

Quality and Productivity Commission
31st Annual Productivity and Quality Awards Program
“Celebrating Quality Service”

2017 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: SAVING DOLLARS, SAVING TIME, SAVING LIVES

DATE OF IMPLEMENTATION/ADOPTION: **MAY 1, 2016**
(Must have been implemented at least one year - on or before July 1, 2016)

PROJECT STATUS: Ongoing One-time only

HAS YOUR DEPARTMENT PREVIOUSLY SUBMITTED THIS PROJECT? Yes No

EXECUTIVE SUMMARY: Describe the project in 15 lines or less using Arial 12 point font. State clearly and concisely what difference the project has made.

1 Olive View-UCLA Medical Center’s (OVMC) new Utilization Management (UM) department
2 mission and vision is to advance the goal of overall cost-effective healthcare delivery and act as
3 active stewards to the financial responsibilities that support OVMC’s aim to deliver high quality,
4 efficient, healthcare to all patients at the right time and right place. By implementing Six Sigma
5 Methodology (SSM), the UM department has embarked on redesigning the way it provides
6 services to patients, and increasing its scope of services to patient care departments. By listening
7 to the voice of the customer, measuring workload daily, and clarifying roles, UM has identified
8 widespread variation in the way it historically did and didn’t do business. In the past year, UM has
9 addressed and continues to address process inefficiencies, lost opportunities and significant
10 unnecessary costs. Using SSM, UM is now organized into 3 pillars: a) Utilization Review (UR), b)
11 Discharge Coordination (DC), and c) Outpatient Service Coordination (OPSC). By coordinating our
12 services in these 3 pillars and paying close attention to OVMC’s outpatient services, UM is now a
13 major contributor to OVMC’s patient care and financial future. SSM has helped OVMC improve
14 patient care and flow, revenue generation, and dramatically decreased costs on multiple levels.

BENEFITS TO THE COUNTY

(1) ACTUAL/ESTIMATED ANNUAL COST AVOIDANCE	(2) ACTUAL/ESTIMATED ANNUAL COST SAVINGS	(3) ACTUAL/ESTIMATED ANNUAL REVENUE	(1) + (2) + (3) = TOTAL ANNUAL ACTUAL/ESTIMATED BENEFIT	SERVICE ENHANCEMENT PROJECT
\$ 720,000	\$ 59,000	\$ 0	\$ 779,000	<input checked="" type="checkbox"/>

ANNUAL = 12 MONTHS ONLY

SUBMITTING DEPARTMENT NAME AND COMPLETE ADDRESS Olive View Medical Center, Utilization Management Department 14445 Olive View Drive Sylmar, CA 91342	TELEPHONE NUMBER 747-210-3414
PROGRAM MANAGER’S NAME Lee Dunham	TELEPHONE NUMBER 747-210-3650 EMAIL ldunham@dhs.lacounty.gov
PRODUCTIVITY MANAGER’S NAME AND SIGNATURE <small>(PLEASE CALL (213) 893-0322 IF YOU DO NOT KNOW YOUR PRODUCTIVITY MANAGER’S NAME)</small> Gerardo Pinedo Signature on File	TELEPHONE NUMBER 213-240-8104 EMAIL gpinedo@dhs.lacounty.gov
DEPARTMENT HEAD’S NAME AND SIGNATURE Mitchell H. Katz, MD Signature on File	TELEPHONE NUMBER 213-240-8101 MKATZ@DHS.LACOUNTY.GOV

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1st FACT SHEET – LIMITED UP TO 3 PAGES ONLY: Describe the **challenge(s), solution(s), and benefit(s)** of the project. What quality and/or productivity-related outcome(s) has the project achieved? Provide measures of success. Use Arial 12 point font.

Over the past year, OVMC has reengineered its Utilization Review (UR) department into a Utilization Management (UM) department and established it’s new mission and vision which is to advance the goal of overall cost-effective healthcare delivery and to act as active stewards to the financial responsibilities that support OVMC’s aim to deliver high quality, efficient, healthcare to all patients at the right time and right place. With UM’s mission and vision defined, frontline staff (i.e., nurses, physicians, occupational therapy, pharmacy and clinical social work) gathered to discuss various issues negatively impacting success in achievement of this mission. As a result of these brainstorming sessions, cause and effect diagrams (CAD) and workflows were developed. From those assessments, quality function design (QFD) and failure mode and effects analysis (FMEA) were developed to rate the severity, occurrence, and detectability to prioritize risks and opportunities for improvement. In Table 1, the QFD shows the areas of importance in which insufficient staffing (IS) and poor communication had the highest relative priority weight effecting the UM mission.

