



S. Harvey Price is editor of *For Your Advantage*. A health care industry strategist based in Boca Raton, Fla., Mr. Price has worked as an independent consultant since 1971. His clients are community hospitals, hospital systems and major corporations.

About FYA

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With every issue, FYA provides insights into the topics that concern healthcare leaders today and the challenges that will be faced in the near future.

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TrendLeader Connections
406-586-8775
www.ForYourAdvantage.com

Adopt the Motivational Cycle of Continuous Improvement

By Fred Lee

W Edwards Deming introduced some graphical tools of statistical analysis to the relatively uneducated workers of industrial organizations. It worked such wonders in Japanese companies that he is acknowledged throughout the world as the father of the quality revolution. It may have seemed like a revolution to Japan's competitors in America, but it took about six years of sustained effort before it "suddenly" became as visible as a tidal wave to the rest of the world.

Deming understood the refueling effect that measurement, dissatisfaction and improvement have on human motivation. Most of the statistical tools Deming taught were adopted from the writings of Walter Shewhart, a quality analyst at AT&T in the 1930's. Deming's great contribution was not so much in original statistical approaches, but in his keen understanding of human motivation and the barriers to improvement that exist because of poor management systems and the American penchant for command and control structures that seemed to work so well in the crisis of World War II.

One of Shewhart's models became a cornerstone of Deming's teachings. It was the cycle for continuous improvement, often referred to as the PDCA (Plan, Do, Check, Act) cycle. There are many variations in the words used, but the cycle is a fundamental concept in performance improvement. Basically it pictures a heavy sphere moving up an incline by rotating constantly through the steps of planning, implementing, measuring, being dissatisfied with the results and starting the cycle over again. Over time, the results keep improving and the ball progresses up the incline toward perfection, which is always just out of reach. The point here is that it takes being dissatisfied with current results to keep the ball from resting in a state of inertia or rolling backward. What inspires and motivates and is ultimately gratifying to people is the positive trend they see over time, which makes all their cyclical efforts worthwhile.

A good example is the effort made by the radiology department of Florida Hospital East Orlando. The director, Lester Rilea, ran a busy department, with just four rooms, that was doing 42,000 radiology procedures a year for the entire hospital, including emergency and outpatient. They worked as quickly as they could, but did not know exactly what their average turnaround time was. They started with emergency procedures (completed procedure minus the time the procedure was ordered) which represented about 25,000 procedures. More than 50,000 patients passed through the emergency department (ED). The average radiology turnaround time was 40 minutes. The national benchmark, according to the Healthcare Advisory Board, was 25 minutes. The department had every right to be satisfied with their comparison since they did not have digital equipment and had such a heavy load on just four rooms, none of which were

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Adopt the Motivational Cycle of Continuous Improvement (Continued...)

attached or dedicated to the ED.

But Rilea was not satisfied. Neither was his staff. They wanted to see what they could do to improve their performance without adding staff, space or new equipment. The first thing they did was to post measurement results where everybody could see them, and ED turnaround time was added to everyone's performance expectations from director to technical staff.

Then they reorganized the workload so that there was more teamwork in transporting patients, hanging films and answering the phones.

Performance was also graphed by time of day to identify times when bottlenecks frequently occurred. By adjusting staffing for these load times, productivity improved about seven percent, measuring examinations per hour worked.

A board was put up with slots to track manually where each procedure was in the schedule and how many were waiting to be done. This allowed the supervisor to allocate staff time more efficiently.

Any procedure taking more than 30 minutes was analyzed for reasons why and ways to decrease the time. This resulted in more noticeable improvements.

Finally they further shortened the time by having all radiographs placed on a multiviewer in the ED where emergency physicians could look at them before the radiologist provided a final reading.

These and other efforts helped the department match the national benchmark in less than a year. This meant a 38 percent reduction, which translated into a time savings

of 5,000 hours per year to the ED and its patients. Think of the double win this effort garnered for the hospital: happier ED patients (they received the highest satisfaction scores of any step reported on ED surveys) and a sizeable savings in the bottom line. The last I heard they are even surpassing that.

What is important about this example is that the pressure to reduce radiology turnaround time for emergency patients was not driven by edicts from top management. It was driven by a staff that was dissatisfied with average performance and wanted to be the best in the nation – this in spite of serious space limitations, high patient volume, old equipment and staffing constraints.

The literature is filled with stories like Rilea's from all departments in healthcare. Any department manager interested in what others are doing can readily get benchmarking information and process-improvement ideas. Many present their improvement stories at national conferences. The most successful efforts, like those of Rilea and his staff, are self-imposed and continuous. They represent departmental cultures in which dissatisfaction with the status quo generates excitement and excellence.

Fred Lee is a highly popular speaker; and the author of "If Disney Ran Your Hospital." His book was named the 2005 book of the year by the ACHE.

You can contact Fred at
FredLee@patientloyalty.com



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Time to Align IT with Users

By: Rick Kneipper, Chief Administrative Officer and Co-Founder of PHNS

Everyone is talking about the potential importance of information technology to help transform healthcare, but consider the following significant observations about IT from other industries that are generally way ahead of healthcare in employing IT. These come from *InformationWeek's* 19th annual ranking of the top 500 leading users of business technology – interestingly, only 12 hospital systems were included in the top 200!

