



How to Achieve Competitive Advantage in 2011...The Solution Might Surprise You

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*Ernst & Young Entrepreneur of the Year Finalist 2009
68% business growth 4 years running*

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Executive Summary

For decades, healthcare providers have relied on two engines to drive their businesses – marketing programs and strong community relationships. In today’s information-driven world, where consumers reflexively turn to the Web to check everything from the newest movie reviews to Yelp’s rating of neighborhood restaurants before they make purchasing decisions, those traditional activities aren’t enough to build and retain market share. Today, patients and referral sources demand information, supported by real data – and they know where to look for it. Healthcare businesses need to take immediate, focused steps to ensure that they can provide outcomes data that shows how they compare with their competition. Without tangible proof of your organization’s performance, even the best advertising and a history of community involvement, important as they are, won’t be sufficient to sustain the competitive standing and the ROI you’ll need to grow. The key to success and competitiveness is the performance of clinical staff. Real-time data that highlights individual accountability is the tool that will deliver it.

Today’s Challenges

Narrowing profit margins. Increased CMS public reporting. Intensified scrutiny over resource utilization. Patient satisfaction scores readily available to every consumer and referral source. Increased competition.

Not exactly a recipe for restful nights for the business owner or manager trying to run a profitable, growing enterprise, is it? The key to effectively meeting those sleep interrupting challenges is – accountability. Accountable care is everywhere. Just check the headlines.

Attaining competitive advantage requires strategy in combination with something already in your possession - DATA. *Real-time* data lets you manage effectively and gives you the power to create your financial and public scores, rather than falling victim to them; while *historical* data provides you the opportunity to showcase your performance.

Referral Sources Want Data, Not Hype

Gone are the days of showing up at the doctor’s office with donuts and a brochure that boasts, “We give the best quality of care in the City.” Mirroring the sentiments of the rest of the nation, referral sources want facts. They want data. After you’ve utilized data to create next quarter’s outcomes, hospitalization rates and patient satisfaction, utilize the scores you’ve attained to gain your competitive advantage. It’s hard to argue with the facts. At the end of the day, both consumers and referral sources will judge your attractiveness by the data showing the performance of your clinical staff.

Managing for Accountability

Competitiveness is built through patient care, not in the board room, and that demands active management. No one gets up in the morning looking forward to holding employees accountable, but it's the key to success in today's healthcare environment. Regardless of time spent in strategic business and marketing meetings, real competitiveness is determined every minute of the day in the field and at the supervisor's desk. There's likely no better return on investment than that spent on staff accountability. Remember, *what gets measured gets managed. What gets rewarded gets repeated.*

Still, very few clinical supervisors are effective managers – it's a fact we have to face. At a time when accountability has never been more critical to your business, all these factors combine to create the perfect storm. You need a way to manage large volumes of information, distill it into recognizable highly problematic areas, attach it to the clinician directly responsible and then target education and set milestones. This is what drives behavior and improvement better than anything else.

Financial Success and Clinical Performance are Joined at the Hip

You need to identify how to provide quality outcomes with decent profit margins, and where to focus your efforts. You need to generate profits so you can invest in quality and in the sustainable infrastructure you'll need to gain and keep your competitive advantage. The most effective way to drive profitability is to put staff accountability tools in place and use them. Your clinicians hold the purse strings to your profit margins, your lifeline to public scores and, as a result, your competitive advantage. Financial success and clinical staff performance are inseparable, though they make strange bedfellows. Data bridges that gap.

What to Measure and Monitor

So what's needed? Industry benchmarks indicate that as much as 60% of your OASIS documentation is likely wrong. This negatively impacts your case weight, your payment and your public scores, while creating a false picture of the severity of your patients and thus raising the bar on your CMS risk adjustment; all this ultimately hits your pocketbook. Understanding precisely how each of your staff members contributes, both positively and negatively, to your financial and clinical outcomes is the central challenge to effective management in today's environment – and it has to be done in real-time. Looking backwards at overall performance guarantees a constant game of catch-up that will become ever-more-difficult.

Here are the critical data points today's providers need to measure and monitor Clinician, Case Manager, and Team performance:

- OASIS Documentation Error Rate and Patterns
- Case Weights
- Average Visits per Patient
- Average Number of Re-Certifications
- Downcodes
- Therapy "Visit Clusters"
- Average Revenue per Episode
- Hospitalization Rates
- Potentially Avoidable Events
- Outcomes & Process Measures
- HHCAHPS (patient satisfaction)

Identify staff members that are underperforming on a range of metrics that impact your financial and public score performance. Analyze the details. Provide immediate feedback and training. Set improvement goals. Hold staff accountable.



Summary

Constant tweaks to improvement in care, services and patient satisfaction create your eventual payment, your public scores and hence your competitiveness. You can learn more about clinician accountability scores from SHP at www.SHPdata.com.

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*Helping Healthcare Providers Improve Performance
Through the Utilization of Data*