



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.

To get things under way 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 Performance Manager™** as the ideal solution to help them benchmark data and analyze problem areas.

"The Performance Manager 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 Performance Manager to review peer data— and, interestingly, that was also critical in winning staff support."

Since St. Joseph began using iVantage Performance Manager, they've seen a significant shift in how the team views benchmarking



Over \$2.1 million savings in labor and supply costs

Decreased cost for adjusted admissions by \$1,000

Decreased cost per case of ~\$200

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.

“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.”

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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

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.