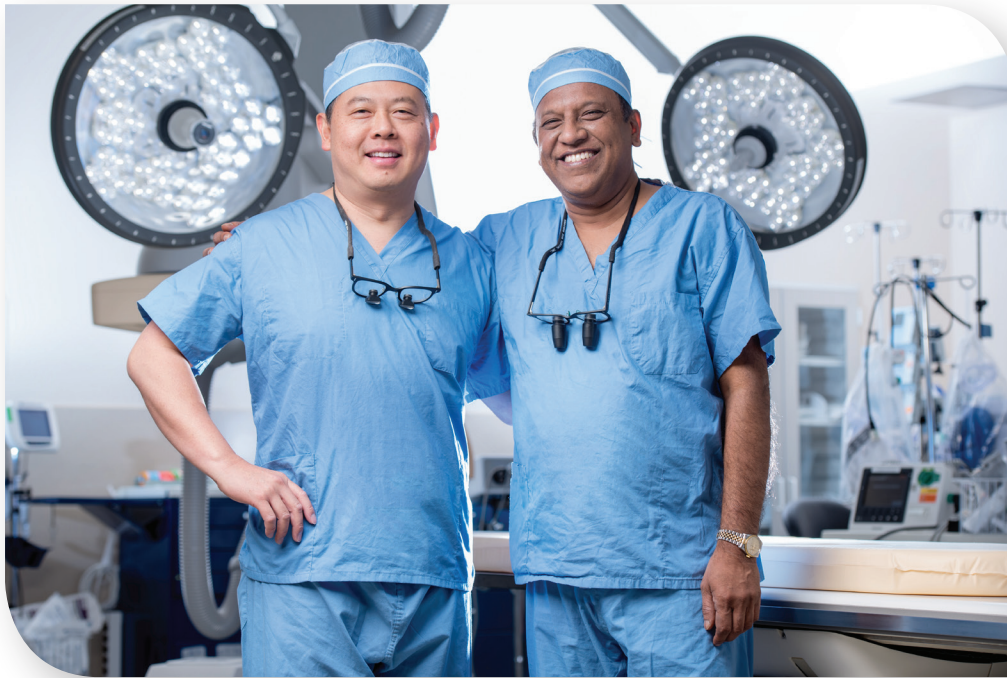


Our Hospital's Efforts to Implement Lean Strategies



 YUMA REGIONAL MEDICAL CENTER

BECKER'S CONFERENCE 2017



YRMC Context

- 406-bed; Sole Provider Hospital
- New executive leadership transitions
- Completion of \$175M building campaign
- Cost structure shift from EMR implementation
- Operating margins projected to decline state-wide

Aligning Strategy & Operations

Balanced Scorecard																				
Objective	Measurement	FY17 Goal	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	FY17 YTD	Trend	Responsible Executive	Source	
Patients and Families	Improve Patient Value	Improve Top Box Percentage 'Would you recommend' (HCAHPS)	≥ 68.4%	71.1%	67.1%	62.1%	60.9%	67.8%	68.7%	68.2%	68.3%	65.5%	66.7%	63.4%	68.9%	66.5%	66.4%	↑	Marshall Jones	HCAHPS, Press Ganey
		Eliminate Preventable Harm - AHRQ PSI 90	≤ 0.3	0.11	0.26	0.28	0.20	0.33	0.20	0.16	0.08	0.13	0.27	0.13	0.02	0.10	0.12	↑	Bharat Magu	Midas
	Annual Per Capita Cost (Medicare Patient)	\$20,242	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review	Under Review			Currently In Development
Improve Access to Healthcare Services	Average 3rd Available Appointment in days - YRMC Ambulatory, Primary Care	≤ 15	-	-	-	-	-	-	-	-	-	4	8	6	7	3	6	↑	Ricci Sanchez	FMC avg business days to 3rd available appt
Financial Health	Reduce Cost	Internal Cost per Adjusted Discharge (monthly ytd)	\$8,888	\$8,142	\$8,006	\$7,959	\$7,672	\$7,738	\$7,570	\$7,656	\$7,707	\$8,378	\$8,807	\$9,097	\$9,027	\$7,896	\$8,279	↑	Deb Aders/ Ricci Sanchez	Cost/CMI Wage Adj Disch - Hospital-wide
	Increase Return on Assets	Operating Income/Loss (in thousands)	\$13,433	\$6,942	\$3,650	\$3,885	\$1,635	\$797	\$1,853	(\$4,238)	(\$4,118)	(\$319)	(\$134)	\$2,167	\$831	\$5,523	\$8,387	↑	David Willie	Financial Statements
		Operating Return on Assets (ROA)	1.71%	1.50%	0.77%	0.89%	0.40%	0.21%	0.36%	-0.79%	-0.79%	-0.01%	0.01%	0.51%	0.26%	1.13%	1.97%	↑	David Willie	Financial Statements
Diversify Revenue	% of Non-Traditional Revenue to Net Patient Service Revenue	≥ 1.1%	0.9%	0.8%	1.9%	1.3%	1.1%	0.3%	1.1%	0.6%	1.0%	0.7%	1.4%	1.5%	0.9%	1.1%	↓	Justin Farren	Financial Statements	
Processes	Increase Value-Added Activities	Increase Top Box Percentage 'Overall Rating' (HCAHPS)	≥ 70.2%	62.3%	62.8%	59.5%	60.4%	66.4%	66.7%	70.5%	68.4%	70.4%	73.5%	65.8%	69.2%	63.8%	67.9%	↓	Marshall Jones	Overall Rating of Hospital, HCAHPS, Press Ganey (FY17 Goal = CMS 2019 VBP Target)
	Reduce Non-Value-Added Activities	Overall Length of Stay (LOS)	≤ 4.5	4.2	4.4	4.5	4.5	4.5	4.4	4.4	4.4	4.0	3.9	3.9	4.0	4.2	4.0	↓	Deborah Aders	Financial Statements
		Average ED Time in Minutes - Arrival to Disposition	≤ 320	360	395	377	302	268	273	262	260	256	261	258	291	316	283	↓	Deborah Aders	YRMC Care
	Increase In-Migration	Encounters from Outside the Primary Service Area (PSA)	≥ 6%	10.6%	11.3%	10.0%	5.2%	3.2%	2.5%	2.2%	1.8%	2.4%	3.5%	5.9%	7.5%	10.0%	6.8%	↑	Headington/ Farren	Trendstar
Increase Alternative Payment Structures	Revenue from Alternative Payment Models	≥ \$1,700,000	\$40,508	\$146,637	\$130,353	\$151,620	\$157,517	\$139,870	\$183,551	\$160,136	\$175,562	\$182,725	\$140,739	\$182,462	\$110,219	\$616,144	↓	Headington/ Farren/ Sanchez	Financial Statements	
Readiness	Increase Caregiver and Physician Engagement	Engagement of Caregivers-Overall Commitment Indicator (Press Ganey EE)	≥ 50th %tile	-	-	-	-	-	-	-	-	40th	-	-	-	-	40th	→	Marshall Jones	Press Ganey
		Engagement of Physicians-Overall Commitment Indicator (Press Ganey EE)	≥ 20th %tile	-	-	-	-	-	-	-	-	-	19th	-	-	-	-	19th	→	Bharat Magu
	% of ALT Implementation of Lean Management System	100%	0%	0%	14%	14%	14%	14%	25%	25%	25%	25%	25%	39%	39%	39%	39%	→	Justin Farren	Value Capture Database
	Improve Capital Investment Prioritization	Total New Projects Combined NPV Over 7 Year Period (in thousands)	\$100,000	-	-	-	-	-	-	-	-	-	\$0	\$0	\$0	\$0	\$0	↓	David Willie	Capital Plan
	Improve Provider Collaboration	# of Participating Providers in Alternative Payment Models	≥ 51	0	0	0	0	0	0	0	0	0	0	0	0	22	22	↑	Bharat Magu	YCIN Participating Provider List
Improve Leadership Alignment and Accountability	# of Scorecards Deployed	≥ 73	0	0	0	0	0	0	0	0	1	1	73	73	73	73	→	Justin Farren	Business Development	

