Care</td>
<td>JT Center Outcomes</td>
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<td></td>
<td>Adverse Events and Complications</td>
<td>Foley Reduction</td>
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<td></td>
<td>Turnover/Recruitment</td>
<td>Readmissions</td>
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<td>Premium Pay</td>
<td>Catheter Team</td>
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<td></td>
<td>Work Days Lost Due to Injury/Illness</td>
<td>Workers Compensation Program</td>
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<td>Match Capacity: Demand</td>
<td>Inpatient Throughput</td>
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<td>Hospital Throughput</td>
<td>Surgical Operations</td>
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<td>Ancillary Throughput</td>
<td>Point of Care Testing</td>
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<td>Mass Purchasing</td>
<td>Cath Lab Operations</td>
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<td>Pharmaceuticals</td>
<td>Operating Room Purchasing</td>
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<td></td>
<td>Wasted Materials</td>
<td>Supply Chain Automation</td>
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<td></td>
<td>Waste in Admin Services</td>
<td>Hyland Scanning</td>
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<td></td>
<td>End-of-Life Care</td>
<td>Duplicate Dispensing</td>
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<td>Unnecessary Procedures/Hospitalizations</td>
<td>Reduction in Film Cost</td>
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<td>Robotic Instruments</td>
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<td>Weight Based IVG</td>
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<td>Film Reduction</td>
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<td>Recurring OPIV</td>
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<td>Charge Capture [Surgical and Clatanoff]</td>
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<td>Recall Storage</td>
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<td>Newborn OPIV</td>
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<td>Ordering Patterns</td>
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<td></td>
<td>End-of-Life Care</td>
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<td></td>
<td>Catheter Team</td>
</tr>
</tbody>
</table>

### Dark Green Dollars

Reducing Operating Budget by 2% a year

- Clinical Quality Problems
- Staffing
- Supply Chain
- Mismatched Services

Circles indicate primary focus of efforts
### Sample Portfolio Management

<table>
<thead>
<tr>
<th>Project (add rows as needed)</th>
<th>Projected Savings</th>
<th>Bottom Line Impact to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>VTE</td>
<td>$ 45,000</td>
<td>$16,000</td>
</tr>
<tr>
<td>Foley Reduction</td>
<td>$47,000</td>
<td>$9,000</td>
</tr>
<tr>
<td>Supply Chain Automation</td>
<td>$1,000,000</td>
<td>$187,000</td>
</tr>
<tr>
<td>Robotic Instrumentation</td>
<td>$250,000</td>
<td>$72,000</td>
</tr>
<tr>
<td>Weight Based IVIG</td>
<td>$315,000</td>
<td>$75,570</td>
</tr>
<tr>
<td>NICU OPIV</td>
<td>$170,000</td>
<td>$47,000</td>
</tr>
<tr>
<td>Premier Pharmacy Engagement</td>
<td>$90,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Adult Hospitalist Charge Capture</td>
<td>$380,000</td>
<td>$253,000</td>
</tr>
<tr>
<td>OR Purchasing Practices</td>
<td>$800,000</td>
<td>$87,000</td>
</tr>
<tr>
<td>Reduction in Annual Film Costs</td>
<td>$300,000</td>
<td>$45,000</td>
</tr>
</tbody>
</table>

### Barriers and Breakthroughs

- **Challenges**
  - Establishing buy in regarding process steps (i.e. charter development)
  - Prioritization of projects
  - Misunderstanding of intentions
  - Creating a culture of discipline
  - Financial modeling

- **Opportunities**
  - Accountability measures
  - Identification of organizational energy
  - Selection of Lean methodology to utilize throughout the health system
Portfolio Management Now

- Implementing Lean methodology across the Health System

- Establishing project priority based on ability to move the True North Metrics
  - Human Development
  - Timeliness
  - Cost
  - Quality
  - Growth
Follow Up Contact

Jennifer Harrington
Vice President, Clinical and Support Services
jharrington@aahs.org
443-481-4830

Summary
Questions?

