

7 Strategies To Compete Using Analytics

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Learning Objectives

1. Learn the 7 strategies to compete to make better decisions and extract maximum value.
2. Identify the analytics needed to move from volume to value to change the care delivery model.
3. Understand the tools and analytics needed to achieve significant growth strategies and improve clinical effectiveness.
4. Use analytics to create physician partnerships; effectively manage the cost of off quality; become adept at population-based planning and be successful in the competitive merger and acquisition market.

The Perfect Storm

Dramatic increase in healthcare spending:

- Federal Government up 23%
- State governments up 26%
- Individual Consumers up 19%

10,000 new Medicare enrollees per day

Obama budget = Ryan Budget-Medicare cuts

Medicare Sequester:

- 2%_x
- 4% expected

“You’ve got the AHRQ, HCAHPS, NHQM, and the RHQDAPU in addition to anything you may be doing internally. And there’s the Joint Commission, and meaningful use. So now what we have is a whole lot of data confusion about what’s going to need to be reported, and how, and when. Getting that data together, consistent and valid as well as timely, is a very big deal.”

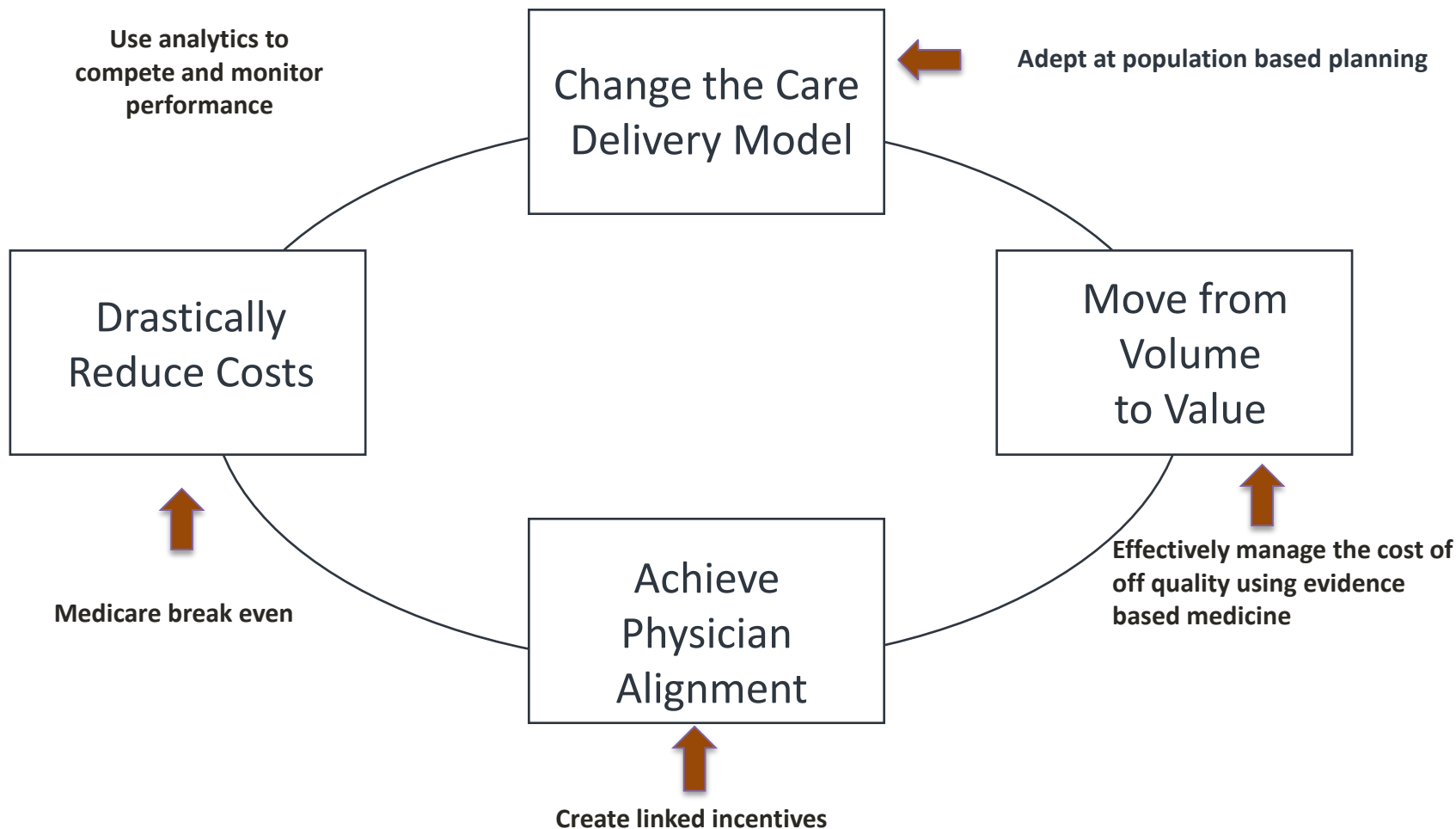
– *Jeff Rose, M.D.*

*VP Clinical Excellence, Ascension Health
HealthLeaders, January 2011*

Compete Using Analytics – 7 Strategies

1. Understand the new healthcare reality
2. Understand your data and how it fits together
3. Understand your performance compared to others
4. Identify ways to improve - internal opportunities (cost/quality/value)
5. Identify ways to improve - market dynamics (including population based planning)
6. Understand the relationship between internal performance and market dynamics
7. Foster a culture of change

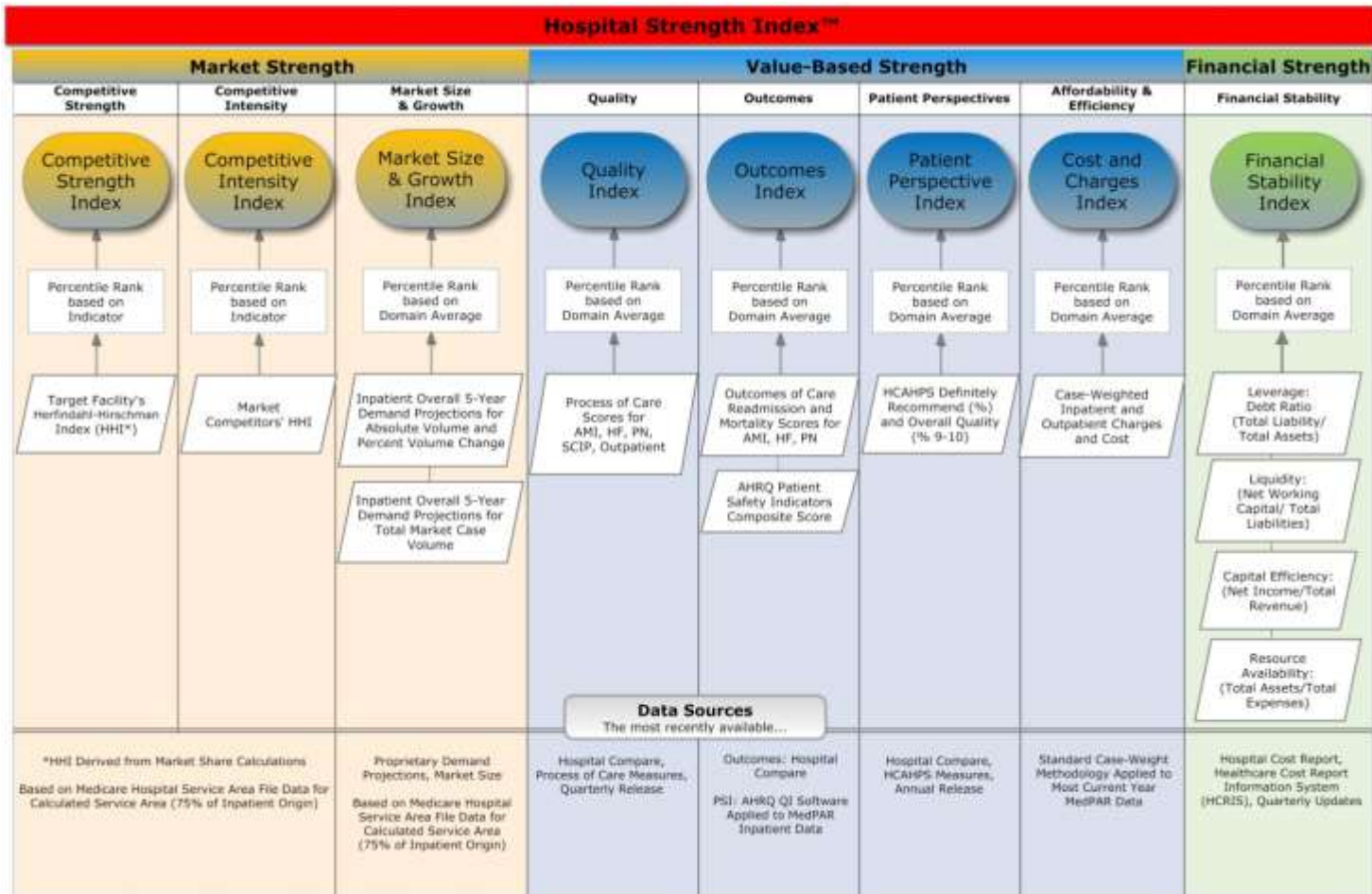
Strategy #1 - Understand The New Healthcare



