

Analyzing and Improving Work Flow in Your Practice

Owen J Dahl, MBA, FACHE, CHBC, LSSMBB
AAAAI Practice Management Workshop
July 23 and 24

Today's Program

- Define Lean Six Sigma
- Identify applications – how it works in today's medical practice
- Share outcomes

Benefits of Improvement

- Decrease average time patient spends in clinic from two hours to an hour or less
- Satisfied patients (customers)
- Eliminate duplicated duties
- More effective use of staff & resources
- Increase efficiency
- Increase quality
- Satisfied staff



Voice of the Customer

- Process used to obtain feedback/requirements from the customer to provide them with the best service quality possible
- Proactive
- Captured through
 - Interviews
 - Surveys
 - Focus groups
 - Observations
 - Complaint logs

7

Patient Experience of Care (meet “customer” expectations)

- Service MUST meet customer expectation requirements
- Must understand the customer expectation

$$V = R - E$$

V = Value – (Quality)
R = Results
E - Expectations

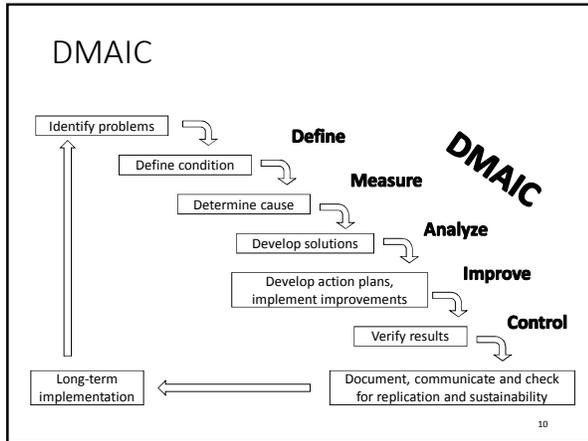
8

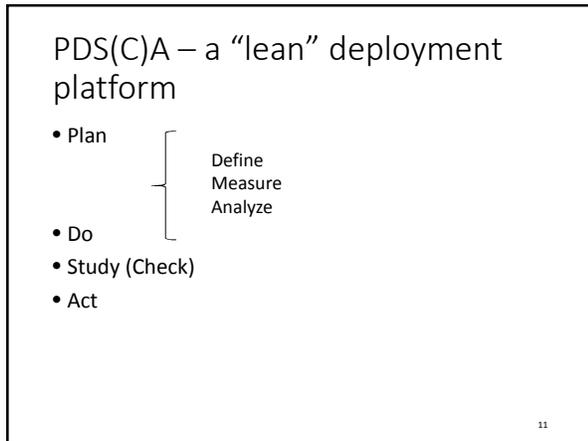
Deployment Platforms

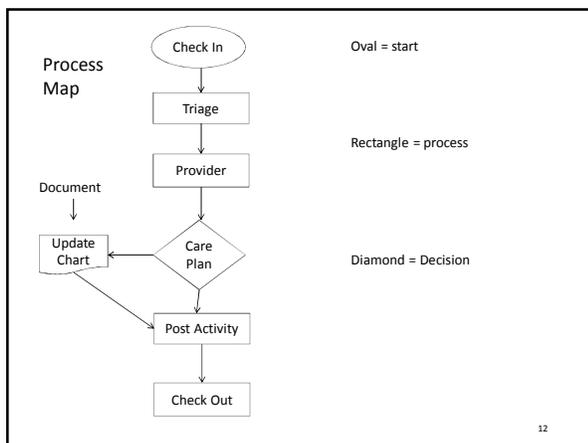
Define – Measure – Analyze – Improve – Control

