

The focus of performance improvement initiatives for many organizations tends to be on low-performance outliers—that is, on identifying instances where costs are much higher and outcomes substantially poorer than averages among caregivers. However, a more effective approach is to identify those practices that consistently lead to the best outcomes and promote them, with evidence-based guidelines, to improve outcomes across the board, as illustrated in Figure 6.

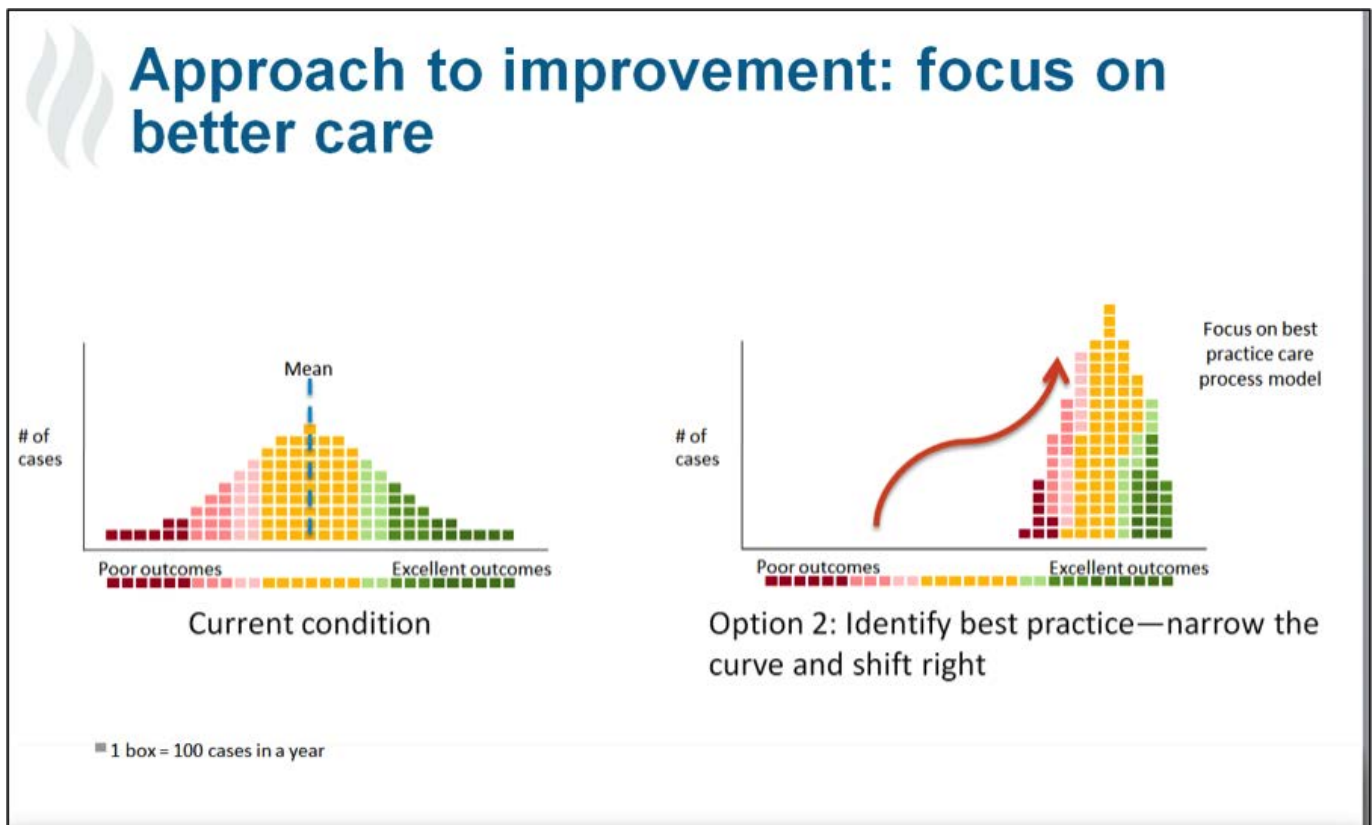


Figure 6: Approach to Improvement: Focus on Better Care

The analytics platform described early in this paper also can be used to [identify and eliminate waste](#) that can be an outgrowth of non-adherence to evidence-based practices. This type of waste tends to fall in three categories:

Ordering waste. This waste results from providers ordering tests, care, and supplies that do not add value. An example of such waste might be the ordering of unnecessary chest X-rays for patients with asthma because of a faulty order set, something [Texas Children’s Hospital](#) discovered and addressed in their process improvement programs.

Several hospitals have been able to reduce their catheter-associated urinary tract infection (CAUTI) and central-line associated bloodstream infections (CLABSI) surveillance activities by as much as 50 to 90 percent through the use of an analytic platform.

Workflow waste. This waste results from inefficiencies in delivering tests, care, and procedures. As an example, some healthcare organizations are still manually having charge nurses fax a nightly list of patients with urinary catheters and central lines to their infection preventionist team, an untenable manual process as agencies, such as the [Centers for Medicare and Medicaid Services \(CMS\) expands surveillance activities](#) to an enterprise-wide, versus critical care, focus.

Several hospitals have been able to reduce their catheter-associated urinary tract infection (CAUTI) and central-line associated bloodstream infections (CLABSI) surveillance activities by as much as 50 to 90 percent through the use of an analytic platform that automatically identifies the patient population and integrates of an [electronic surveillance algorithm](#), allowing nurses to focus more on infection prevention versus manual reporting.

Defect waste. If delivery of tests, care, and procedures is defective, the resulting waste could lead not only to higher costs but also to patient harm. Inpatient fall prevention is an example of a defect, deemed to be avoidable. Falls can cause injury (ies) to the patient and incur additional costs to treat the injury (ies) and may require the patient to have an increased LOS.

Step 6: Estimate the ROI

As the guidance team sets priorities for performance improvement, the team also should take time to [estimate the potential ROI](#) for each initiative based on available information. The team can start by identifying organizational costs and estimating benefits using tools such as industry benchmarks for similar projects, vendor case studies, and internal estimates. Most organizations will need to educate their clinicians, operations and finance departments on the value of sharing data and working together on inter-disciplinary teams, rather than keeping everything in silos.

Next, the team should identify direct benefits and savings (either from enhanced efficiency and productivity) or from clinical improvement and waste reduction. Then, the team can identify indirect benefits, such as a reduction in future infections or an improvement in patient satisfaction.

The team also should consider revenue opportunities such as higher market share and patient volume, an increase in contract compliance, or a reduction of bad debt. A revenue opportunity example might be a payer who is willing to pay an organization a

bonus for [reducing unnecessary pre-term deliveries](#). Another revenue opportunity example is reducing the number of referrals outside of the healthcare network.

Building the Framework

Creating a foundation for sustainable improvement and prioritizing initiatives does not have to be overwhelming. By following these steps and establishing a framework for performance improvement based on analytics, the right teams, and evidence-based practices, an organization can obtain the right tools to achieve and sustain performance improvement gains into the future.

What failures and successes have you had in your performance improvement initiatives?

About the Authors



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