

## Optimizing Care – Inspiring Leadership to Improve Quality and Efficiency while Controlling Costs

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# Optimizing Care - Inspiring Leadership to Improve Quality and Efficiency While Controlling Costs

Interprofessional Senior Executive Team  
Lehigh Valley Health Network, Allentown, PA

## Poster Overview

An organization-wide effort sponsored by the Network's senior executive team which used lean management principles to identify waste, add value and achieve cost benefits.

## Optimizing Care Service Line Project

### Goal

- Implement processes to study, analyze and map variation in care processes

### Objectives

- Utilize a standard approach to accomplish the goal across the network
- Involve multi-disciplinary teams led by clinical departments and service line staff
- Identify, study and improve processes in a manner sufficient to generate cost reduction
- Share learnings broadly across network entities

## Evidence

- Lean management principles can be successfully applied to the delivery of health care.
- Lean thinking begins with driving out waste so that all work adds value.
- Identifying value-added and non-value-added steps in every process is the beginning of the journey toward lean operations.

## Project Structure

- Senior Executive Oversight Team
  - Chief nursing officer (CNO) & nurse administrator
  - Service line non-nurse administrators
  - Service line physician chairs
  - Physician executive for quality
  - Finance staff member
  - Internal lean coach
- 9 service lines & 4 ancillary departments
- 11 teams→ 40 projects
- Projected financial impact: \$3,184,500

## Implications

- Alignment with the AONE key priorities - illustrates innovation and, through value-added work, supports provision of safe quality care in healthful practice environments.
- With CNO driving the initiative as a senior executive and nurses serving as leaders on all teams, project communicates value of nursing in healthcare to all stakeholders.

### References:

1. Shook, J. (2008). Managing to learn: Using the A3 management process to solve problems, gain agreement, mentor and lead. Cambridge, MA: Lean Enterprise Institute.

## Outcomes

Full project roll-out → **\$6,216,300**

### Examples:

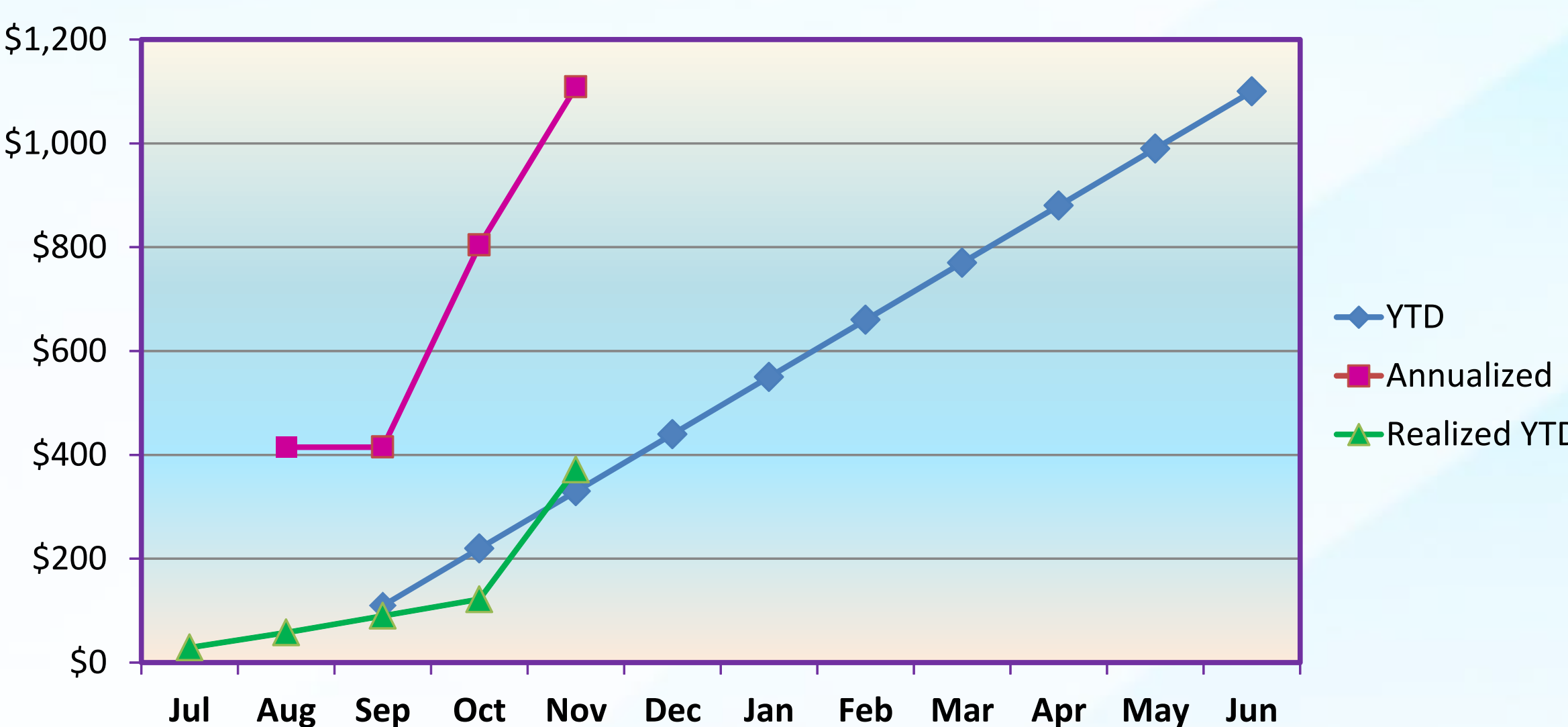
- ↓ LOS through 'super' cohorting and collaborative rounds
- ↓ and standardized OR room supplies
- Standardized order sets focused on decreased utilization of unnecessary diagnostic studies
- ↓ medication costs through
  - Diligent contract negotiations
  - Streamlined formulary
  - Evidence-based protocols

### Length of Stay (LOS)

LVHM ALOS 4.7						LVH ALOS 4.9					
	ALOS	Variance from Budget	Encounters	\$/Encounters	Savings		ALOS	Variance from Budget	Encounters	\$/Encounters	Savings
July	4.92	-0.22	829	\$500	(\$91,190)	July	4.95	-0.05	3,626	\$500	(\$90,650)
Aug	4.62	0.08	820	\$500	\$32,800	Aug	4.79	0.11	3,415	\$500	\$187,825
Sept	4.5	0.2	824	\$500	\$82,400	Sept	4.84	0.06	3,370	\$500	\$101,100
Oct	4.78	-0.08	908	\$500	\$36,320	Oct	4.93	-0.03	3,558	\$500	(\$53,370)
Nov	4.59	0.11	779	\$500	\$42,845	Nov	4.78	0.12	3,485	\$500	\$209,100
\$30,535						\$354,005					

Savings (Acute; Tru Source Data)

### FY 2014 YTD Supply Standardization



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