Start with the following editorial summary of the conclusions from this ranking, which I think should be very instructive for hospitals:

"How do those who matter most to you professionally – your internal customers, your company's paying customers, your various supplier customers – view your IT organization? As a can-do partner and service provider? Or as a nitpicking naysayer and excuse maker?...The vast majority of companies in our 19th annual *InformationWeek* 500 ranking fall into the former category. For them, **the concept of 'aligning IT with the business' is yesterday's challenge. Aligning IT meticulously with external and internal customers' needs...is now the end game for most astute companies.**"

It's also instructive that "**consistent customer-centric IT innovation**" (both internal and external customers) is the hallmark of the "Magnificent 7," which is the group of seven companies that have ranked the highest on *InformationWeek's* 500 over the past five years.

Also consider what the IT innovators are doing to continue their IT innovation:

- 65 percent expect that their 2007 IT spending will exceed 2006
- An average of 43 percent of IT budgets is devoted to new projects

- An average of four percent of annual revenue is spent on IT

Moreover, the survey shows that IT focused companies are less concerned about IT cost controls and productivity, and more focused on innovative technologies.

What do companies think is the biggest obstacle to IT innovation? "Risk-averse foot-dragging cultures, according to a recent survey of 2,500 executives by Boston Consulting Group."

Hopefully the following admonition isn't needed in your organization, but I suggest that you carefully consider it:

"If...customer indifference is seeping into your IT organization, cut it out before the cancer spreads. Nothing less than a customer-obsessed approach will do in this day and age, regardless of the obstacles."



I would like to hear your comments.

Send them to:

Richard.Kneipper@phns.com

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FYA - For Your Advantage is brought to you by TrendLeader Connections. The function of TrendLeader Connections is producing educational materials and seminars that help healthcare executives differentiate between fads and trends; and making connections with "Trend Leaders" within the healthcare industry.

We are committed to delivering new perspectives and ideas, creative and innovative healthcare solutions, provocative concepts and quality educational materials to today's healthcare leaders. We want to concentrate on "what comes after what comes next."

Walk-In Clinics Revisited

A young woman living in South Florida needed treatment for minor pain recently, only to learn her doctor had the day off. A young mother who just moved to South Florida from Texas learned her children needed more vaccinations to start school.

The Ft. Lauderdale-based *Sun-Sentinel* newspaper reported that both women ended up at a walk-in clinic, one in a fast-growing, but controversial breed of retail health outlets that promise convenience, speed and low prices. Offering a new choice to the uninsured, clinics are trying to carve a niche handling minor care such as infections, colds and burns.

But the clinics, the newspaper points out – often in drugstores, supermarkets and discount stores – have drawn heavy fire from critics who say they undercut a pillar of medicine: Patients do best seeing a doctor who knows them.

Some doctors argue that they lose touch with patients who go to retail clinics, that most clinics are run by advanced-trained nurses working alone, that they promote superficial care without follow-up and that they bring sick people near healthy shoppers.

Florida, with many uninsured and transient residents, has emerged as a key start-up area for walk-in clinics in retail stores. The concept is so untested that physicians are divided and not sure what to tell patients who want to go.

Free-standing walk-in centers have been around for decades, but the rapid spread of nurse-staffed clinics in retail stores in the past year has fueled more opposition to the walk-in model.

At least 520 walk-in clinics have opened in U.S. retail stores, and their trade group, the Convenient Care Association, predicts more than 700 this year and 5,000 eventually. Florida has licensed 47 with 15 more ready to open according to the Agency for Health Care Administration.

CVS is the biggest player with 262 clinics. Wal-Mart has 76 and plans for 2,000. The chain simply leases space to operators. Walgreens has 60 and Target 17.

Typically, the clinics are open seven days a week until 8 p.m. No appointments are needed and the average wait is 15 to 25 minutes, the trade group reports. Most have sprouted in suburbs where families usually have health insurance, and 50 to 70 percent of clinic users are covered.

Insured patients face a co-pay of about \$20. Uninsured or cash patients pay \$50 for a basic visit and up to \$250 for tests or procedures. Services such as vaccinations start at \$20.

Clinics may boast service seldom seen in medicine. Some call patients on their cell phones when a nurse is available, so people can shop or get coffee instead of waiting. Some let patients call ahead to get on a waiting list.

Operators contend clinics may relieve crowded hospital emergency rooms where rising numbers of uninsured patients have boosted traffic. Some walk-in patients have had no prior contact with a doctor and otherwise would not have bothered seeking treatment. Clinic operators said they urge all patients to get a regular doctor.

"Patients need more than one access point to the medical system and our clinics are here if people need that access," said Michael Howe, chief executive of the CVS subsidiary MinuteClinic.

But critics – mainly doctors – say clinics fragment medicine as patients see multiple health providers, none of whom has a complete picture of a patient's health. That raises the risk of drug interactions or missed clues to a serious illness.

Doctors express the most concern about clinics inside retail stores that are staffed only by nurse-practitioners, who can prescribe medications, but are not as trained as physicians.

"I call it fast-food medicine," said Dr. Fleur Sack, who works at a Veterans Affairs clinic in South Florida. "This is not something for a person who has an ongoing illness that needs monitoring."

Pediatrician groups have taken the strongest stance against walk-in clinics. Handling one ailment at a time is riskiest for children, who can quickly slip from fever to crisis without proper care, said Dr. David Marcus, past president of the Florida Pediatric Society.

"You really shouldn't have medical care on the fly. Something small can turn into something big and no one would see it," Dr. Marcus said.

Florida regulates walk-in clinics, but not as much as hospitals or physicians. The state makes operators pass background checks and conducts surprise inspections. Clinics must have a physician as medical director, whom the state holds responsible for the care. Legislators last year limited Florida doctors to supervising no more than five clinics.

Other states have gone further. New York opened an investigation after the AMA suggested in June that clinics in stores pose a conflict of interest, citing a profit motive if they steer patients to buy drugs there. Clinics deny it.