* Not available for time period

Performance Boards

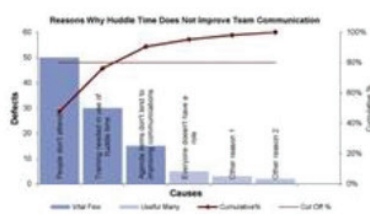
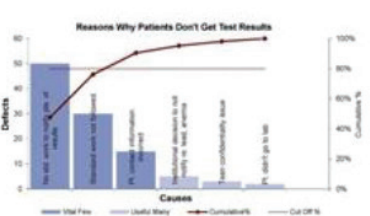
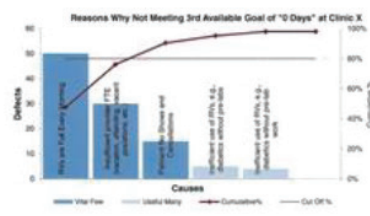
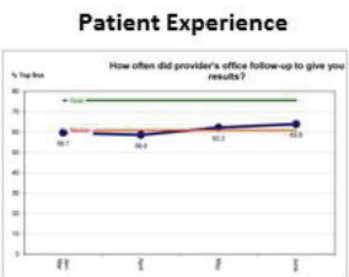
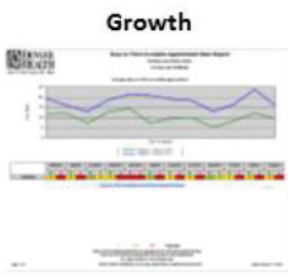
Department Name
 Management Names
 Team Picture

Team Member	Position	Phone	Email
John Smith	Physician	555-555-1234	john.smith@yuma.com
Jane Doe	Nurse	555-555-5678	jane.doe@yuma.com
Mike Johnson	Physician	555-555-9012	mike.johnson@yuma.com
Sarah Lee	Nurse	555-555-3456	sarah.lee@yuma.com

- Top Priorities
1. % of ACS providers with 3rd available at target.
 2. CAHPS 27: Lab, test follow-up provided.
 3. Team huddles improve communication.

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday

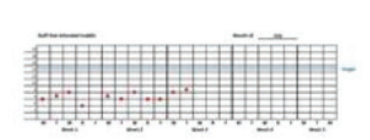
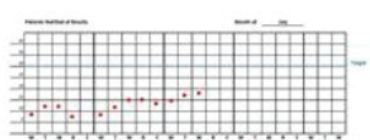
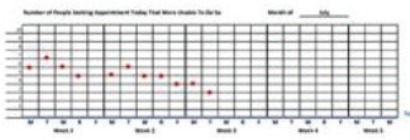
Questions / Asks



Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday



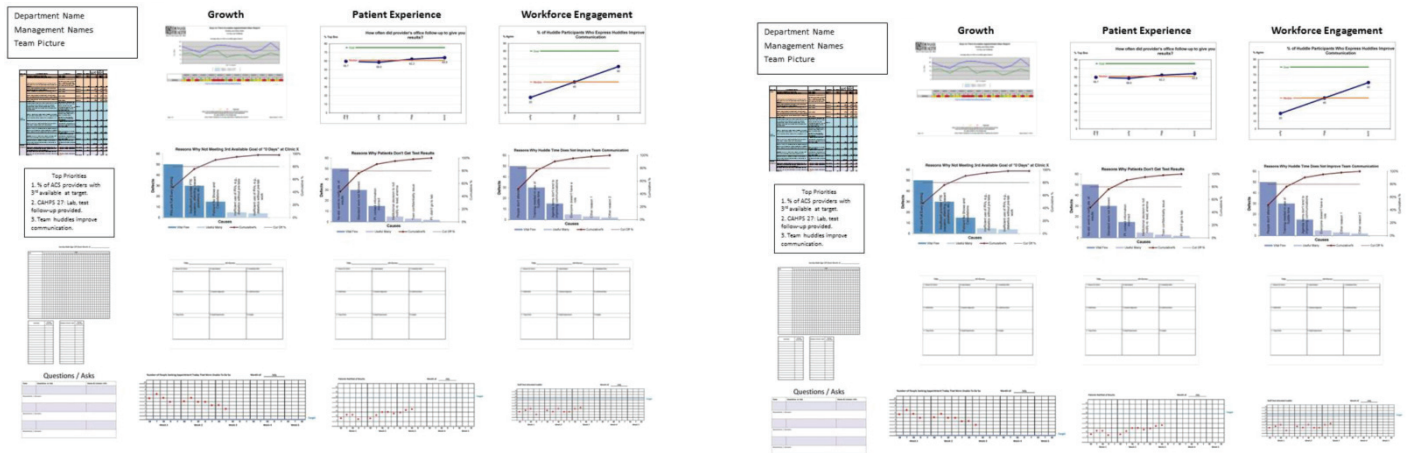
Organizational Balanced Scorecard

		Balanced Scorecard																	
Objective	Measurement	FY17 Goal	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-17	FY17 YTD	Trend	Responsible Leader	Source
Patient	Improve Top 100 Performance Metrics per the Patient Experience Improvement Plan	>80%	77.1%	67.1%	62.1%	69.2%	67.9%	69.7%	69.7%	69.7%	69.7%	69.7%	69.7%	69.7%	69.7%	69.7%	↑	Michael Jones	Medical Affairs
	Improve Patient Value	Reduce Preventable Harm - AHRQ PFI 40	<0.3	0.11	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	↓	Michael Jones	Medical Affairs
Financial	Improve Access to Healthcare	Annual Per Capita Cost (Outpatient Patients)	\$39,342	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	↓	Michael Jones	Quality & Development
	Reduce Cost	Improve Cost per Adjusted Discharge (Intensity Adj.)	\$6,888	\$6,142	\$6,098	\$5,990	\$7,472	\$7,770	\$7,890	\$7,797	\$8,770	\$8,770	\$8,807	\$8,807	\$8,807	\$8,807	↓	Michael Jones	Quality & Development
Operational	Improve Patient Satisfaction	Operating Income/Case (in thousands)	\$15,443	\$8,342	\$5,000	\$3,800	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	↓	Michael Jones	Financial Statements
	Improve Revenue	Operating Income/Case (in thousands)	\$15,443	\$8,342	\$5,000	\$3,800	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	↓	Michael Jones	Financial Statements
Patient	Improve Year Value Added Activities	Percentage of Total Discharges (ICU)	<4.5	4.2	4.4	4.3	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	↓	Michael Jones	Quality & Development
	Improve Year Value Added Activities	Percentage of Total Discharges (ICU)	<4.5	4.2	4.4	4.3	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	↓	Michael Jones	Quality & Development
Operational	Improve Access to Healthcare	Annual Per Capita Cost (Outpatient Patients)	\$39,342	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	↓	Michael Jones	Quality & Development
	Reduce Cost	Improve Cost per Adjusted Discharge (Intensity Adj.)	\$6,888	\$6,142	\$6,098	\$5,990	\$7,472	\$7,770	\$7,890	\$7,797	\$8,770	\$8,770	\$8,807	\$8,807	\$8,807	\$8,807	↓	Michael Jones	Quality & Development
Operational	Improve Patient Satisfaction	Operating Income/Case (in thousands)	\$15,443	\$8,342	\$5,000	\$3,800	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	↓	Michael Jones	Financial Statements
	Improve Revenue	Operating Income/Case (in thousands)	\$15,443	\$8,342	\$5,000	\$3,800	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	↓	Michael Jones	Financial Statements
Operational	Improve Access to Healthcare	Annual Per Capita Cost (Outpatient Patients)	\$39,342	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	↓	Michael Jones	Quality & Development
	Reduce Cost	Improve Cost per Adjusted Discharge (Intensity Adj.)	\$6,888	\$6,142	\$6,098	\$5,990	\$7,472	\$7,770	\$7,890	\$7,797	\$8,770	\$8,770	\$8,807	\$8,807	\$8,807	\$8,807	↓	Michael Jones	Quality & Development