Decreasing the Patient Length of Stay
X's (How's)

Y's (What's)	Importance	Less than 3% variance in Staffing Requirements	Doctors must communicate needs to other disciplines by 1000 am daily	Doctors must place 65% of discharge orders by 1:00 pm	Clarify all clinical and non clinical job duties	Make sure staff is aware of new admissions starting in the emergency room	100% Data integrity				Total
Insufficient Staffing	5	H		L				0	0	0	50
Poor Communication	4	H	H		H						108
Late Orders	3		L	H			L				33
Not doing assigned duties	2		L		H						20
Poor Admissions Process	1					H					9
Measuring workload	3			M		L	H				36
Total		81	41	41	54	9	30	0	0	0	256
Relative Weight (Priority)		31.64%	16.02%	16.02%	21.09%	3.52%	11.72%	0.00%	0.00%	0.00%	

Table 1

In order to address IS, UM nursing and clerical job duties/functions were documented and explained to the project lead. Under the original organization, the UM nurses were assigned to our 10 medicine teams, pediatrics/obstetrics, and gynecology. Each nurse did their own medical necessity reviews (MNR), case management (CM), discharge coordination (DC), and numerous clerical functions. Baseline data for daily average of MNR, secondary reviews (SR), packets submitted, patient length of stay (LOS), and other data was collected. It was found that each nurse did on average only 10-15 MNR because discharging patients and insurance faxing took precedence. This translated to late billing, late MNR, and untimely SR, which has a negative effect on patient care and revenue. Next, workflows were evaluated, and backlogs were collected from each nurse. Using this information, a new staffing model was developed to redeploy the 13 nurses performing these duties. UM assigned 5 nurses for MNR, the CM function was eliminated, and 5 nurses were assigned to DC. The 3 remaining

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nurses were assigned non-productive time and the new OPSC function which focuses on linking outpatients with their medical home and other outside resources. With the margin error of 15%, confidence level of 95%, and a population size of 52 weeks in a year, 23 weeks of data was needed as the sample size. After rearranging staffing duties as described above and allowing each nurse to focus on one function (i.e., MNR, DC, OPSC), the average number of SR sent decreased by 40% over 23 weeks. Additionally, the average number of physician requests of SR decreased by 40%. The new pillar organization increase UM nurse efficiencies and decreased backlog. It also had a secondary impact to physicians formerly spending hours working on SR. The decrease in volume has allowed them more time to see patients and perform other critical duties.

Poor communication was the second highest relative priority addressed. Again, after multiple brainstorming sessions with stakeholders, a fish bone analysis (FBA) was developed. From that analysis, the UM team decided to focus all efforts on improving the daily inpatient collaborative care rounds (CCR), which are daily huddles for the medical team to plan each patient’s care towards discharge from the hospital. As a pilot, the CCR for 3 of our medical surgical teams was restructured to include a new discharge coordinator, clinical social work, occupational therapy, the physician team, pharmacy, and nutrition. Prior, CCR were really broken communication because only included a physician, case manager, clinical social worker, and thus many of the issues impacting LOS were not able to be quickly addressed on a daily basis with the entire care team. As a result of the pilot, the LOS for these teams was decreased by 25% (see Table 2).

Assignment	Name	Total # of Admissions for Discharge Planners	Total # of Discharges for Discharge Planners	Total # of Patients at Weeks End for Discharge Planners	Length of Stay (LOS) Baseline	New LOS	% LOS Decreased
Date:	11/14 - 11/20						
Discharge Nurse	Ann S.	26	24	19	5.3	4.5	15%
Discharge Nurse	Rachel B.	30	39	14	5	5.1	0%
Discharge MCW	Amy	33	28	27	6.3	3.7	59%
		89	91	60	5.5	4.4	25%

Table 2

As of April 2017 (see Table 3), data is collected and analyzed to pinpoint those teams with long LOS to troubleshoot issues causing long stays. The new CCR format has since been fully implemented for all teams and has greatly improved communication amongst the care teams and increased staff satisfaction as they all feel part of the team and can see results of their collaborative efforts for the patients.

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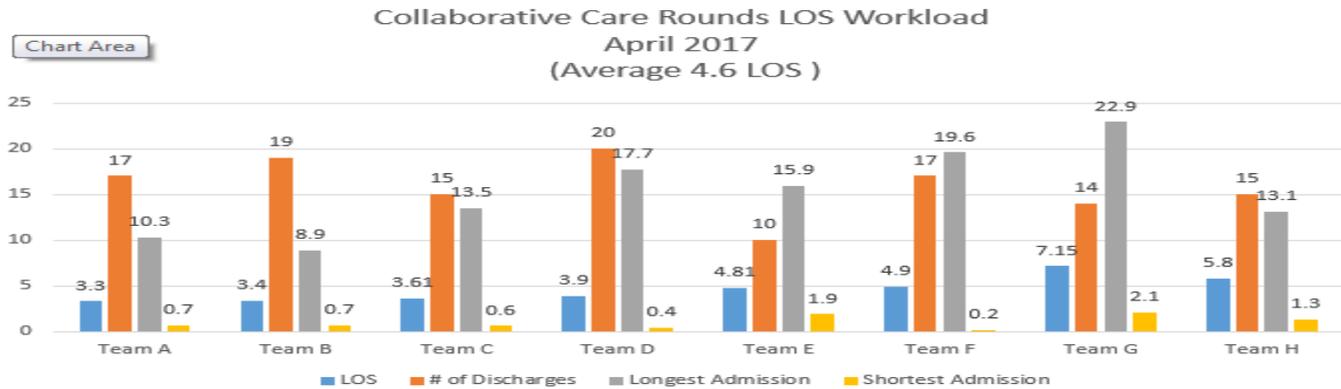