Plan – Do – Study – Act

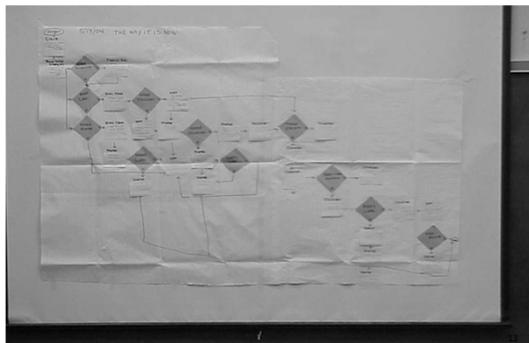
9



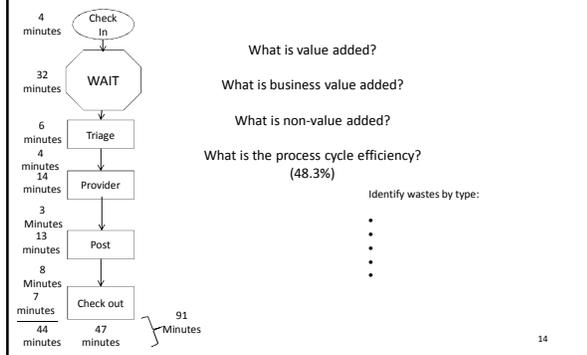




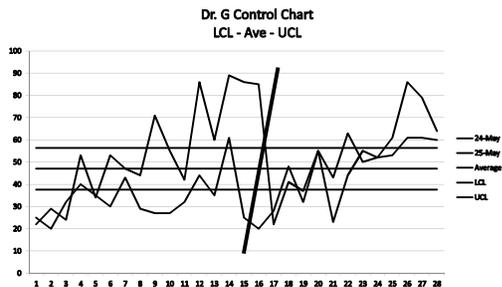
Don't need high tech approach



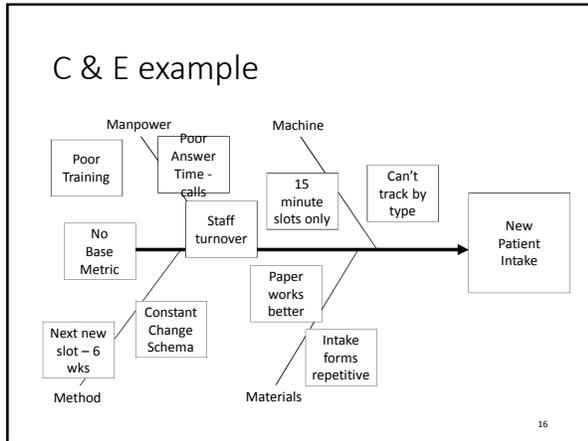
VSM - examples



Control Chart



C & E example



5 Why's

- Why – multiple times = problem solving tool, uncover the root cause
- Problem = Child Got a "D" in math
 - Why did you get a "D" in math?
 - Because I didn't do all my homework assignments
 - Why didn't you do your home work?
 - I hate math
 - Why do you hate math so much?
 - Because I suck at it
 - Why do you think you suck at it?
 - I just don't get it

5S

- Sort – what is needed and not, eliminate the latter
 - Remove or "red tag"
- Set in order – keep needed items in right place
 - "Picture" current state, draw future state
- Shine – keep area clean
 - Safety, waste, cleanliness
- Standardize – clean up – the first 3 S
 - Every day
 - Create your OWN agreement to accomplish
- Sustain – make this a habit to clean, establish processes or procedures to insure success
 - Self discipline – do you have it???????

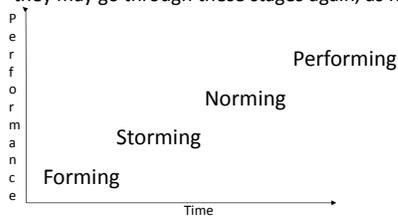
Team Roles

- Champions
- Facilitator
- Team leader
- Process owners
- Inside subject experts
- Outside subject experts
- The recorder

19

Team Stages

- Most teams go through four development stages before they are able to be considered effective
- As members are added and/or removed from a team, they may go through these stages again, as follows:



20

It's OK to fail ...

- Accept failure as a natural part of doing business
- Remove structural obstacles to reduce the objective risks of a failed venture
- Turn failure into fodder: fail small, fail fast, & fail cheaply

“Those who don’t take risks tend to have two major mistakes a year, those who do take risks tend to have two major mistakes a year!” Drucker

21

Your Process Improvement Organization Chart

The diagram shows two triangles. On the left is an upright triangle labeled 'Typical Structure'. On the right is an inverted triangle labeled 'The Process Improvement Way'.