Division/Dept Balanced Scorecard

		Balanced Scorecard																	
Objective	Measurement	FY17 Goal	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	FY17 YTD	Trend	Responsible Leader	Source
Patient	Improve Patient Satisfaction	Percentage of Total Discharges (ICU)	<4.5	4.2	4.4	4.3	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	↓	Michael Jones	Quality & Development
	Improve Patient Value	Percentage of Total Discharges (ICU)	<4.5	4.2	4.4	4.3	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	↓	Michael Jones	Quality & Development
Financial	Improve Access to Healthcare	Annual Per Capita Cost (Outpatient Patients)	\$39,342	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	↓	Michael Jones	Quality & Development
	Reduce Cost	Improve Cost per Adjusted Discharge (Intensity Adj.)	\$6,888	\$6,142	\$6,098	\$5,990	\$7,472	\$7,770	\$7,890	\$7,797	\$8,770	\$8,770	\$8,807	\$8,807	\$8,807	\$8,807	↓	Michael Jones	Quality & Development
Operational	Improve Patient Satisfaction	Operating Income/Case (in thousands)	\$15,443	\$8,342	\$5,000	\$3,800	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	↓	Michael Jones	Financial Statements
	Improve Revenue	Operating Income/Case (in thousands)	\$15,443	\$8,342	\$5,000	\$3,800	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	\$3,900	↓	Michael Jones	Financial Statements
Operational	Improve Access to Healthcare	Annual Per Capita Cost (Outpatient Patients)	\$39,342	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	Lower	↓	Michael Jones	Quality & Development
	Reduce Cost	Improve Cost per Adjusted Discharge (Intensity Adj.)	\$6,888	\$6,142	\$6,098	\$5,990	\$7,472	\$7,770	\$7,890	\$7,797	\$8,770	\$8,770	\$8,807	\$8,807	\$8,807	\$8,807	↓	Michael Jones	Quality & Development

Performance Boards



Improvement Activities

Kaizen, A3, 5S Activity

Kaizen, A3, 5S Activity

Aligning Strategy & Operations

Our Approach

Commitment

Commit to Lean as our Business Approach

Foundation

Build Infrastructure for Lean Management System

Integration

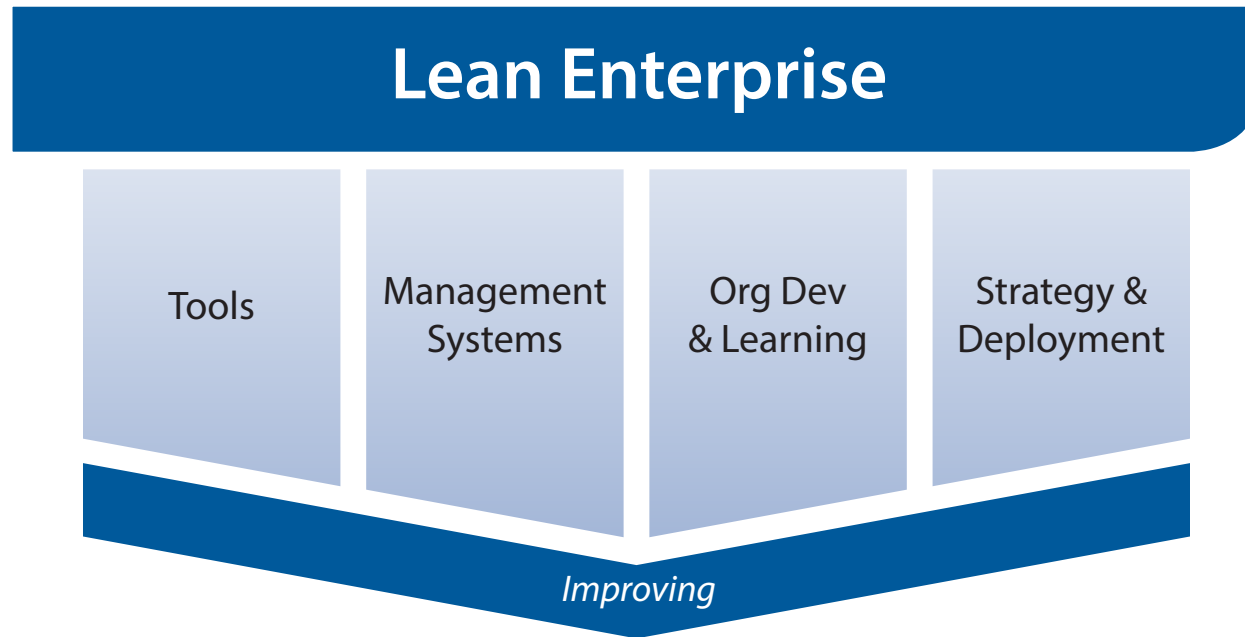
Integrate Lean with Strategic Planning

Diffusion

Make Lean a Way of Life in All Areas



Our Approach



Quality, Time, Satisfaction & Financial Outcomes

Our Path



One Free Tuition at the Belmont Lean Certificate Program (Anytime within the engagement)

LEGEND

PROJECT KICKOFF & START UP

- Leadership On-site training
- Assessment-Observation & Value Stream Mapping activities
- Planning Meeting

Rapid Improvement Activity (4.5 day)

Prep Activity Preparation, Planning, Follow-Up (4 day)

Manager Workshop (1/2 Day)

Coaching (3-4 Day)

Lean Management Systems:

1. Developing Lean Leaders
2. Implementing Visual Management
3. A3 Deployment
4. Leadership Standard Work

Executive Workshop (1/2 Day)

½ Day Executive Workshops:

- A, B: Change Management
- C, D: Hoshin Kanri

Our Team & Partners



Dave Munch, M.D.
*Senior Vice President
and Chief Clinical Officer*



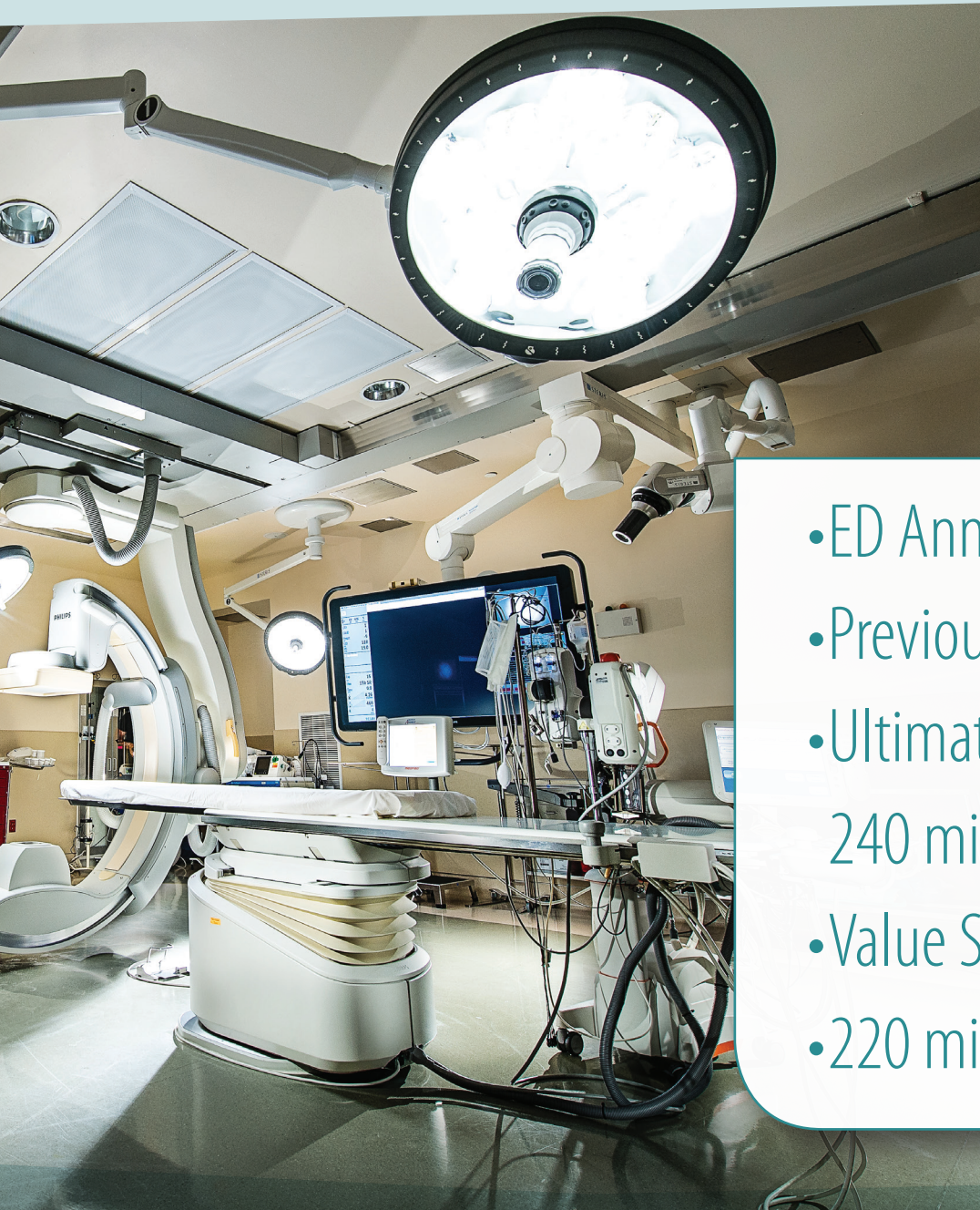
Tom Stoffel
Vice President of Lean Consulting