Table 3

In addition to affecting the improvements described above, we also identified other problems that resulted in impacted expenditures, patient care and patient access to services. Firstly, the team looked at the cost of patient transportation (i.e., taxi, bus, ambulance) to other facilities for medical appointments. This County transportation (CT) is a service paid for by the County/hospital. The team pulled data on all CT requests and paid claims (a total of approximately 600 claims) for the previous year. To analyze the data for any cost saving opportunity, the team used the following formula to determine the correct sample size. With a margin of error of 10%, confidence level of 95%, population size of 600, the minimum sample size needed was 83 paid claims. Upon review of 83 randomly selected paid claims, 30 (or 36%) of those claims were for patients who had transportation as a covered benefit under their insurance and thus should not have been eligible for CT. Using OVMC Finance Department data, it was determined that for FY 15/16, OVMC paid \$395,204 in CT costs. Using paid claims for the first 10 months of FY 16/17, CT costs are estimated to total \$540,000, which is a 27% cost increase in just one year. If the FY 16/17 claims had been appropriately screened, we could have realized a savings of about \$194,400 (36% of the estimated cost). This dollar savings could be even greater in future years as the annual costs for transportation rise. As a result of this analysis, CT requests have been redirected to UM for insurance coverage screening and the cost savings for April and May of 2017 alone totals over \$59,000.

Secondly, the UM department implemented the new OPSC team to impact the “right place at the right time” philosophy. This team coordinates in-network and out-of-network outpatient visits in the emergency room (ER), Urgent Care, Observation, and Sub-Specialties. In the month of April 2017, this team redirected 468 ER patients back to their Non-DHS provider groups and referred 117 DHS responsible patients for complex care management. UM has been able to link patients to their Non-DHS provider groups which ensures better care for those patients and increased ER and inpatient access for DHS responsible patients. Data will continue to be monitored over time.

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Linkage to the County Strategic Plan – 1 page only. Which County Strategic Plan goal(s) does this project address? Explain how. Use Arial 12 point font.

This project is directly linked to the County’s Strategic Plan:

GOAL III. Realize Tomorrow’s Government Today

Strategy III.3 - Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability

Continually assess our efficiency and effectiveness, maximize and leverage resources, and hold ourselves accountable.

III.3.1 Maximize Revenue: Implement a process to systematically leverage resources to help fund County initiatives.

III.3.3 Measure Impact and Effectiveness of our Collective Efforts: Develop and operationalize a range of metrics and measures to track implementation and outcomes of this strategic plan and other County initiatives

Our team’s approach to the project has been 100% focused on operational effectiveness and fiscal responsibility. The reengineering of the UM department and deployment of staff in 3 focused pillars of service and responsibility have dramatically improved department effectiveness and has produced change across the entire patient care spectrum. Multidisciplinary communication has blossomed and ultimately improved patient care and flow in and out of our hospital setting. This translates to improved patient and staff satisfaction. The patients are cared for by a cohesive team, and the staff are able to concentrate on the treatment of their patients rather than the frustrations of bureaucracy. UM is data driven and using project improvement measures and systems to conclude effectiveness and outcomes. The result of this initiative has significantly moved the needle towards achieving the County’s strategic plan.

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COST AVOIDANCE, COST SAVINGS, AND REVENUE GENERATED (ESTIMATED BENEFITS TO THE COUNTY): If you are claiming cost benefits, include a calculation on this page. Please indicate whether these benefits apply in total or on a per unit basis, e.g., per capita, per transaction, per case, etc. You must include an explanation of the County cost savings, cost avoidance or new revenue that matches the numbers in the box. Remember to keep your supporting documentation. Use Arial 12 point font

Cost Avoidance: Costs that are eliminated or not incurred as a result of program outcomes. Please indicate whether these are costs to the County or to other entities.

Cost Savings: A reduction or lessening of expenditures as a result of program outcomes. Please indicate whether these were expenditures by the County or by other entities.

Revenue: Increases in existing revenue streams or new revenue sources to the County as a result of program outcomes.

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(1) \$720,000 is the amount of estimated cost avoidance for future FYs (\$59,000 per month based on current costs avoided as a result of the project)

(2) \$59,000 is the amount of actual cost savings for FY 16/17 for County transportation.