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Health care initiative generates some \$15M in savings

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An initiative to introduce business-style process improvement methods to local health systems has generated more than \$15 million in savings, sponsors of the drive said Thursday.

Kicked off in 2005 under the sponsorship of the Rochester Business Alliance Inc. and funded by the Greater Rochester Health Foundation, the initiative connected local hospitals and other area provider organizations with trainers schooled in Lean Six Sigma process improvement methods from area businesses.

The health care Lean Six Sigma project was one of several RBA health care initiatives spurred by local companies concerned by rising health care costs. Companies participating in the effort include Eastman Kodak Co., Bausch & Lomb Inc., Xerox Corp. and Jasco Tools Inc.

Rochester Institute of Technology and the Greater Rochester Health Foundation, which provided some \$1 million in grants to help hospitals implement Lean Six Sigma initiatives, also participated.

"It's been a pretty cool project," said RBA president and CEO Sandra Parker "I was surprised at how readily the hospitals took to Lean Six Sigma."

Projects detailed in a report issued by the RBA and GRHF this week are:

- Set up of a new prescription-drug-tracking program by St. Ann's Community that replaced pill bottles with more easily tracked bar-coded blister packs. St. Ann's officials estimate the savings at \$120,000 a year.
- University of Rochester Medical Center initiatives that officials credit with generating some \$10 million in savings. Projects included an effort to speed transfer of patients from the Strong Memorial Hospital emergency department to hospital rooms and an overhaul of systems in the orthopedics center. An effort targeting ventilator-assisted pneumonia cut the rate of such cases from 5.75 per thousand to zero.
- A redesign of procedures to transfer patients to hospital rooms from Rochester General Hospital's emergency department and to improve intensive care unit bed availability. Rochester General Health System officials estimate bottom line savings reaped from those efforts and a dozen other Lean Six Sigma projects to have shaved \$800,000 from the hospital's bottom line and generated \$900,000 in savings in costs avoided.

- A Unity Health System project that cut pneumonia patients' Unity Hospital stays from an average 3.8 days to 2.3 days was one of some 40 Lean Six Sigma projects undertaken at the health system. Officials estimate total savings at \$4 million.

- A series of projects at the Anthony L. Jordan Health Center, a federally qualified provider of medical and dental care to low-income residents, focus on areas that let the health center's doctors and nurses spend more time with patients and reduce the number of no-show appointments. The Jordan Center now is working to make Lean Six Sigma procedures developed in a pilot standard practice clinicwide.

A key point in the Lean Six Sigma effort, is process improvement is not just a money saver but also works to improve patient outcomes, said John Urban, Greater Rochester Health Foundation president.

The success of the program so far bodes well for an expanded campaign that would target physician offices, Parker said.

At the same time, Urban and Parker conceded, the impressive savings reaped through process improvement would not in themselves solve the problem of escalating health care costs.

"It's only one piece of a much larger picture, but it's very important one," Urban said.

Other areas that need to be addressed, he said, include improved management of chronic diseases and preventive efforts such as anti-smoking campaigns and efforts to encourage healthful diet and exercise habits.

The same employer coalition that is sponsoring the Lean Six Sigma campaign has promoted Eat Well, Live Well, a program targeting area residents at work that offers incentives such as prizes to encourage employees to eat healthful foods and exercise.

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