Linda Duvall
Director of Lean Consulting



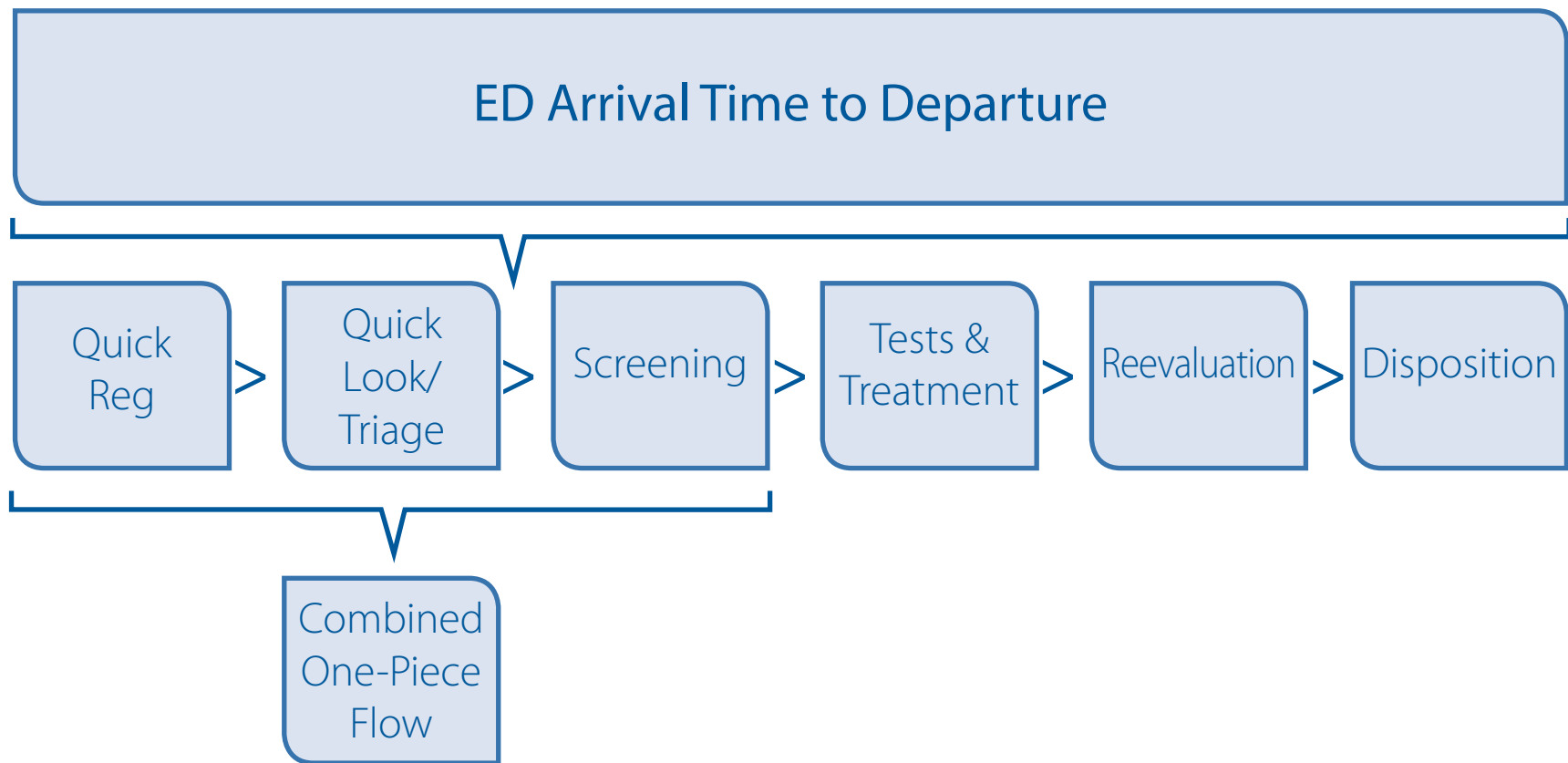
Eric Watkins
Sr. Manager



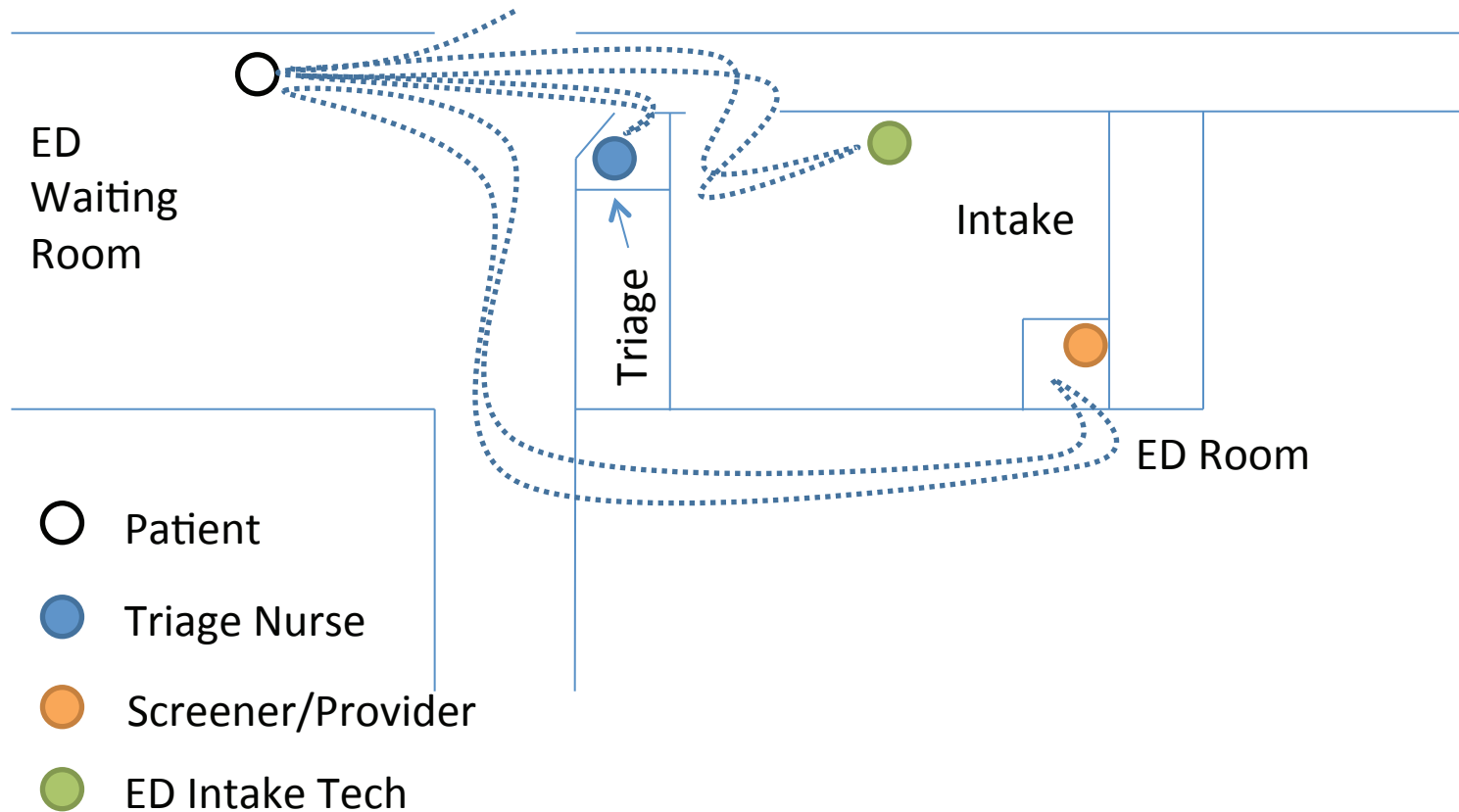
Our Work: ED Arrival to Departure

- ED Annual visits: 72,000
- Previous Beds: 41; Current Beds: 72