22

IDEA WATCH HBR.ORG

Strategic Humor

Reynolds
HBR Oct. 2011

23

Contact Information

Owen J. Dahl
odahl@owendahlconsulting.com
832-260-4455

To order a book
www.mpmnetwork.com
Use promo code "dahl-client"

24

Developing a Lean Overhead

John Ramey, MD
National Allergy and Asthma

Wal-Mart Strategy

- Mission statement
 - Offer the best quality merchandise at the lowest prices in all their stores, from school supplies, to household items and top quality groceries.
- Bargaining power over suppliers
- One of Sam Walton's 10 business commandments
 - Control your expenses better than your competition

Strategies

- Wal-Mart Strategy
- Start with most expensive overhead items
- Physician or manager may need to lead process
 - Needs to be a detail person
- May meet resistance
 - Other physicians
 - Staff
 - "You are only saving \$1000"
 - "We can't get prices any lower"

Strategies

- Be careful using family and patients as vendors
 - Might be difficult to negotiate best deal
 - May be hurt feelings
 - Decide type of negotiation
- Make sure you review your bills
 - Hidden fees and credit charges
 - Make sure you are getting the negotiated rate
 - Make sure they don't change rate without you knowing

Strategies

- Get at least 3 bids
- Talk to other practices
- Join purchasing groups
- Make sure what you are doing is profitable
 - i.e. Labs, Niox, IVIG, Buy and Bill

Allergy office overhead

- Personnel
- Insurance (Malpractice, Health, Property, etc)
- Advertising
- Staffing
- Janitorial and trash pick up
- Security systems
- Phone (office phone & cell phone)

Personnel

- Most expensive item
- Evaluate performance
 - Reward high performers
 - High cost to losing great staff
- Know community pay scales
- Consider using medical assistants

Malpractice insurance

- Find out the different insurers in your state
- Decide how much coverage your practice needs
- May need certain amount of coverage for research
- Does policy include consent to settle?
- Financial stability of company
- Does policy give money back at retirement?

Malpractice insurance

- Claims-made covers lawsuits only if the policy is in force at the time the lawsuit is filed
 - Need to add prior acts or buy tail (Expensive)
 - May not need tail if close to retirement
 - Usually less expensive
- Occurrence covers lawsuits filed at any time as long as the physician had a policy in force at the time of the alleged malpractice
 - Includes Tail
- Cost savings \$28,520/year

Extract manufacturers

- Competition may lead to lower prices
 - Received estimates from ALK, Greer, H-S
- Difficult to compare because of different vial sizes
- May save money on syringes with medical supply company
- Need to be willing to change extract

Laboratory supplies

- Price per immunocaps
- Make sure prices are "streamlined"
- Check to see what percentage the contract increase is each year
- Cost of service agreement
- Cost of controls, immunocaps, and solutions

Medical supply companies

- May need to join purchasing group
- Compare prices of syringes between IT & medical supply companies

Advertising

- Yellow page
 - Do you really need it?
 - How large of ad?
 - Yellow page internet?
 - Free listings sometimes available with telephone service
 - Cost Savings: \$9133/year

Advertising

- Television
 - Rates are very negotiable
 - Save money by buying in bulk
 - May want to work through marketing company

Janitorial and Landscaping

- Take bids
 - We have 4 offices
 - Consider hiring an employee for landscaping & cleaning
- \$23,520/year

Copier companies

- Buy versus leasing
 - Printer cartridges expensive
 - Many companies can service
- Service contracts
 - Read carefully
 - Replace copier during maintenance contract
 - 0.01 per copy

Copier companies

- A copier salesman dream
 - Bought used copier
 - Signed a 2 year contract for \$482.67/month for 4500 copies/month with overage of .0227
 - Signed with different company for \$50/month for 3333 copies/month with overage .016
- \$6000/year

Telephone systems

- Negotiate contracts
 - Difficult to understand bill
 - \$8100/year
- Review cell phone bills
 - 411 charges, roaming, etc
 - Services no one is using

Retirement Plans

- Evaluate performance of the plan
- Evaluate the service
- Evaluate the expenses

Repairmen

- Ask your repairmen what they charge per hour (computer, handyman, etc)

Golden fish tank

- We had a beautiful fish tank with 5 fish
- Discovered we were paying \$30/fish/month
- Saved \$1800/year

Credit Card Fees

- Set up fee
- Gateway fee
- Cost per transaction
- Monthly statement fee
- Check to see if there are batching fees
 - Ask for any AMA discount
 - Check for minimum monthly fees

Other expenses

- Courier services
- Postage machine
- Converted to online patient forms
- Alarm systems

Analyzing and Improving Workflow in Your Practice

John J. Costa, M.D.
Medical Director, Allergy and Immunology Clinical Practices
Brigham and Women's Hospital, Boston, MA
and

