

Business Intelligence Drives Operational Efficiencies and Employee Engagement

When leadership at St. Joseph Hospital in Nashua NH realized that it needed to improve operational efficiencies in 2009, they knew significant changes in their clinical and functional processes would be required. What they hadn't anticipated was the dramatic impact that benchmarking and access to performance analytics would have on their culture.

A member of the Covenant Health system, St. Joseph is a 208-bed, regional, acute care, non-profit hospital serving the growing Nashua, New Hampshire area, western New Hampshire and northern Massachusetts. For the past four years, St. Joseph has been recognized as part of The Joint Commission's 2014 annual report "America's Hospitals: Improving Quality and Safety," for attaining and sustaining excellence on accountability measure performance for Heart Attack, Heart Failure, Pneumonia and Surgical Care.

To get things underway in 2009, hospital leadership created an Operational Efficiency Committee, co-chaired by Ed Aiello, director of materials management and Jim McKenna, VP of ambulatory services and operational efficiency. The committee quickly realized that they'd need to put all departments under the microscope and sought the help of their Covenant Health system peers to identify potential solutions for monitoring and measuring performance. They identified iVantage's INDICATOR Performance Manager as the ideal solution to help them benchmark data and analyze problem areas.

"The INDICATOR data has proven to be a critical tool for pinpointing the areas which require both functional and clinical improvement," said Dick Plamondon, St. Joseph's CFO and executive sponsor of the committee. "We have found it instrumental to use INDICATOR to review peer data – and, interestingly, that was also critical in winning staff support."

Since St. Joseph began using INDICATOR, they've seen a significant shift in how the team views benchmarking analytics; initial departmental resistance to the data analysis has turned into enthusiasm for uncovering new areas for improvement.

"The annual review has become a challenge that managers actually look forward to," commented Ed Aiello.

The VantagePoints logo features a stylized mountain range icon to the left of the text "VantagePoints" in a blue, sans-serif font.The INDICATOR PERFORMANCE MANAGER logo features a stylized orange location pin icon to the left of the text "INDICATOR" in a blue, sans-serif font, with "PERFORMANCE MANAGER" in a smaller, blue, sans-serif font below it.

“Our internal goal at St. Joseph is to be at the 65th percentile for quality and patient satisfaction ratings,” explained Jim McKenna. “At the same time, old revenue streams are drying up, patient volumes are down and we’ve had to keep a sharp eye on expense control.”

Peer benchmarking has helped to identify where the excess costs are and where the team needs to take a deeper dive in order to identify needed improvements. In one example, the committee analyzed their use of external imaging services -- a high-cost area -- and they looked at peer group data, explored changes to internal workflows and ways to control utilization. They ultimately made the decision to bring the MRI contract service in house, resulting in reduced costs and improved quality.

Other substantial improvements were generated in other areas of the hospital in just the first two years of implementing the committee and using the data:

- Over \$2.1 million savings in labor and supply costs
- Decreased cost for adjusted admissions from \$7,168 to \$6,168
- Decreased cost per case of approx. \$200
- Increased patient satisfaction, moving from the 53rd percentile to 68th
- Improved quality, moving from 46.8th percentile to 74.5th

Keeping Up with New Market Dynamics

The competitive landscape is changing in New Hampshire -- as it is across the country -- and providers must innovate to solve emerging challenges brought about by different aspects of the Affordable Care Act.

The average deductible for an employee working in New Hampshire is now \$2,500. Such a high figure imposes new competitive pressures as consumers seek cheaper alternatives or opt out of preventative care.

As the competitive landscape evolves, INDICATOR will continue to play a key role in helping St. Joseph’s leadership to identify and quantify improvements and to educate consumers through comparative metrics related to quality, outcomes, and even average reimbursement rates for insurance carriers.

The iVantage Difference

iVantage Health Analytics combines public and private data with proprietary analytics and modeling to drive clinical and financial performance improvement, strategic planning, market assessment and contract optimization. Our analytics also inform healthcare industry policy, research and thought leadership. iVantage is part of [The Chartis Group](#), a national advisory services firm dedicated to the healthcare industry. Learn more at [iVantageHealth.com](#).

*“When we sit down to review the data, we know **exactly** where we are and where we should be – and we know how far we can push for improvement... It’s a lot easier to try to focus on specific areas and know where you need to be relative to your peer group. **INDICATOR gives us that crucial piece of data.**”*