- Ultimate Goal to reduce ED Time from 378 to 240 minutes. 320 minute FY2017 Goal.
- Value Stream Mapping event team identified
- 220 minutes of non-value-added activity

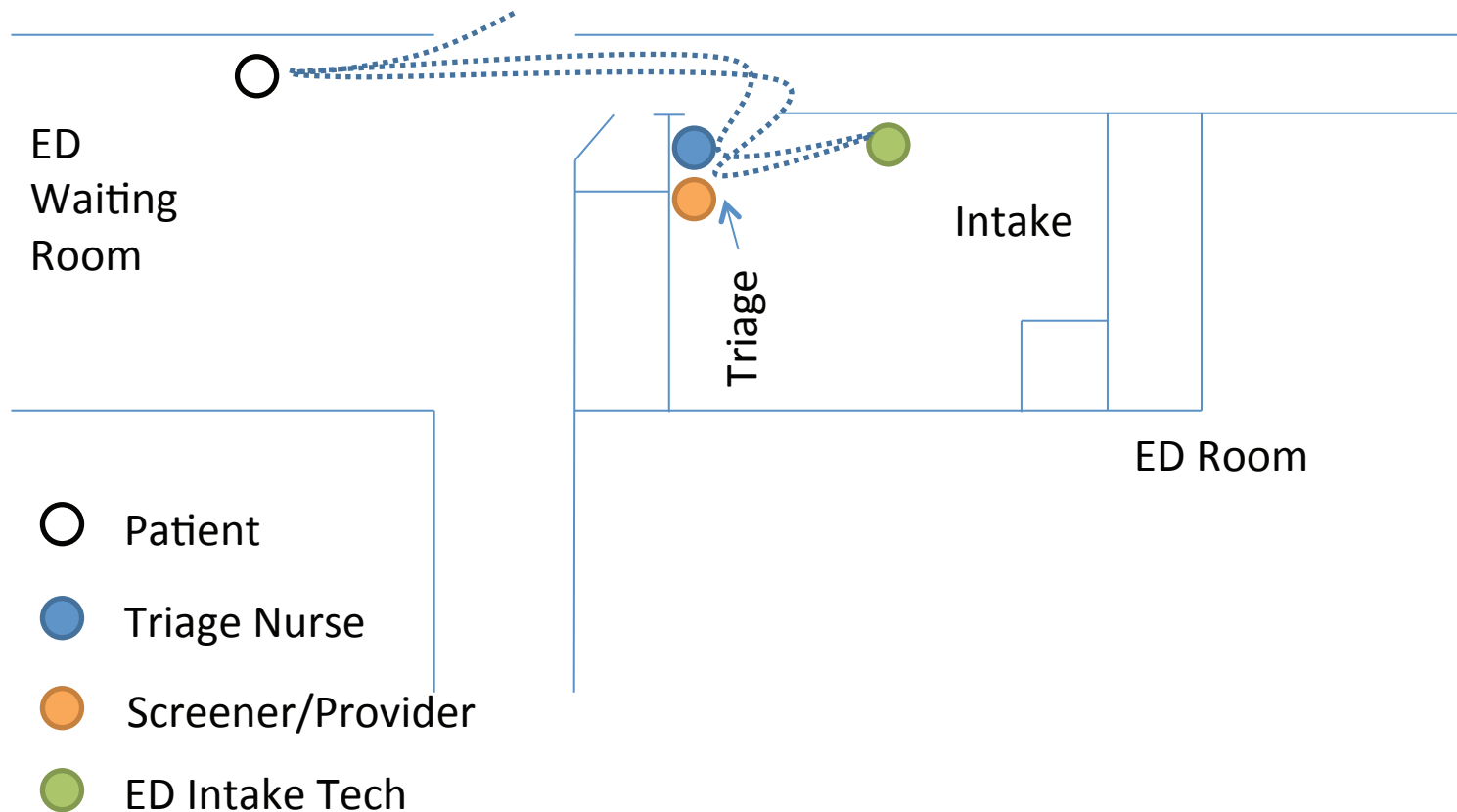
Our Work: Combining RN Triage & Provider Screening



