Using Multi-Hospital Laboratory Integration to Improve Lab Outreach Success

John Waugh

Henry Ford Health System, Detroit
Executive War College, New Orleans 4/28/09
Integrated Healthcare Delivery System

- Tertiary Care Hospitalization
- Acute Care Hospitalization
- Specialized Hospitals
- Long-Term Care
- Ambulatory Care
  - Specialty, Multi-specialty
  - High Technology
- Primary & Preventive Care
- Home Health Services
- Health, Lifestyle & Alternative Med Services
- Financing of Health Care
- Research & Education
Now: Henry Ford Health System

- Southeast Michigan
- 22,000 employees
- 7 hospitals, 40 ambulatory centers
- 11 million billed lab tests (2008)
- Beds: 2,495  Admissions: 88,984
- 3 million clinic visits
- 1,100 physicians, 3rd largest multi-specialty group in US
- >1,500 partner community docs
- HAP insurance, 540,000 members
- $62M research funding, 3rd largest NIH $ in Michigan
- Leap Frog Group- ‘Top 41 safest hospitals’
- Thompson Reuters ‘100 Top Hospitals- Performance Improvement
- 101 ‘Best & Brightest Places to Work’
- Crain’s Detroit Business- ‘Coolest Place to Work’
Pathology Billed Test vs Labor Equivalents

Billed Tests by Quarter

Labor Equivalents

2002

2008
HFHS Alignment - LEAP 2008

Henry Ford Health System is a unified, integrated organization bringing value to its patients, communities, members, physicians, employees and business units through:

- Delivery of the highest quality of clinical care and personal service with aligned goals and standards of performance
- A focus on coordination of services across the continuum of care to achieve a patient care experience that is appropriate, aligned and seamless
- A culture of innovation and learning
- Coordinated growth strategies and branding
- Information technology that enhances patient care, increases the efficiency of administrative processes and supports clinical integration across the System
- Providing a world-class environment for employees and physicians to practice their professions, expand their skills and talents and develop their careers
- Market strength with a unified contracting strategy
Pathology & Laboratory Medicine Service Line (PALM)

- All hospital Lab Service Line created 2001
- Extension across system- 2008
- “Accelerate one lab enterprise across system”
- Corporate entity, CEO Liaison
- Under leadership R. Zarbo, Senior VP
- “Centralize to every extent possible”
- Single capital pool
- Cascading approach as LIS permits, on a timeline
- New Hospital Lab now a ‘Stat Lab’ concept, space, capital costs
Current Service Locations

Hospital
24 Hr. Med Center

Medical Clinic

24/7
Hub & Spoke Design
Laboratory Outreach Brand
VALUE DRIVERS

Focus on 20% of actions that will drive 80% of the economic value for the organization.

- With highest probability of success
- In shortest period of time
Pathology & Laboratory Medicine
Value Drivers & Timeline

• Value Drivers (24): Quality, Cost, Service
  – Economic Impact vs. Probability of Success

• Timeline
  – 20% of activities that drive 80% of Value
    • 90 days
    • 180 days
    • 365+ days

• Implementation Drivers
  – No items require new $$ in 1st 150 days
Pathology & Laboratory Medicine Service Line (PALM)

- Business Plan, Timeline & Schedule
- Communication to Stakeholders
  - Internal
    - Staff, physicians, leadership
  - External
    - Physicians, vendors
- Savings Strategies & Growth Strategies
- Quality Management
Value Drivers

- Requests for new tests should be reviewed for clinical value and economic impact.
- Compare all hospital test menus with W. Bloomfield Hosp Menu
- Align proficiency testing orders with test menus
- Realign position management to PALM Service Line
- Review consumable contracts for aggregation and price protection.
- Catalogue all existing Lab Outreach testing
Value Drivers

• Review and approve Capital needs as a Service Line
• Develop and trend internal Quality Management Metrics
• Review and understand professional staff duties by site
• Roll-up financial reporting and craft fair transfer pricing
• Create targeted communication to stakeholder groups
• Consider recommendations from Wellspring Partners
Value Drivers

- Requests for new tests should be reviewed for clinical value and economic impact.
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Value Drivers

• Review and approve personnel requisitions at the PALM level
• Reassign professional staff contracts to PALM
• Unify all Laboratory Outreach under one brand….HFML
• Build-out Lab Portal to support Lab Outreach
• Review all service contracts for effectiveness and savings
• Redefine best practices in the new conditions
Value Drivers

• Repatriate revenue from reference laboratory testing

• Repatriate revenue from prof Pathology contracts: Part A

• Repatriate revenue from prof Pathology contracts: Part B

• Migrate Clinton Twp to enterprise-wide LIS systems

• Tie LIS to Macomb choice of Careplus or Powerchart

• LEAN management to all PALM Service Line
Value Drivers

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Pathology & Laboratory Medicine
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Economic Impact vs. Success Probability

90 days

- Establish 3 fast moving teams
- Test menu review
- Catalog existing Outreach
- Quality management metrics

