

A NEW STRATEGY LEADS TO INCREASED VOLUME

Case Study

Strategic Planning and Marketing

St. John Health

The planners at St. John Health had projected that increasing the number of mammograms would lead to more biopsies and radiation therapy.

That turned out to be true. With the added focus on complete services, mammogram volumes improved.

Without local outpatient market data, St. John Health planners used and made assumptions based on the state, national, and internal data available to them. They learned that assumptions based on the inaccurate, incomplete, subjective, and limited data available from these sources were likely to be wrong and led to flawed strategy.

Consequently, St. John Health planners sought a better data source for outpatient information. When they mined the right data provided in the Thomson Reuters **Strategic Planning and Marketing Solutions**, they were able to reassess their initial assumptions and adopt an effective strategy for raising the number of radiation therapy treatments the network provides.

COURSE OF ACTION

St. John Health planners had originally assumed that the outpatient market share mirrored inpatient market share. They also assumed that competitors in the outpatient arena were the same as inpatient



competitors. They speculated that, since one percent of mammograms led to oncology treatment, an increase in the number of mammograms would lead to an increase in radiation therapy. Therefore, all they had to do was increase the number of mammograms to get radiation therapy numbers where the organization wanted them.

It turned out that only one of those assumptions was correct; however, they didn't discover this until they leveraged the power of the **Outpatient Profiles Strategic Planning Solution** from the Healthcare business of Thomson Reuters, which provided relevant, market-specific outpatient information.

Using insights from Outpatient Profiles, the most eye-opening revelation was identifying the organization's real competitors. Planners found that in the outpatient arena, freestanding outpatient facilities were the market leaders, not the hospitals. When a mammogram showed an



ST. JOHN HEALTH

Location:
Warren, MI

Size:
2,341 total beds

Scope and services:
St. John Health is a network of seven hospitals, along with numerous medical and outpatient centers, in metro Detroit with corporate services located in Warren, Mich. St. John Health is the largest provider of inpatient care in southeast Michigan and one of the largest employers in metro Detroit. St. John Health provides comprehensive prevention, primary care, and advanced treatment programs with more than 125 medical centers and eight hospitals spanning five counties.

Solutions:
Outpatient Profiles



anomaly, radiologists working at freestanding sites had the biggest impact on where patients sought diagnosis and treatment. The data showed who had the business, and a deeper drill-down identified what kinds of procedures were being done by whom. With this understanding of the market and the opportunity at hand, St. John was able to work collaboratively with the service-line leader and physician champion to provide more consumer-sensitive offerings with their mammography service.

As a result, St. John Health refocused its market strategy and referral relationships to differentiate itself from the market-leading freestanding facilities. It did so by offering complete services—from screening to diagnosis to treatment—and achieved positive results.

RESULTS

With the added focus on complete services, as a result of their new approach and the additional insights gained from Outpatient Profiles, mammogram volumes increased.

St. John Health Outcomes:

- Adopted new competitive standards based on identified outpatient competition
- Increased mammogram volumes at select centers by 8.6 percent (compared with the same period in 2006)
- Raised actual radiation treatments 4.3 percent ahead of budget. For the first time in two years, the number of treatments met—and exceeded—budget

“An investment in the right data saved us from making mistakes that would have cost us revenue, and it set us on a course that is already paying dividends—not only in revenue but also in customer satisfaction.”

Frank Veltri

Director of Strategic Planning
St. John Health

In 2007, St. John Health was acknowledged for its accomplishments in the pursuit of excellence in performance improvement with a Thomson Reuters Insight Award. The Insight Award was established in 2005 to honor and recognize customers who have used Thomson Reuters Solutions and tools to achieve outstanding success at their organizations.

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