Prior Patient Flow

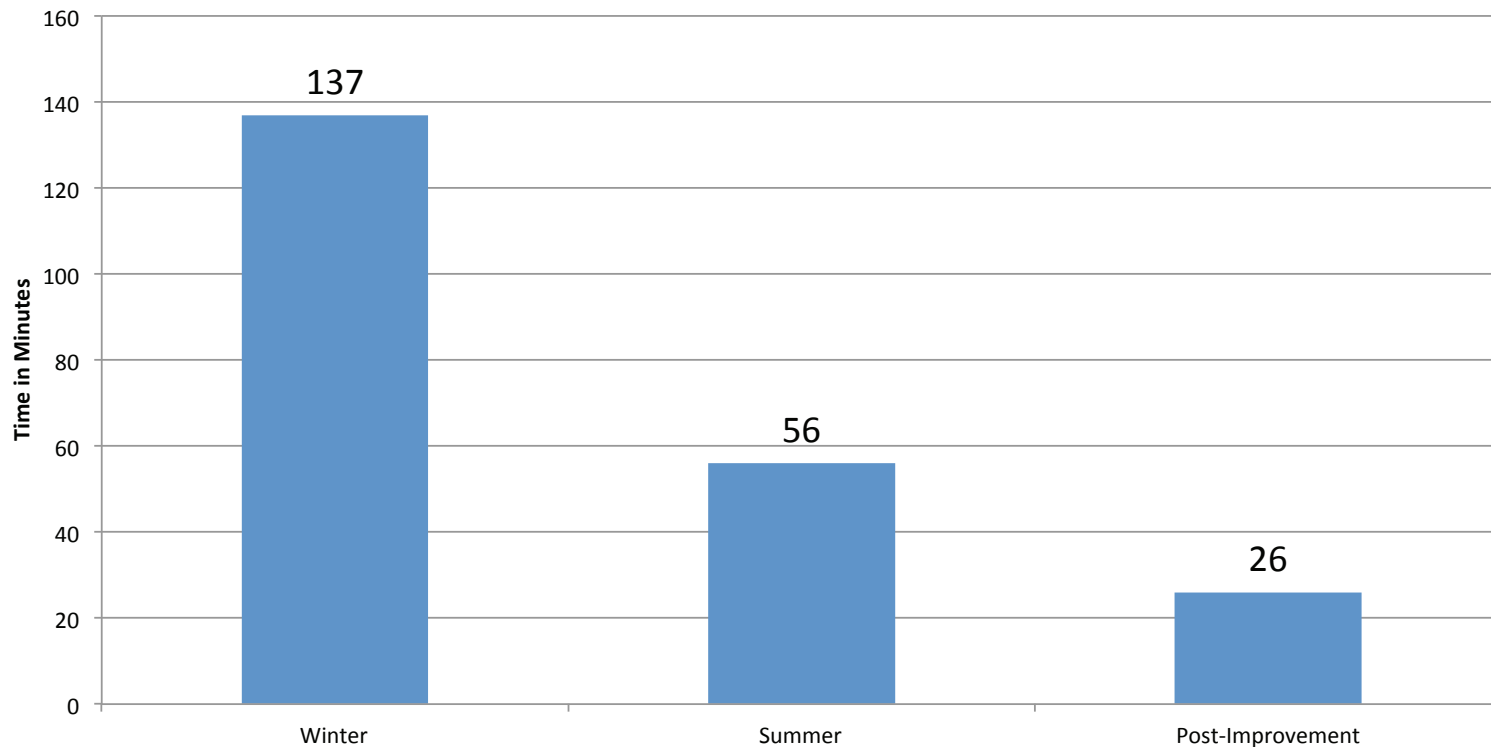


Improved Patient Flow

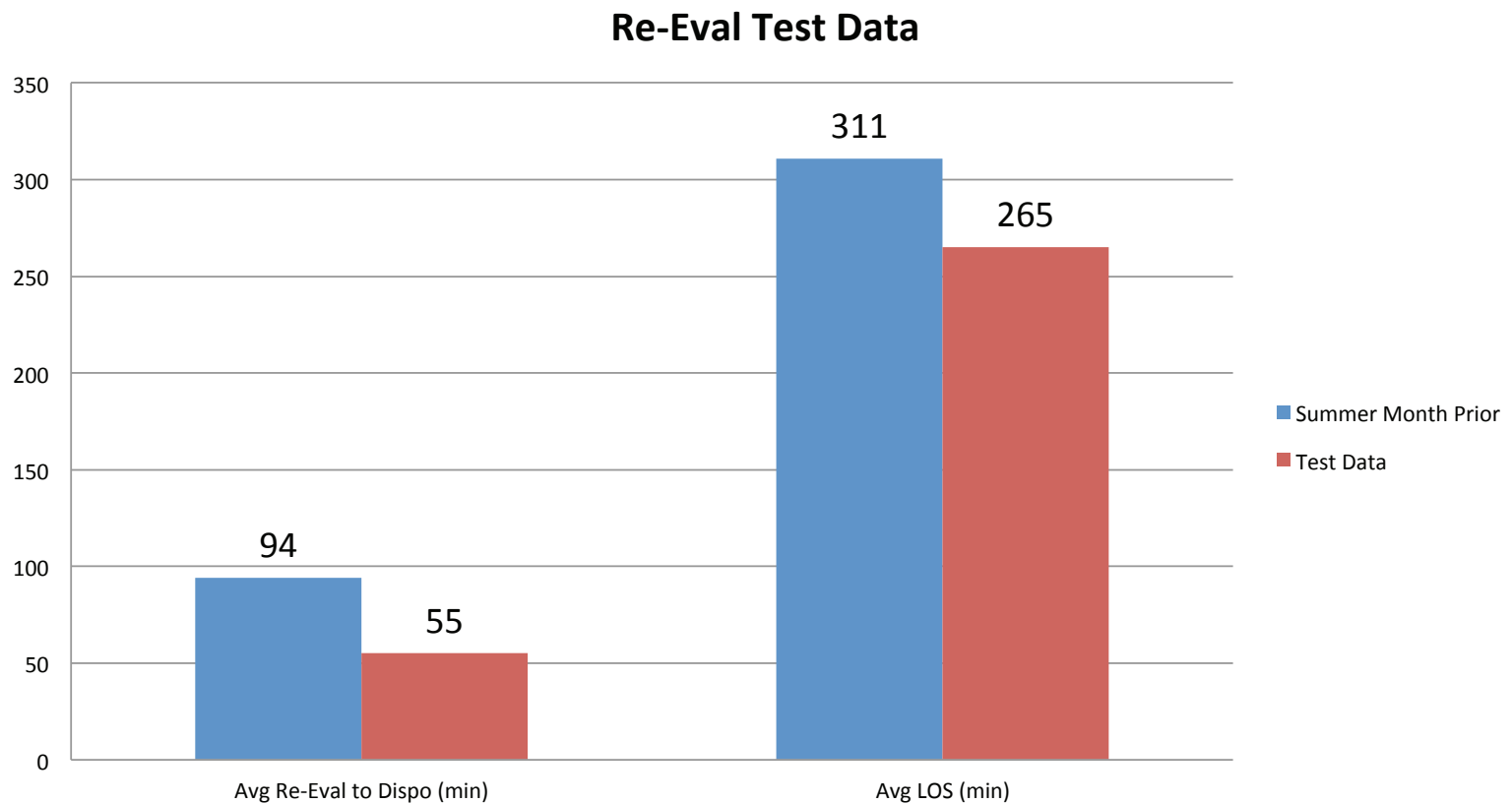


Quick Look / Screening Before and After Time

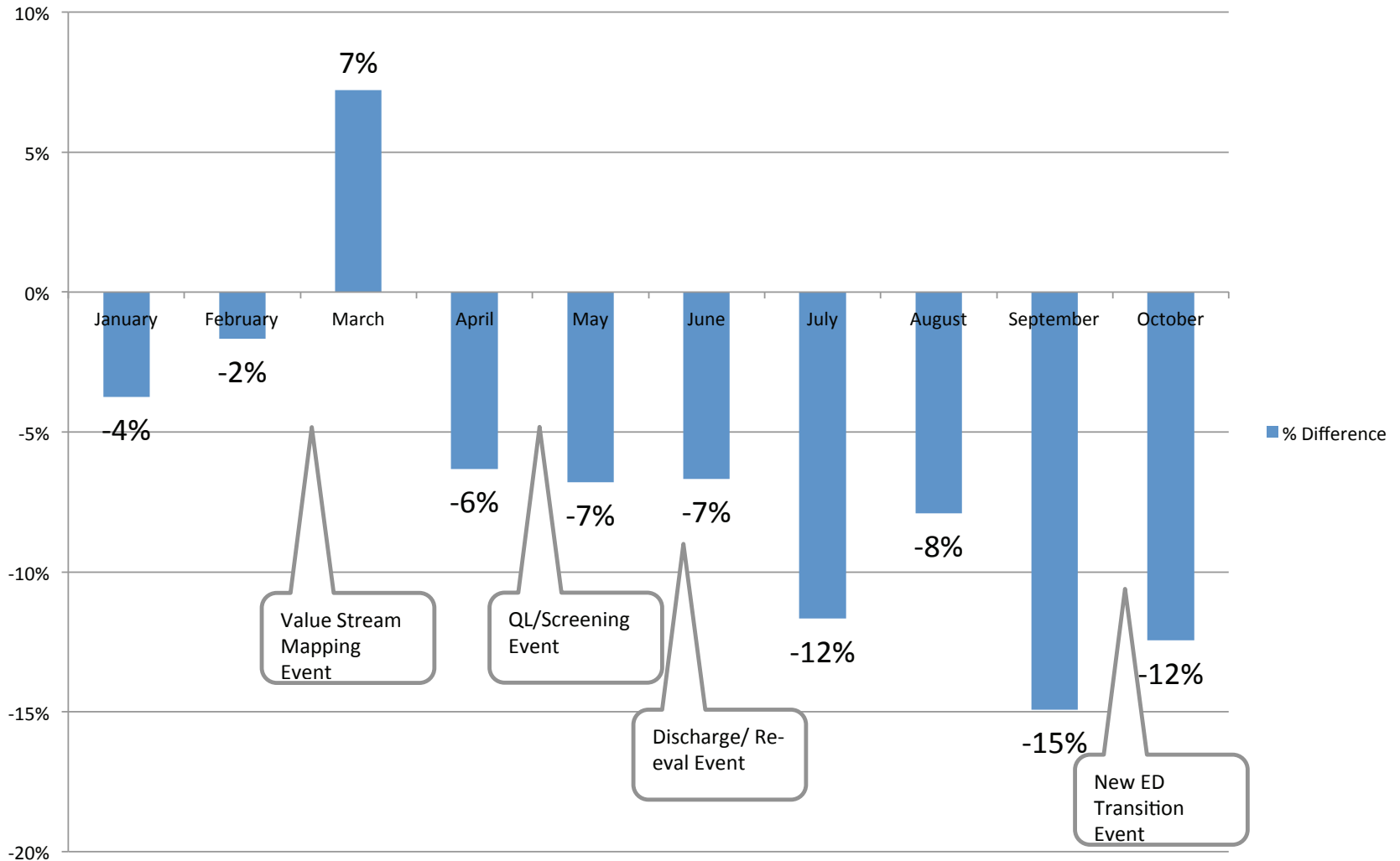
Average Time from Arrival to Orders Initiated (QL, Screening, Intake)