Strategy #2 - Understand Your Data & How It Fits Together

- Significant investments in legacy platforms
- Data are in silos
- See interrelationships between data
- Ask vendors/partners to work together

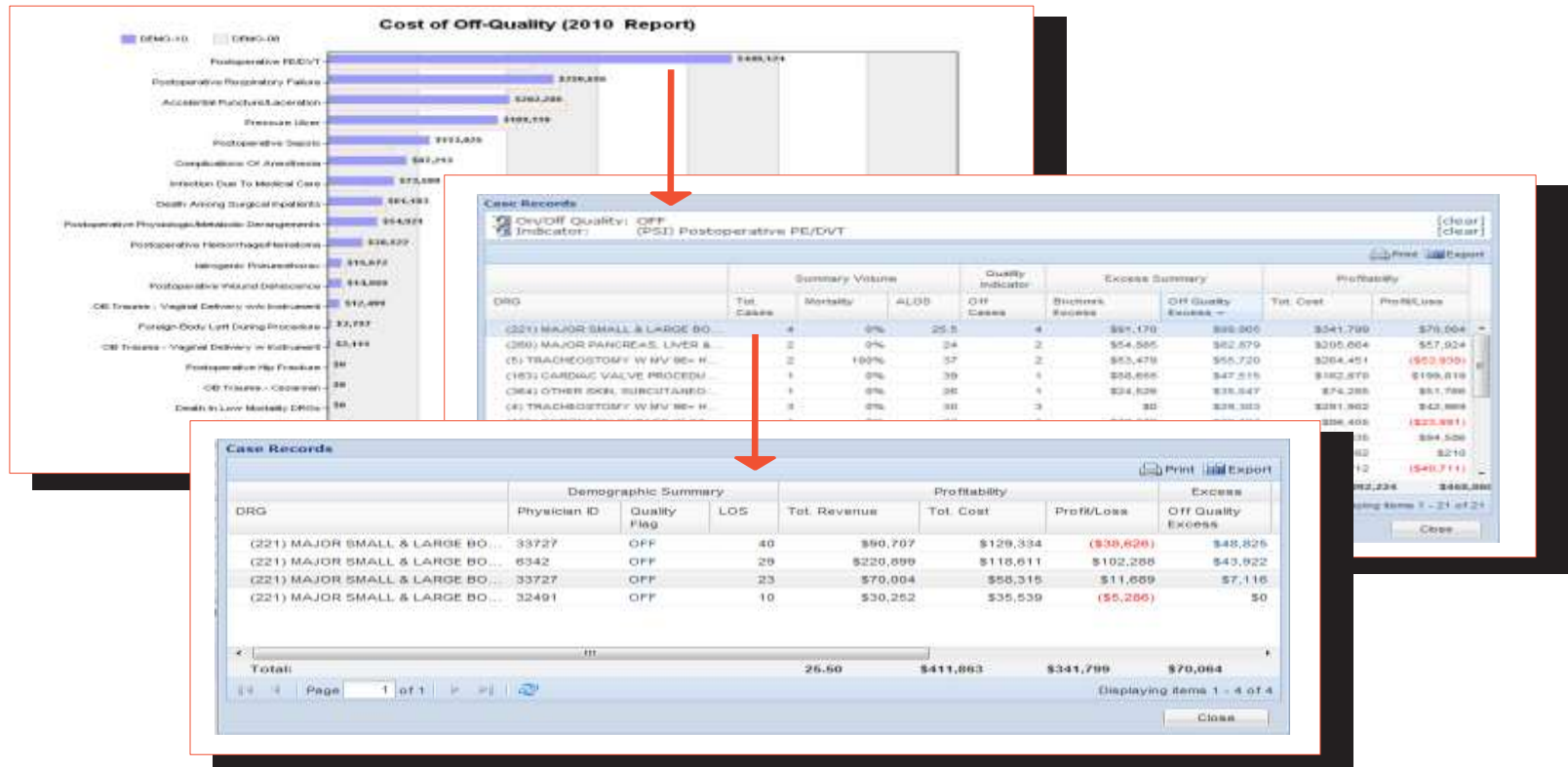
Strategy #3 - Understand Your Performance Compared To Others