Allergy and Asthma Associates – South
Duxbury and Buzzards Bay, MA

No Relevant Financial Relationships to Disclose

Patient Intake (1)

- Demographics
 - Correct address
 - Up-to-date cell/home phone
 - Email address
 - Verified ID (drivers license)
- Insurance
 - Photocopy cards
 - Primary/Secondary/Medications
- Referral Details
 - Referring practitioner (MD/NP/PA)
 - Correct provider/number of visits
- Update annually

Patient Intake (2)

- Allergy-specific problem list
- Correct list of current medications
- Accurately reported/recorded meds compliance
- Vitals
- Interval records
 - ER notes
 - Diagnostic tests
 - "Other" interval care
- Spirometry available

Scheduling: Maximize Volume

- Optimal schedule "shell"
- Accurate times for "new" and "follow-up"
- Build in "catch-up" breaks
- Avoid overbooking
- Acknowledge lateness and apologize
- Strive for patient satisfaction

Correct Coding

- Easy access to most common diagnosis codes
- Avoid diagnosis codes ending XXX.9
- OK to use symptom codes
- Modifier 25
 - Used to code for BOTH E&M services and either a diagnostic or therapeutic procedure on the same day
 - 2016 CPT Book: "significant, separately identifiable E&M service by the same [provider] on the same day of the procedure"
 - Requires "substantiated documentation that satisfies the relevant criteria for the respective E&M service"

Common Allergy/Asthma Diagnosis Codes

ALLERGY & ASTHMA ASSOCIATES - SOUTH

PATIENT: _____ APT. DATE: _____ (Appointment 01) Area: J. Code: 99
 ACCT #: _____ (Patient Char) DOB: _____ (Patient Birth Date) PFT BALANCE: (Patient 1) | 1. Last Update: 9/9
 INDEX: (Primary Insurance Name) _____ (Patient Insurance ID Number) (Patient Code)

