

REFINED PROCESSES LEAD THE WAY TO STRONG FINANCIAL PERFORMANCE

Case Study

Operational and Financial Improvement

University Hospital

With a \$93 million cardiac tower going up and a trend of declining patient volumes becoming increasingly apparent, University Hospital faced an enormous challenge.

The operational improvement team at University Hospital realized the facility needed to change the direction it was headed—so the team turned to the Healthcare business of Thomson Reuters.

COURSE OF ACTION

Using the **ACTION O-I® Operational Performance Solution**, University Hospital teamed with Thomson Reuters to identify three areas within the organization that offered the best opportunity for cost-reduction. The facility's respiratory therapy, private duty, and access services departments kicked off the expense-reduction initiative with one ground rule in place: savings would have to be realized without a reduction in personnel. The groups understood that if staff could be more efficient, jobs would be saved and measurable and sustainable financial improvement would be made.

Among the areas identified by ACTION O-I for improvement in the respiratory therapy department was excessive overtime. The team paid special attention to the clocking-in and clocking-out process. The team also made it mandatory for all overtime hours to be preauthorized on a day-to-day basis. A larger as-needed workpool was created, and additional savings were achieved by employing student



apprentices and by cross-training staff to cover certain departments and duties in periods of high patient volume. Utilizing more efficient equipment, such as breath-activated nebulizers, also contributed to reduced treatment times.

OUTCOMES

With ACTION O-I in place, each project team successfully reduced expenses. In early 2008, not only had the private duty and respiratory care departments met their respective goals, but several new departments also initiated cost-reduction projects. Strategies and key learnings acquired by the initial project teams have since been communicated to all University Hospital directors, and the organization has achieved remarkable success:

- A ranking close to the top quarter of the highest performing ACTION O-I hospitals —up from their previous rank of being in the lower half of all hospitals



THOMSON REUTERS
INSIGHT AWARD 2008

UNIVERSITY HOSPITAL

Location:
Augusta, GA

Size:
581 beds

Scope and services:
From a grassroots beginning in 1818, University Health Care System has become one of the largest healthcare providers serving a 25-county area in Georgia and South Carolina. The 581-bed, not-for-profit University Hospital is the cornerstone of University Health Care System and offers comprehensive inpatient and outpatient services, nursing facilities, home health services, prompt-care facilities, and rehabilitative care programs.

Solutions:
ACTION O-I®



- A reduction in overtime to zero percent
- Budget came in \$40,000 below plan
- 50 percent reduction in staff time spent on charge entry

“Our business improvement process team has seen increased efficiencies and reduction in operating expenses without negatively impacting the quality of work,” said Heidi Nelson, director of performance improvement and respiratory care at University Hospital. “And there has been no reduction in workforce.”

University Hospital’s innovative use of ACTION O-I to reduce expenses is indicative of the organization’s commitment to efficiency and excellence. In 2008, University Hospital was acknowledged for its accomplishments 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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Director of Performance Improvement and Respiratory Care
University Hospital

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