Strategy #4 - Identify Ways To Improve. Internal Opportunities

Step 1. Focus on Creating Value

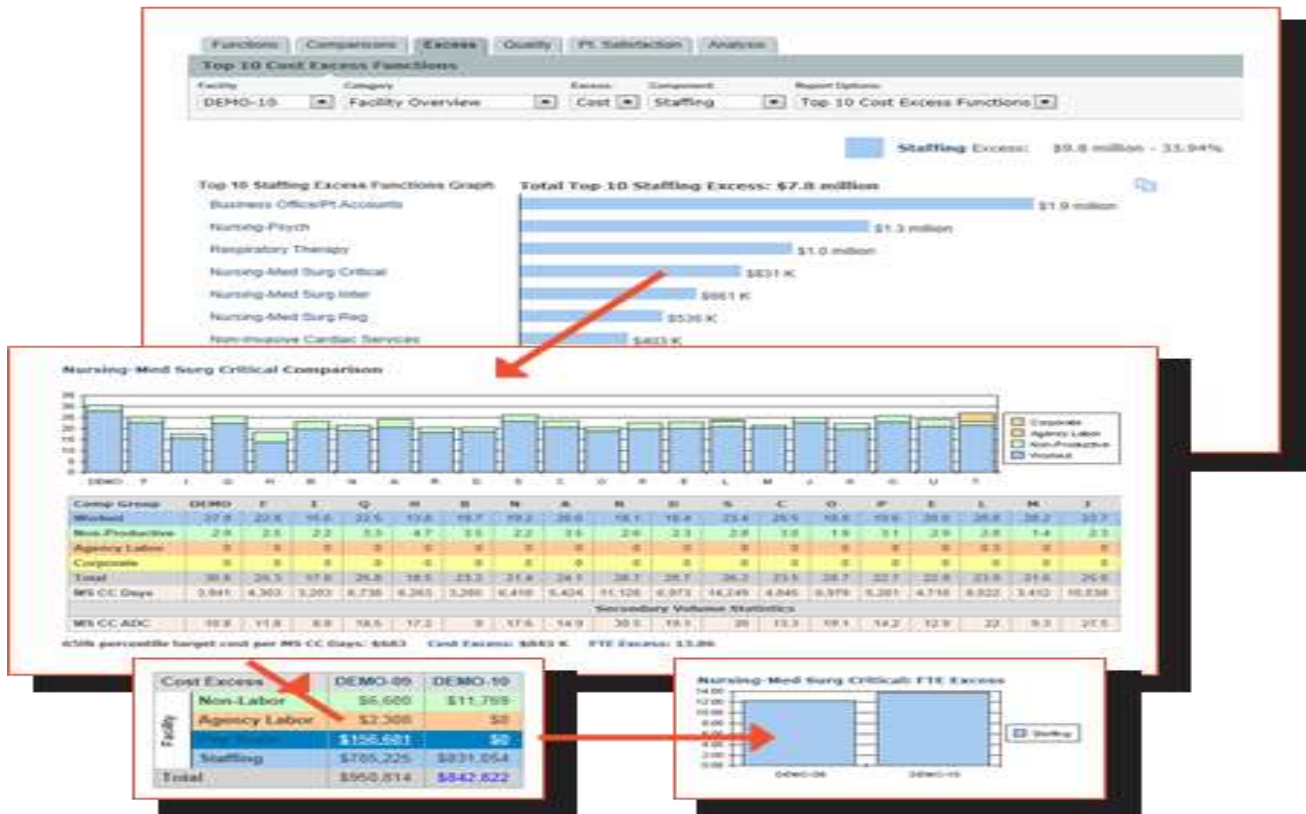
90% of off-quality expenses and revenue loss is generated by 6% of your physicians
 90% of your quality issues are focused on a handful of improvements