Raise your hand

Use the Chat

Resources

• Hospital Inpatient Waste Identification Tool (www.ihi.org) http://www.ihi.org/knowledge/Pages/IHIWhitePapers/HospitalInpatientWasteIDToolWhitePaper.aspx
**Partnering Quality and Finance Teams to Improve Value**

**Expedition Worksheet**

<table>
<thead>
<tr>
<th><strong>Align senior support</strong></th>
<th>Decide where you want to start. Begin to build a partnership with leaders from the finance team. What is your aim? (% operating expenses? Cost/case? Cost/discharge?)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Engage frontline staff</strong></td>
<td>Begin to identify projects that will get you to your aim. Begin building a portfolio. Consider projects you are already working on as potential for your portfolio. Don’t know where to start? Consider adapting and testing the Waste Identification Tool.</td>
</tr>
<tr>
<td><strong>Build and leverage partnerships</strong></td>
<td>Collaborate with your financial colleagues to review your suggested portfolio and identify what might get at dark green dollars.</td>
</tr>
<tr>
<td><strong>Develop financial models</strong></td>
<td>Define how you will measure the potential and actual savings for each project.</td>
</tr>
<tr>
<td><strong>Monitor quality to assure improvement</strong></td>
<td>Identify best practices, financial models, aims &amp; charters for each area of work. Develop a series of projects around the aims identified by your team (your portfolio). Develop a sequencing plan for the work. Test improvement interventions as well as financial measurement strategies. Implement systems to encourage rhythm and discipline around the work. Track progress.</td>
</tr>
<tr>
<td><strong>Learn &amp; spread across a community</strong></td>
<td>Spread learning and best practices. Re-engage &amp; re-commit on a regular schedule.</td>
</tr>
</tbody>
</table>
Homework for Next Call

1. Test the Waste Identification Tool in at least 1 clinical or support service area
2. Bring results back to a multi-disciplinary team
3. Identify and define potential “waste streams”
4. Define data collection process
5. Collect and categorize “waste”
6. Identify at least 3 projects for your portfolio; could include current projects or new opportunities

Send ‘Tweet’ of 140 characters or less to Jill at jduncan@ihi.org by Monday, July 9th

Expedition Listserv

We have set up a listserv for participants in this Expedition to share improvement strategies, and pose questions to one another and faculty.

To use the listserv, address an email to QualityFinanceExpedition@ls.ihi.org

If you would like additional people to receive session notifications please send their email addresses to improvementmap@ihi.org.
Schedule of Calls

- Session 1 – Tuesday, June 12th 1:30 – 3:00 EDT
  - Align senior support & build and leverage partnerships
- Session 2 – Tuesday, June 26th 2:00 – 3:00 EDT
  - Engage frontline staff & prioritize portfolios
- Session 3 – Tuesday, July 10th 2:00 – 3:00 EDT
  - Develop financial models
- Session 4 – Tuesday, July 24th 2:00 – 3:00 EDT
  - Monitor quality to assure improvement
- Session 5 – Tuesday, August 7th 2:00 – 3:00 EDT
  - Learn & spread across a community

Driver Diagram

**PRIMARY DRIVERS**

- WILL Align Enterprise
  - Reduce operating expenses 1% per year while continually maintaining or improving quality.

**SECONDARY DRIVERS**

- WILL Engage Staff, Physicians and Patients
  - Establish True North Metrics (Big Dots)
  - Align Waste Reduction Strategy Throughout Organization
  - Align Systems for Efficiency
  - Adopt Integrated Performance Measurement Systems

- WILL Engage Staff in the What & Why of Value Delivery
  - Establish Data & Feedback Loops
  - Patient & Family Perspective of Waste
  - Ensure a Safe Environment for Sharing Ideas
  - Develop New Skills at All Levels

- WILL Identify Waste
  - Eliminate Clinical Quality Problems
  - Optimize Staffing
  - Maximize Flow Efficiency
  - Manage Supply Chain
  - Reduce Mismatched Services—overuse, coordination
  - Reduce Environmental Waste (Healthy Hospital Initiatives)

- WILL Prioritize, Manage Portfolio of Projects to Remove Waste
  - Evaluate Cost & Quality Impact
  - Prioritize Projects and Manage Organizational Energy
  - Create a Portfolio of Projects
  - Solve Problems and Execute PDSA Cycles
  - Measure and Monitor Results
Thank You