

# Analyzing and Improving Work Flow in Your Practice

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AAAAI Practice Management Workshop  
July 23 and 24

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## Today's Program

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

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## 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



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### 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

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### 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*

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### Deployment Platforms

Define – Measure – Analyze – Improve – Control

Plan – Do – Study – Act

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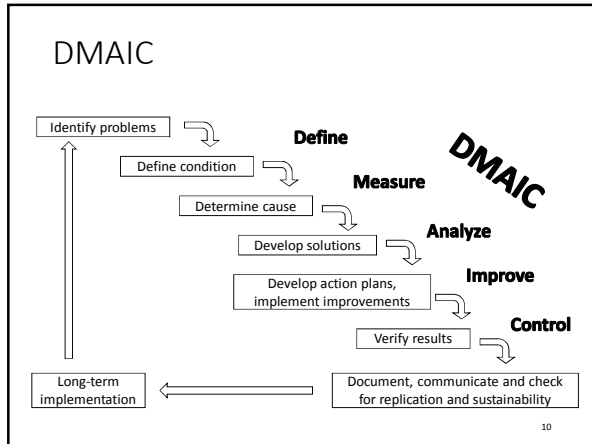
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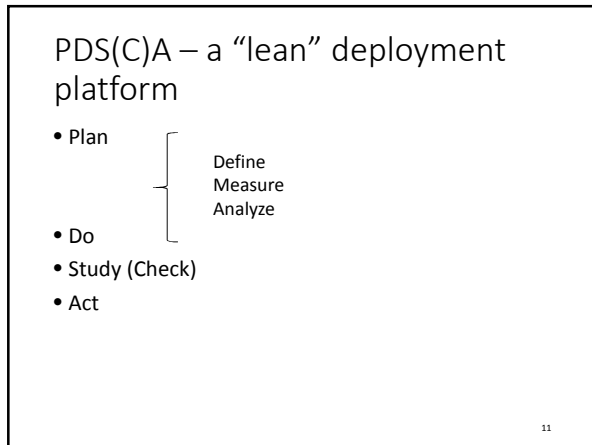
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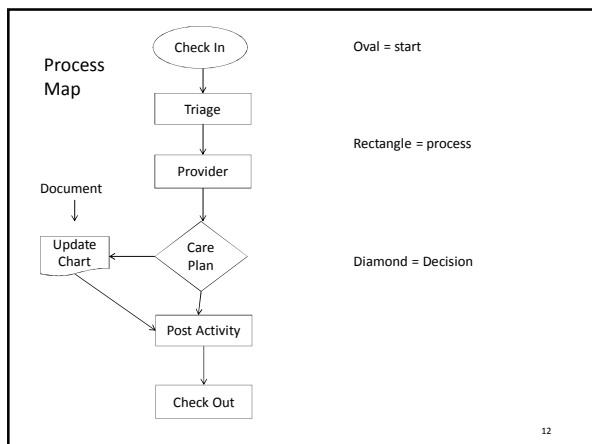
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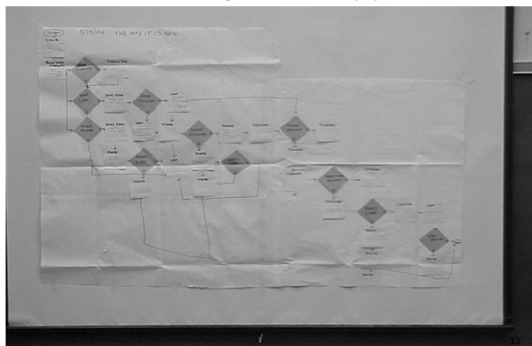
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Don't need high tech approach




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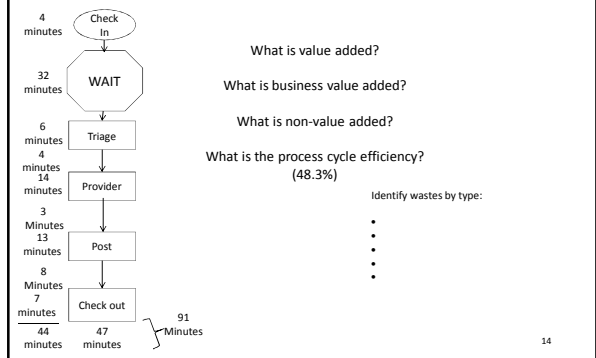
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### VSM - examples




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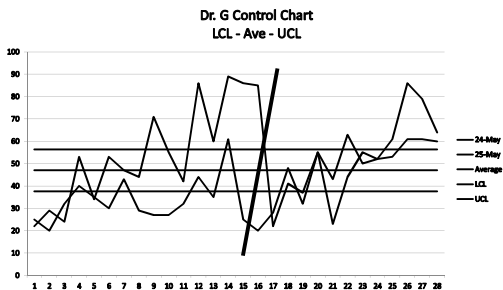
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### Control Chart




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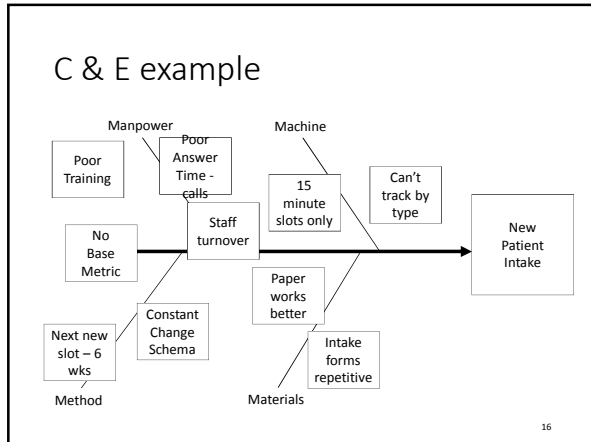
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- ### 5 Why's
- Why – multiple times = problem solving tool, uncover the root cause
  - Problem = Child Got a "D" in math
    - Why did you get a "D" in math?
      - Because I didn't do all my homework assignments
    - Why didn't you do your home 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
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- ### 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???????
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### Team Roles

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

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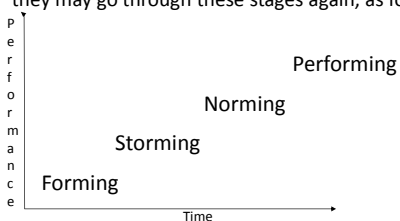
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### Team Stages

- 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:



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### 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***

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### Your Process Improvement Organization Chart

Typical Structure

The Process Improvement Way

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IDEA WATCH HBR.ORG

### Strategic Humor

Reynolds HBR Oct. 2011

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### Contact Information

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832-260-4455

To order a book  
[www.mpmnetwork.com](http://www.mpmnetwork.com)  
Use promo code "dahl-client"

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**Developing a Lean Overhead**

John Ramey, MD  
National Allergy and Asthma

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**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

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**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"

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### 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

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### 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

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### Allergy office overhead

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

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### Personnel

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

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### 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?

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### 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

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### 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

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### 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

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### Medical supply companies

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

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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

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Advertising

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

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Janitorial and Landscaping

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

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### 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

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### 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

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### Telephone systems

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

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### Retirement Plans

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

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### Repairmen

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

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### Golden fish tank

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

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### 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

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### Other expenses

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

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### 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*

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### 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

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### 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

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### 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

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### 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

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