Strategy #4 - Identify Ways To Improve. Internal Opportunities

Step 2. Focus on Reducing Costs

90% of your staffing excess comes from 10 % of your operations



Strategy #5 - Identify Ways To Improve. Market Dynamics

Step 1: Environmental and Market Assessment

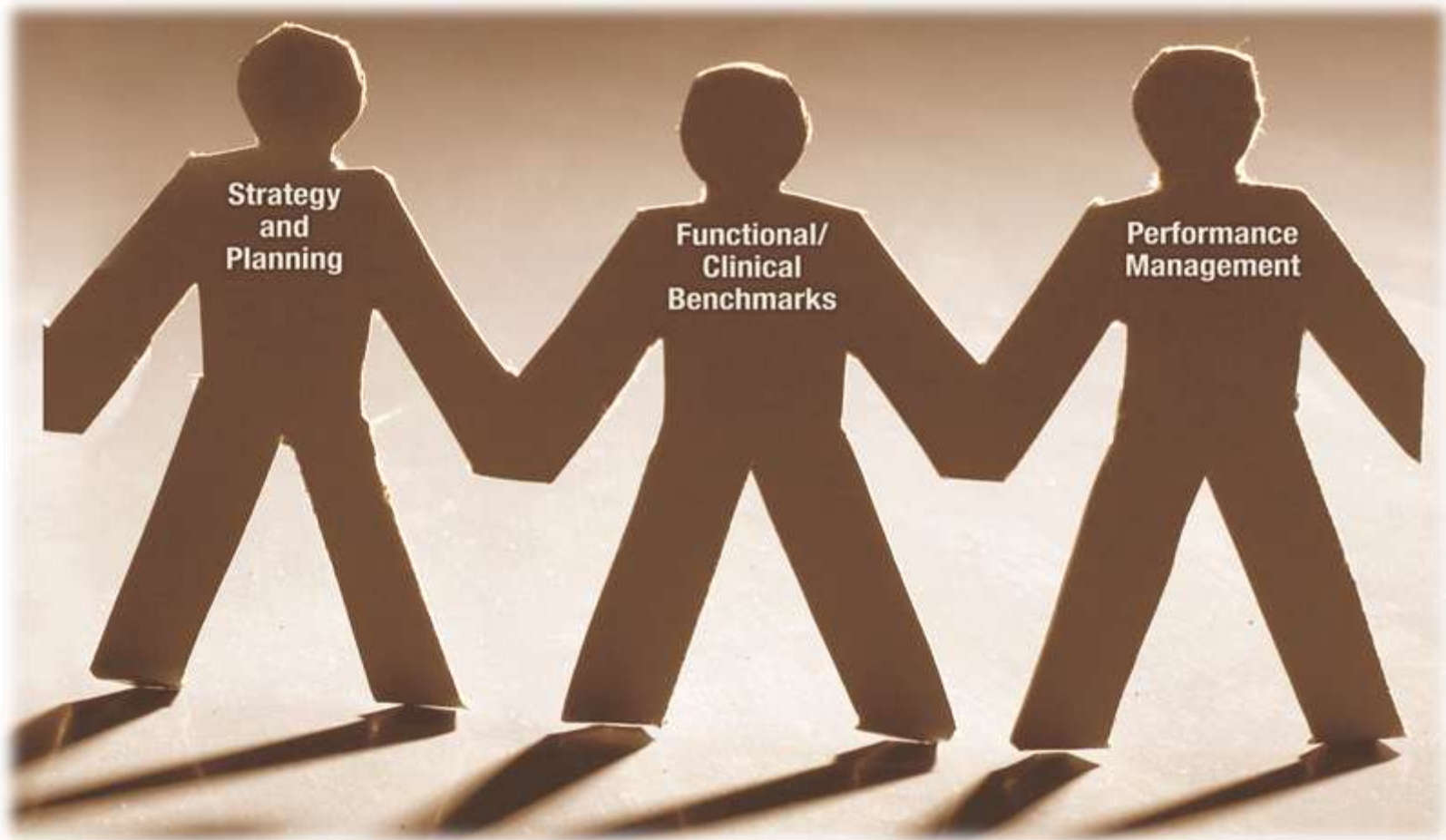
The environmental and market assessment includes the following elements:

- Overview of the service area (including primary, secondary, target, and ACO service area definition)
- Service area demographics
- Competitive analysis
- Medical staff analysis
- Hospital analysis
- Hospital utilization and market share
- Financial results and trends

Step 2: GIS Mapping to see the interrelationships displayed on map layers

- ACO/Medicare beneficiaries files
- Hospital Strength Index
- High volume/low performing physicians
- Demographics
- Population-based planning

Strategy #6 – Understand The Relationship Between Internal Performance & Market Dynamics



GIS & Strategic Decision Platform Demonstration



Strategy # 7– Foster A Culture Of Change

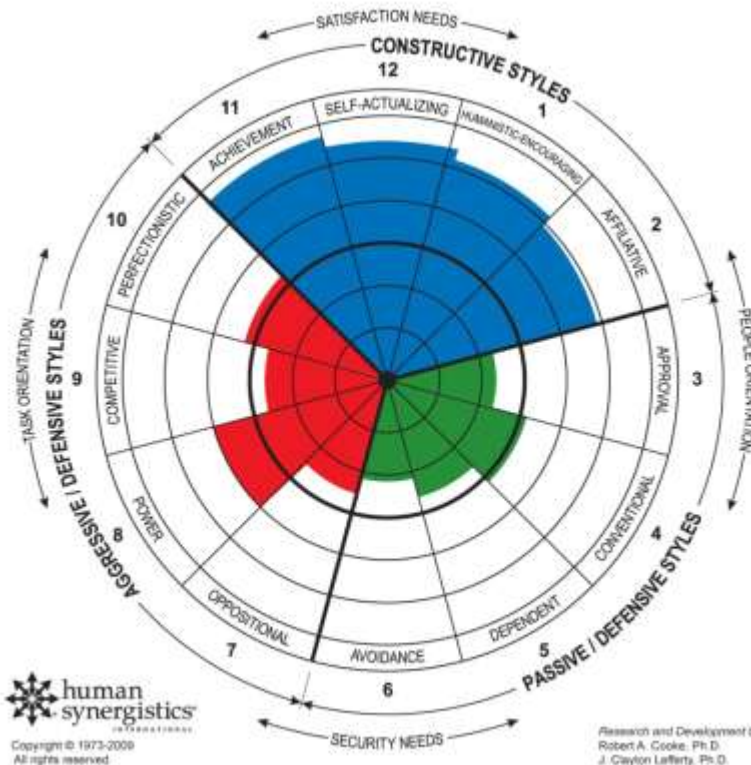
There are three cultural styles that we find in hospitals:

1. Constructive styles;
2. Passive/defensive styles; and
3. Aggressive/defensive styles.

A constructive culture leads to better execution of strategy, improved quality, engagement, retention, satisfaction, teamwork, positive financial results and is the style that is most effective using analytics.

Strategy # 7– Foster A Culture Of Change

Impact of the most effective and successful leaders using analytics



To receive a copy of your organization's hospital strength index, value based purchasing incentive or to learn more about how to use these advanced analytics contact:

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