ICD-9-CM	ICD-10-CM	ICD-9-CM	ICD-10-CM	ICD-9-CM	ICD-10-CM
440.0	J44.00	440.01	J44.01	440.02	J44.02
440.1	J44.10	440.11	J44.11	440.12	J44.12
440.2	J44.20	440.21	J44.21	440.22	J44.22
440.3	J44.30	440.31	J44.31	440.32	J44.32
440.4	J44.40	440.41	J44.41	440.42	J44.42
440.5	J44.50	440.51	J44.51	440.52	J44.52
440.6	J44.60	440.61	J44.61	440.62	J44.62
440.7	J44.70	440.71	J44.71	440.72	J44.72
440.8	J44.80	440.81	J44.81	440.82	J44.82
440.9	J44.90	440.91	J44.91	440.92	J44.92
441.0	J45.00	441.01	J45.01	441.02	J45.02
441.1	J45.10	441.11	J45.11	441.12	J45.12
441.2	J45.20	441.21	J45.21	441.22	J45.22
441.3	J45.30	441.31	J45.31	441.32	J45.32
441.4	J45.40	441.41	J45.41	441.42	J45.42
441.5	J45.50	441.51	J45.51	441.52	J45.52
441.6	J45.60	441.61	J45.61	441.62	J45.62
441.7	J45.70	441.71	J45.71	441.72	J45.72
441.8	J45.80	441.81	J45.81	441.82	J45.82
441.9	J45.90	441.91	J45.91	441.92	J45.92
442.0	J46.00	442.01	J46.01	442.02	J46.02
442.1	J46.10	442.11	J46.11	442.12	J46.12
442.2	J46.20	442.21	J46.21	442.22	J46.22
442.3	J46.30	442.31	J46.31	442.32	J46.32
442.4	J46.40	442.41	J46.41	442.42	J46.42
442.5	J46.50	442.51	J46.51	442.52	J46.52
442.6	J46.60	442.61	J46.61	442.62	J46.62
442.7	J46.70	442.71	J46.71	442.72	J46.72
442.8	J46.80	442.81	J46.81	442.82	J46.82
442.9	J46.90	442.91	J46.91	442.92	J46.92
443.0	J47.00	443.01	J47.01	443.02	J47.02
443.1	J47.10	443.11	J47.11	443.12	J47.12
443.2	J47.20	443.21	J47.21	443.22	J47.22
443.3	J47.30	443.31	J47.31	443.32	J47.32
443.4	J47.40	443.41	J47.41	443.42	J47.42
443.5	J47.50	443.51	J47.51	443.52	J47.52
443.6	J47.60	443.61	J47.61	443.62	J47.62
443.7	J47.70	443.71	J47.71	443.72	J47.72
443.8	J47.80	443.81	J47.81	443.82	J47.82
443.9	J47.90	443.91	J47.91	443.92	J47.92
444.0	J48.00	444.01	J48.01	444.02	J48.02
444.1	J48.10	444.11	J48.11	444.12	J48.12
444.2	J48.20	444.21	J48.21	444.22	J48.22
444.3	J48.30	444.31	J48.31	444.32	J48.32
444.4	J48.40	444.41	J48.41	444.42	J48.42
444.5	J48.50	444.51	J48.51	444.52	J48.52
444.6	J48.60	444.61	J48.61	444.62	J48.62
444.7	J48.70	444.71	J48.71	444.72	J48.72
444.8	J48.80	444.81	J48.81	444.82	J48.82
444.9	J48.90	444.91	J48.91	444.92	J48.92
445.0	J49.00	445.01	J49.01	445.02	J49.02
445.1	J49.10	445.11	J49.11	445.12	J49.12
445.2	J49.20	445.21	J49.21	445.22	J49.22
445.3	J49.30	445.31	J49.31	445.32	J49.32
445.4	J49.40	445.41	J49.41	445.42	J49.42
445.5	J49.50	445.51	J49.51	445.52	J49.52
445.6	J49.60	445.61	J49.61	445.62	J49.62
445.7	J49.70	445.71	J49.71	445.72	J49.72
445.8	J49.80	445.81	J49.81	445.82	J49.82
445.9	J49.90	445.91	J49.91	445.92	J49.92
446.0	J50.00	446.01	J50.01	446.02	J50.02
446.1	J50.10	446.11	J50.11	446.12	J50.12
446.2	J50.20	446.21	J50.21	446.22	J50.22
446.3	J50.30	446.31	J50.31	446.32	J50.32
446.4	J50.40	446.41	J50.41	446.42	J50.42
446.5	J50.50	446.51	J50.51	446.52	J50.52
446.6	J50.60	446.61	J50.61	446.62	J50.62
446.7	J50.70	446.71	J50.71	446.72	J50.72
446.8	J50.80	446.81	J50.81	446.82	J50.82
446.9	J50.90	446.91	J50.91	446.92	J50.92
447.0	J51.00	447.01	J51.01	447.02	J51.02
447.1	J51.10	447.11	J51.11	447.12	J51.12
447.2	J51.20	447.21	J51.21	447.22	J51.22
447.3	J51.30	447.31	J51.31	447.32	J51.32
447.4	J51.40	447.41	J51.41	447.42	J51.42
447.5	J51.50	447.51	J51.51	447.52	J51.52
447.6	J51.60	447.61	J51.61	447.62	J51.62
447.7	J51.70	447.71	J51.71	447.72	J51.72
447.8	J51.80	447.81	J51.81	447.82	J51.82
447.9	J51.90	447.91	J51.91	447.92	J51.92
448.0	J52.00	448.01	J52.01	448.02	J52.02
448.1	J52.10	448.11	J52.11	448.12	J52.12
448.2	J52.20	448.21	J52.21	448.22	J52.22
448.3	J52.30	448.31	J52.31	448.32	J52.32
448.4	J52.40	448.41	J52.41	448.42	J52.42