Re-Eval Before and After Time

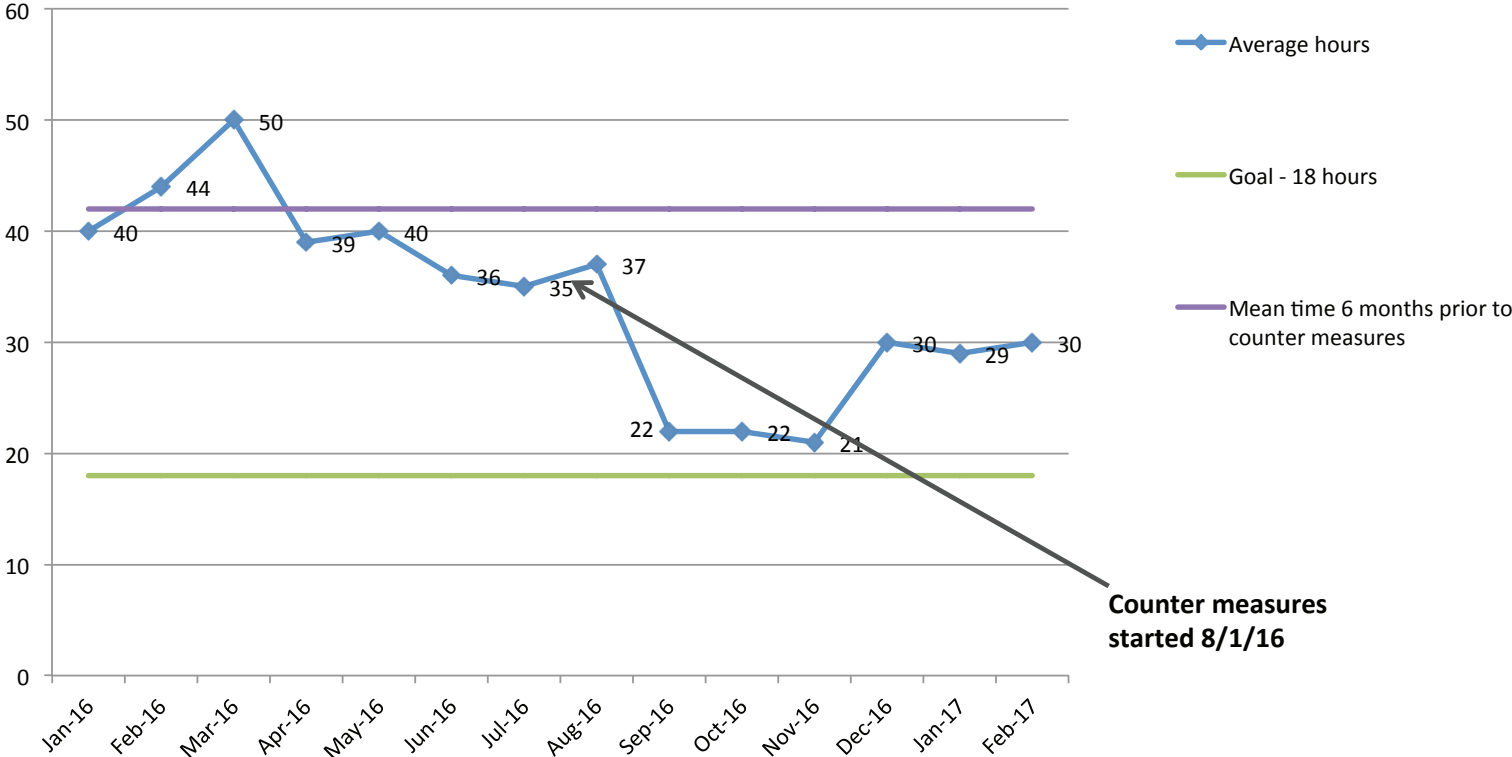


ED Length of Stay % Difference CY2016 over CY2015

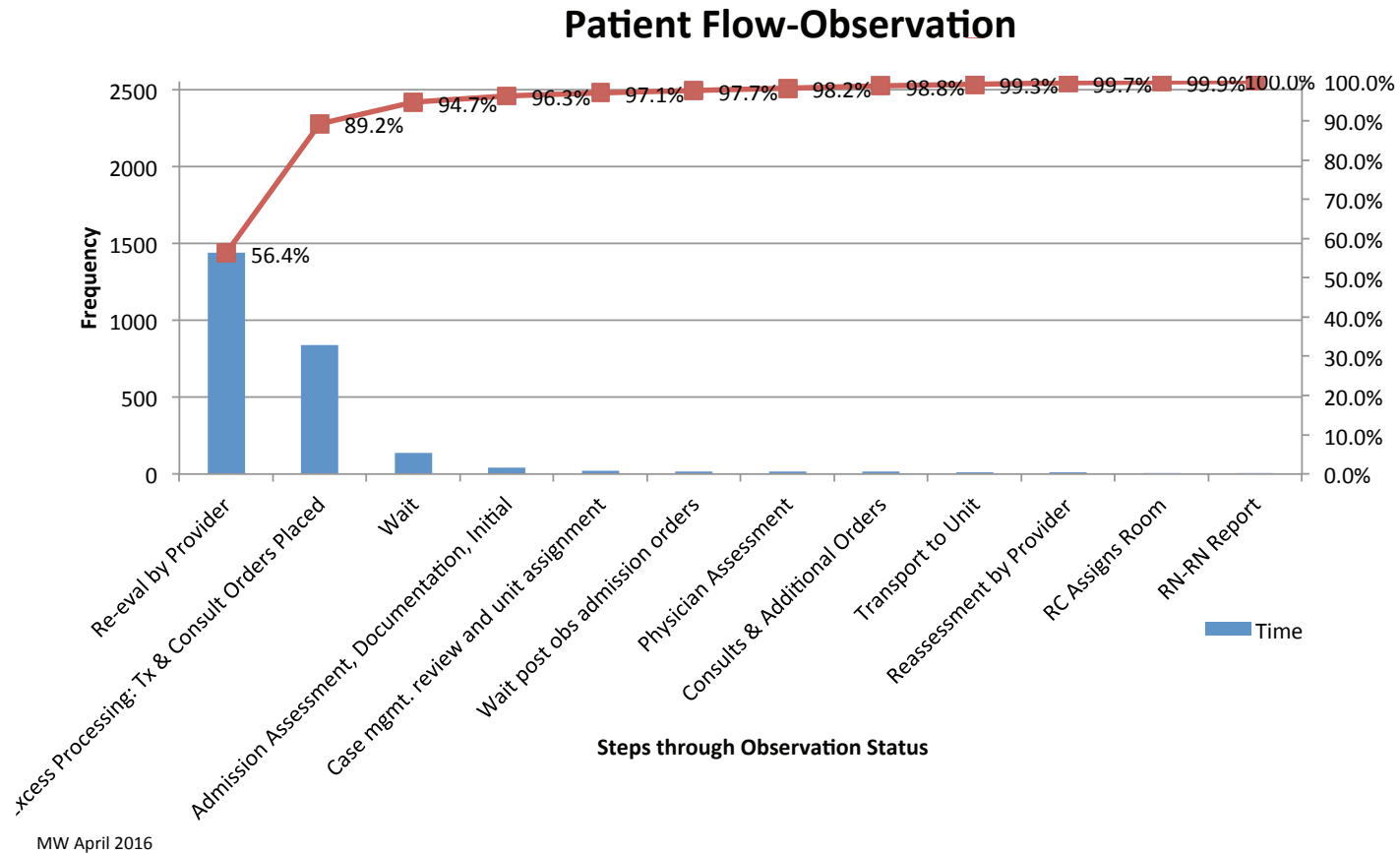


Our Work: Observation Hours

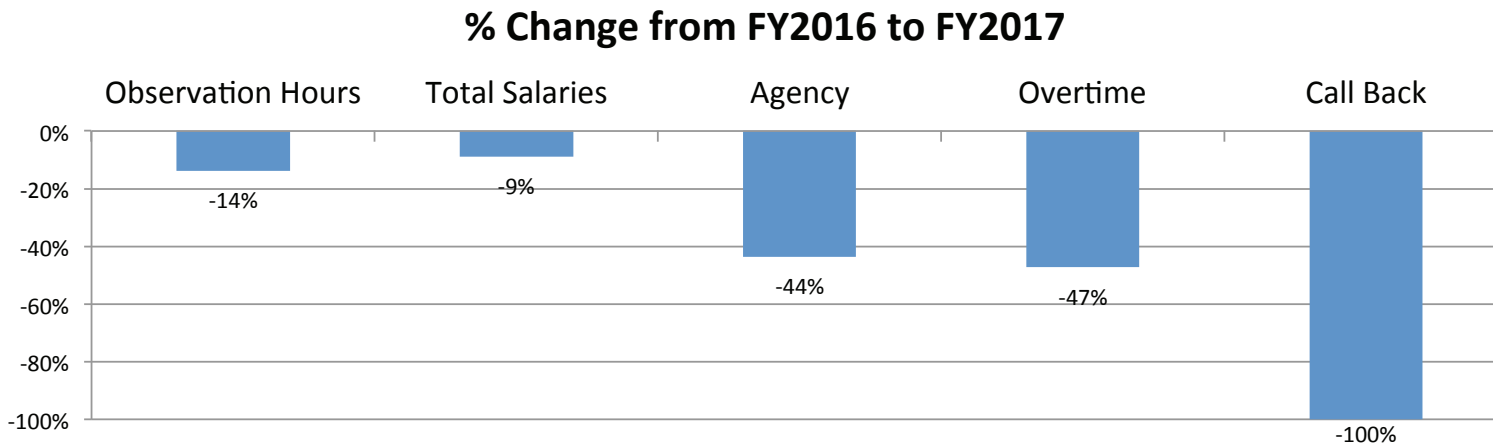
**Observation Average LOS Patient Per Month
2016/2017**



Our Work: Observation Pareto



Our Work: Impact on Staffing



	YTD 16	YTD 17	% Difference
Observation Hours	3,159	2,724	-14%
Total Salaries	\$ 1,387,560	\$ 1,264,643	-9%
Agency	\$ 35,466	\$ 19,998	-44%
Overtime	\$ 119,663	\$ 63,111	-47%
Call Back	48,976	-	-100%

Our Work: Code Capacity

Tier One

Response type: Localized

- When constraint is identified, House Supervisor (HSR), Resource Coordinator (RC), Case Manager (CM) will huddle together to identify immediate action to create capacity through transfers/discharges to create capacity in appropriate care area.
- Care areas impacted start reviewing staffing and planning for the day to determine no low census, call in stand by and other activities to handle demand.

Tier Two