180 days

- Establish 2 teams
- Unified Lab Outreach
- Best Practices

365+ days

- Establish 1 team
- LEAN Management
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<tr>
<td>1</td>
<td>CETAC review for new test services</td>
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<td>2</td>
<td>Test Menu Review HF-WB as baseline</td>
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<td>Realign position management to PALM Service Line</td>
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<td>4</td>
<td>Consumable contracts PALM review &amp; approval</td>
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<td>5</td>
<td>Catalog all existing Lab Outreach</td>
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<td>6</td>
<td>Capital PALM review &amp; approval</td>
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<td>7</td>
<td>Quality management metrics</td>
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<td>Professional Staff Duties</td>
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<td>Financial roll-up corporate with transfer pricing</td>
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<td>Professional staff contracts, reassign to PALM</td>
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<td>Best Practices redefined for New Conditions</td>
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<td>17</td>
<td>Build-out Lab Portal</td>
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<td>18</td>
<td>Repatriate $$ Revenue from Reference Lab Tests</td>
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<td>Repatriate $$ Revenue from Professional Referrals</td>
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<td>Align Proficiency Testing orders with test menus</td>
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<td>23</td>
<td>Macomb Clinton to Shared LIS</td>
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<td>24</td>
<td>Clinton Lab results to CarePlus or Cerner Powerchart</td>
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Pathology & Laboratory Medicine Service Line (PALM)

- Business Plan, Timeline & Schedule
- Communication to Stakeholders
  - Internal
    - Staff, physicians, leadership
  - External
    - Physicians, vendors
- Savings Strategies & Growth Strategies
- Quality Management
Customers

• If Customers are not on the top of your priority list, re-do the list.
  
  - We can’t grow new customers and discard old customers
  - Every customer is unique
  - Emphasizing customer satisfaction is a common concern for all of us and a way to align us
Service Commitment

• On-site pathologists
• 24X7 pathologist and supervisor on-call
• Sub-specialty coverage and consultation
  – Surgical pathology
    • double read breast & prostate, 2\textsuperscript{nd} opinions
  – Clinical pathology
    • microbiology, chemistry, blood bank, hematopathology
• Common trended quality metrics
• Centralize esoteric tests & autopsies
• Implement \textit{LEAN} management
• Expand Outreach
Centurions, Legion Commanders & Legionaries

ALL ROADS LEAD TO ROME

Fixed & Mobile Army

Hospital
24 Hr. Med Center
Medical Clinic

24/7
# Quality Management Metrics

<table>
<thead>
<tr>
<th>TURN-AROUND TIME (TAT)</th>
<th>CAP ACCREDITATION REQUIRED</th>
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<tbody>
<tr>
<td>Emergency Room TAT CBC, Troponin, BMP, PT, PTT</td>
<td>Frozen Section TAT</td>
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<tr>
<td>STAT TEST TAT Chem, Heme, Coag, Urinalysis</td>
<td>Biopsy TAT <em>(Small or Simple)</em></td>
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<tr>
<td>Resection TAT <em>(Large or Complex)</em></td>
<td>Cytology Non-Gyn TAT</td>
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<td>Cytology ASCUS/HG PAP + HPV</td>
<td>Cytology PAP Smear TAT</td>
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<td>Blood Culture Contamination</td>
<td>Critical Value Reporting</td>
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<td>Customer &amp; Staff Satisfaction</td>
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<tr>
<td>Best Practices</td>
<td>Practice</td>
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<tr>
<td>REPORTING RELATIONSHIPS</td>
<td>All Administrative Directors/Managers</td>
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<td>All Pathologists</td>
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<td>CAPITAL PURCHASING</td>
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<td>ACCOUNTABILITY</td>
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<td>LAB OUTREACH</td>
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# Seamlessness

## Pathology Service Line Attributes

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<tr>
<th>Common Trended Quality Metrics</th>
<th>COT</th>
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Molecular Pathology and Genomic Medicine

Division Head, MD
Laboratory Director, PhD

Advisory Members:
Division heads and section chiefs

Infectious Diseases
- Gonorrhea
- Chlamydia
- HIV quant
- HCV quant
- HCV qual
- Myco TB
- Myco Av Int
- Myco Gordini
- CMV
- HSV 1 & 2
- MRSA

Transplantation
- HLA class I & II genotyping

Pharmacogenomics
- Warfarin*
- CYP2C9-2
- CYP2C9-3
- VKORC1

Hematopathology
- Neoplastic
  - JAK2
  - BCR-ABL
  - major & minor brkpts
  - PML-RARA
  - CBFb-MYH11
  - AML-1ETO
  - FLT3
  - B cell IGH
  - TCR-gamma
  - BCL2-JH
  - Coagulation
    - Factor V (Leiden)
    - Factor II (Prothrombin)
    - MTHFR

Oncology
- Brain
  - MGMT
  - 1p19q LOH
  - Lung
  - EGFR
  - Ob/Gyn
  - Gestational disease
  - Colorectal
    - MSI
    - MLH1
    - Tumor Assoc
      - EBV

Identity

Tissue & Patient Identity
# Mass Production

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Key Changes 2004-2008

- Organized visual, workflow, priority specimen workstreams
Key Changes 2004-2008

- Laboratory structural redesign, work cell design & standardization

- Linear flow
- U-shaped individual workcells
1. Requisition
2. Specimen container
3. Tissue cassette
4. Glass slide
Next Steps

• What we need from you as leaders
  – Your behavior is a role model, your shadow
  – Embrace & champion the change, THINK BIGGER
  – Communicate extra positive messages
    • To your staff
    • To your clients
  – Rid rumors & fear…Communicate
  – Contribute to transition teams
  – Be patient, we will get there together, playing well on a larger team
Hail Augustus
Q & A

Henry Ford Hospital Detroit Campus