448.5	J52.50	448.51	J52.51	448.52	J52.52
448.6	J52.60	448.61	J52.61	448.62	J52.62
448.7	J52.70	448.71	J52.71	448.72	J52.72
448.8	J52.80	448.81	J52.81	448.82	J52.82
448.9	J52.90	448.91	J52.91	448.92	J52.92
449.0	J53.00	449.01	J53.01	449.02	J53.02
449.1	J53.10	449.11	J53.11	449.12	J53.12
449.2	J53.20	449.21	J53.21	449.22	J53.22
449.3	J53.30	449.31	J53.31	449.32	J53.32
449.4	J53.40	449.41	J53.41	449.42	J53.42
449.5	J53.50	449.51	J53.51	449.52	J53.52
449.6	J53.60	449.61	J53.61	449.62	J53.62
449.7	J53.70	449.71	J53.71	449.72	J53.72
449.8	J53.80	449.81	J53.81	449.82	J53.82
449.9	J53.90	449.91	J53.91	449.92	J53.92
450.0	J54.00	450.01	J54.01	450.02	J54.02
450.1	J54.10	450.11	J54.11	450.12	J54.12
450.2	J54.20	450.21	J54.21	450.22	J54.22
450.3	J54.30	450.31	J54.31	450.32	J54.32
450.4	J54.40	450.41	J54.41	450.42	J54.42
450.5	J54.50	450.51	J54.51	450.52	J54.52
450.6	J54.60	450.61	J54.61	450.62	J54.62
450.7	J54.70	450.71	J54.71	450.72	J54.72
450.8	J54.80	450.81	J54.81	450.82	J54.82
450.9	J54.90	450.91	J54.91	450.92	J54.92
451.0	J55.00	451.01	J55.01	451.02	J55.02
451.1	J55.10	451.11	J55.11	451.12	J55.12
451.2	J55.20	451.21	J55.21	451.22	J55.22
451.3	J55.30	451.31	J55.31	451.32	J55.32
451.4	J55.40	451.41	J55.41	451.42	J55.42
451.5	J55.50	451.51	J55.51	451.52	J55.52
451.6	J55.60	451.61	J55.61	451.62	J55.62
451.7	J55.70	451.71	J55.71	451.72	J55.72
451.8	J55.80	451.81	J55.81	451.82	J55.82
451.9	J55.90	451.91	J55.91	451.92	J55.92
452.0	J56.00	452.01	J56.01	452.02	J56.02
452.1	J56.10	452.11	J56.11	452.12	J56.12
452.2	J56.20	452.21	J56.21	452.22	J56.22
452.3	J56.30	452.31	J56.31	452.32	J56.32
452.4	J56.40	452.41	J56.41	452.42	J56.42
452.5	J56.50	452.51	J56.51	452.52	J56.52
452.6	J56.60	452.61	J56.61	452.62	J56.62
452.7	J56.70	452.71	J56.71	452.72	J56.72
452.8	J56.80	452.81	J56.81	452.82	J56.82
452.9	J56.90	452.91	J56.91	452.92	J56.92
453.0	J57.00	453.01	J57.01	453.02	J57.02
453.1	J57.10	453.11	J57.11	453.12	J57.12
453.2	J57.20	453.21	J57.21	453.22	J57.22
453.3	J57.30	453.31	J57.31	453.32	J57.32
453.4	J57.40	453.41	J57.41	453.42	J57.42
453.5	J57.50	453.51	J57.51	453.52	J57.52
453.6	J57.60	453.61	J57.61	453.62	J57.62
453.7	J57.70	453.71	J57.71	453.72	J57.72
453.8	J57.80	453.81	J57.81	453.82	J57.82
453.9	J57.90	453.91	J57.91	453.92	J57.92
454.0	J58.00	454.01	J58.01	454.02	J58.02
454.1	J58.10	454.11	J58.11	454.12	J58.12
454.2	J58.20	454.21	J58.21	454.22	J58.22
454.3	J58.30	454.31	J58.31	454.32	J58.32
454.4	J58.40	454.41	J58.41	454.42	J58.42
454.5	J58.50	454.51	J58.51	454.52	J58.52
454.6	J58.60	454.61	J58.61	454.62	J58.62
454.7	J58.70	454.71	J58.71	454.72	J58.72
454.8	J58.80	454.81	J58.81	454.82	J58.82
454.9	J58.90	454.91	J58.91	454.92	J58.92
455.0	J59.00	455.01	J59.01	455.02	J59.02
455.1	J59.10	455.11	J59.11	455.12	J59.12
455.2	J59.20	455.21	J59.21	455.22	J59.22
455.3	J59.30	455.31	J59.31	455.32	J59.32
455.4	J59.40	455.41	J59.41	455.42	J59.42
455.5	J59.50	455.51	J59.51	455.52	J59.52
455.6	J59.60	455.61	J59.61		

Communication: Key to Success

- CRICO Strategies' Comparative Benchmarking (CBS)
- CBS reflects medical professional liability of 400 hospitals and 165,000 physicians
- Communication failures contributed to patient harm in 30% of 23,658 cases filed from 2009-2013
- 48% of these 7,149 cases were in ambulatory setting
- Provider to provider
 - Miscommunication regarding patient's condition; poor documentation; failure to read the medical record
- Provider to patient
 - Inadequate informed consent; unsympathetic response to patient complaint; inadequate education re meds; no or wrong results given; incomplete f/u instructions