Response type: Critical Leadership

- HSR notifies the Back-up Director (BUD) to initiate communication beyond current units involved and to inform senior leadership.
- HSR initiates an emergency bed meeting for key leadership from care areas and support services to agenda within the hour.
- Post bed meeting- CMO, CNO, BUD, CM initiate contact with external facilities and discharging providers to expedite patient movement.

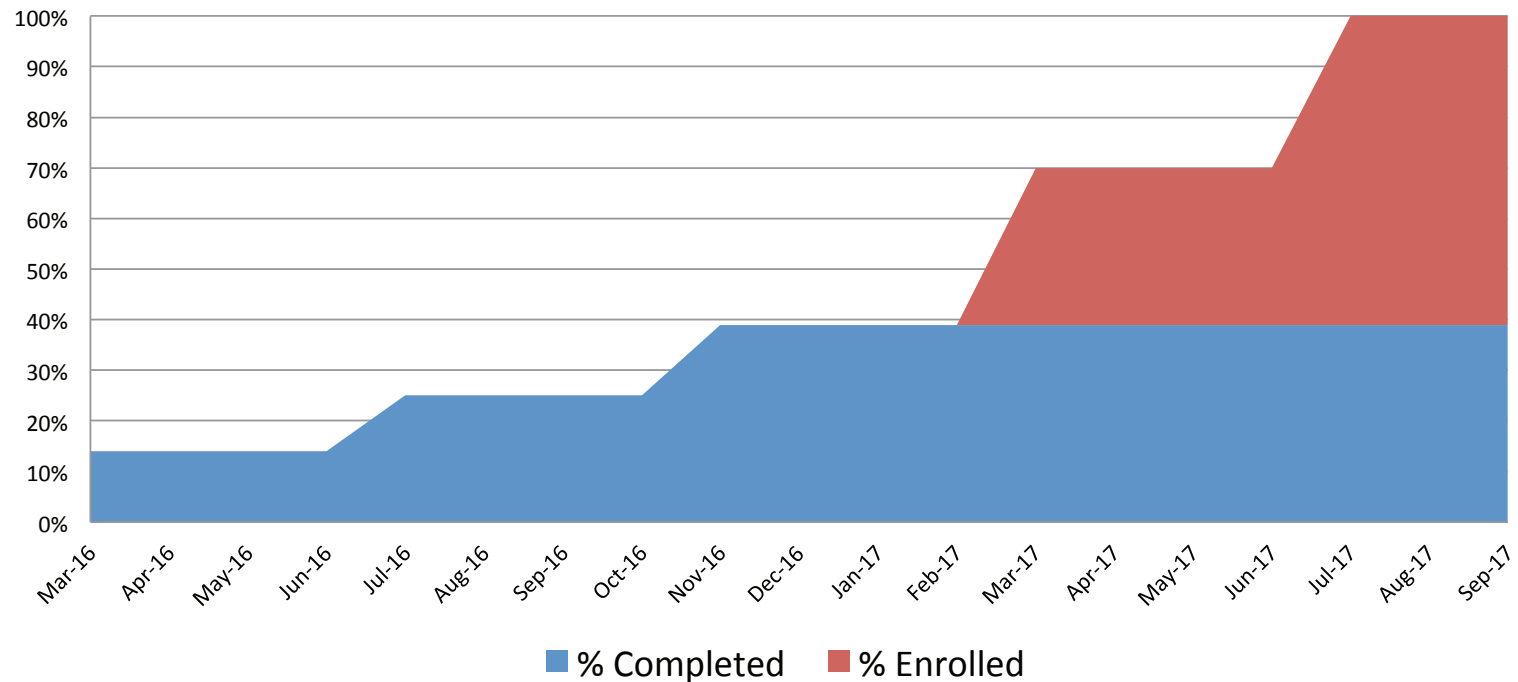
Tier Three

Response type: Organizational Event Management

- Incident command opened within an hour by Administrator On-Call (AOC).
- Roles are repurposed and clinical support resources are assigned to patient care areas and based on operational requirements.
- Clinical leadership assumes supervisor level leadership on units until capacity constraints have been resolved.
- Incident command remains open until stable operations below level 1 event have been resolved.

Our Work: Leadership Alignment

Organizational Leaders Implementation of Lean Management Systems



Our Work: Financial Impact

