

**PRESS CONTACT:**

Sandy George, CXO Communication  
sandy@cxocommunication.com  
(617) 413-6126

**IHI LAUNCHES LEARNING COMMUNITY TO IMPROVE COSTS AND OUTCOMES  
ASSOCIATED WITH TOTAL JOINT REPLACEMENTS**

*More than 30 organizations will learn new methodology to deliver high-value care*

Cambridge, MA – February 18, 2014 – [The Institute for Healthcare Improvement](#) (IHI), a leading innovator in health and health care improvement worldwide, has teamed up with experts from the Harvard Business School (HBS) to spearhead the adoption of new methods that promise to improve health outcomes per dollar spent for knee and hip replacements, the most common condition in the Medicare population. It is predicted that by 2030, the number of primary total knee replacements will increase by 673 percent, to 3.48 million procedures annually, and the number of primary total hip replacements will increase by 174 percent, to 572,000 procedures annually<sup>1</sup>.

To stay ahead of this changing environment, over the course of 2014 thirty-two organizations are taking part in IHI's [Joint Replacement Learning Community \(JRLC\)](#). The group will measure costs, analyze and review data, set improvement targets and generate improvements to increase value across their joint replacement departments. While focusing on hip and knee replacements, participating organizations will also learn how the methodology can be broadly applied to other procedures and can help lay the groundwork for expected bundled payments.

The JRLC is tapping into the expertise of HBS faculty member Robert Kaplan and HBS Senior Project Leader Derek Haas. Kaplan co-developed and continues to test a process known as Time-Driven, Activity-Based Costing (TDABC), which is a key component of measuring a participating organization's costs of care. The TDABC approach identifies opportunities for critical process and cost improvement, eliminating processes that do not contribute to better outcomes, assigning the staff person with the right skills to perform each task (i.e., ensuring staff are "working at the top of their license"), and reducing unused capacity. TDABC uncovers the operational complexity and total cost of delivering care throughout a patient's journey with joint replacement.

Others [leading the learning community](#) include IHI's Kathy Luther, Jill Duncan, Anila Hussaini, and Kevin Little, Intermountain Health Care's Dr. Lucy Savitz, as well as orthopedic surgeon leaders Dr. Anthony DiGioia of the University of Pittsburgh Medical Center (UPMC) and Dr. Kevin Bozic of the University of California, San Francisco (UCSF).

The [thirty-two organizations](#) taking part are focusing on topics such as:

- What is an accurate way to measure the value of care a provider delivers?
- How do the costs and outcomes from one organization compare with those from a range of other provider organizations, and what is the most cost-effective way to deliver exceptional outcomes at the lowest cost?

- What specific changes in the design and delivery of care will allow a provider organization to take out avoidable cost while maintaining or even improving care quality and outcomes?

“Hospitals are facing major pressure to become more transparent about the cost and quality of joint replacements, and this pressure will only mount as the number of knee and hip replacements is predicted to increase dramatically in the next 15 years,” said Maureen Bisognano, President and CEO of IHI. “Work from the JRLC will become an industry roadmap for improving the value of joint replacement care, and numerous other procedures to which the methodology can be applied, while advancing the science of caring for patients and their families.”

For more information, please visit:

<http://www.ihl.org/Engage/collaboratives/JointReplacementCollaborative/Pages/default.aspx>

### **About The Institute for Healthcare Improvement**

IHI is a leading innovator in health and health care improvement worldwide. For more than 25 years, we have partnered with an ever-growing community of visionaries, leaders, and front-line practitioners around the globe to spark bold, inventive ways to improve the health of individuals and populations. Together, we build the will for change, seek out innovative models of care, and spread proven best practices. When it comes to raising the quality of health for all, IHI sees boundless possibilities and while we see the walls in front of us, we will not rest until we reach the other side. Learn more at [ihl.org](http://www.ihl.org).

---

<sup>1</sup> “A Learning Community to Measure and Improve Costs and Outcomes for Joint Replacements,” Institute for Healthcare Improvement, October 2013.

<http://www.ihl.org/Engage/collaboratives/JointReplacementCollaborative/Documents/Joint%20Replacement%20Learning%20Community%20Prospectus.pdf>

###