

Performance Strategies

for Healthcare Leaders



Use Healthcare Business Intelligence to Improve Performance

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Using Analytics to Tackle the Economic Elephant in the Room



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Tackling the Elephant in the Room

The faltering economy and California's budget woes in particular were putting the squeeze on [Eisenhower Medical Center's \(EMC\)](#) revenues. Like other hospitals around the country, our census was down, our elective procedures were down, and our outpatient volumes were flat. In the face of such powerful pressures, we needed a fresh approach to tackling the economic elephant in the room.

Addressing Physician Utilization Through Analytics

The answer for us was analytics. Under the leadership of physician quality expert David Stoltzman, M.D., we formed a collaborative task force of EMC staff – including infectious disease physicians and pharmacy and IT staff – to target high-cost, high-use drugs. The team used McKesson's [healthcare business intelligence](#) solution to study physician practices for prescribing two of the most expensive broad-spectrum antibiotics: Daptomycin and Linezolid. The analytics technology enabled us to show how these drugs were overprescribed, costing the hospital money and potentially adversely affecting patient outcomes.

Presented with such striking evidence, the team developed a protocol for appropriate use of these drugs, as well as recommendations for comparable, less expensive alternatives.

Drilling Down for Dramatic Results

Our results thus far have been spectacular. Thanks to the solution's analytical reporting capabilities and EMC's medical staff buy-in, we have significantly reduced the use of Daptomycin and Linezolid and saved the hospital nearly \$1 million in less than a year. In the past nine months, the cost of Daptomycin has dropped from \$7.31 per occupied bed per month to \$1.76. The cost of Linezolid has decreased from \$8.79 per occupied bed per month to just \$1.99.

The ability to drill down through the data to determine cost per occupied bed has been key. Because our census fluctuates throughout the year (especially during Southern California's hot summer months), we are not able to compare dollar amounts month to month. We needed a way to uncover cost per occupied bed to smooth out the census variation, and the analytics solution provided that.

In addition, we were able to change the drill-down to examine antibiotic cost per occupied bed as a whole. We wanted to be sure we weren't just "moving the deck chairs" — substituting other high-priced antibiotics that we do not monitor. Our analytics tool enabled us to look at cost per occupied bed across all 313 of our beds, for all antibiotics.

When discrepancies arose, the technology helped us analyze them. For example, when we noticed a slight uptick in antibiotic costs in April, we were able to view specific data to see if patients met the new criteria. It turned out the drug use was appropriate.

Reaping Positive Outcomes

Our positive results extend well beyond dollar savings to benefit our patients and physicians. Specifically:

- **Patient care is better.** We now use less of the broad-spectrum antibiotics that tend to exacerbate resistance. With more targeted antibiotic treatment, patients experience fewer side effects and better outcomes.

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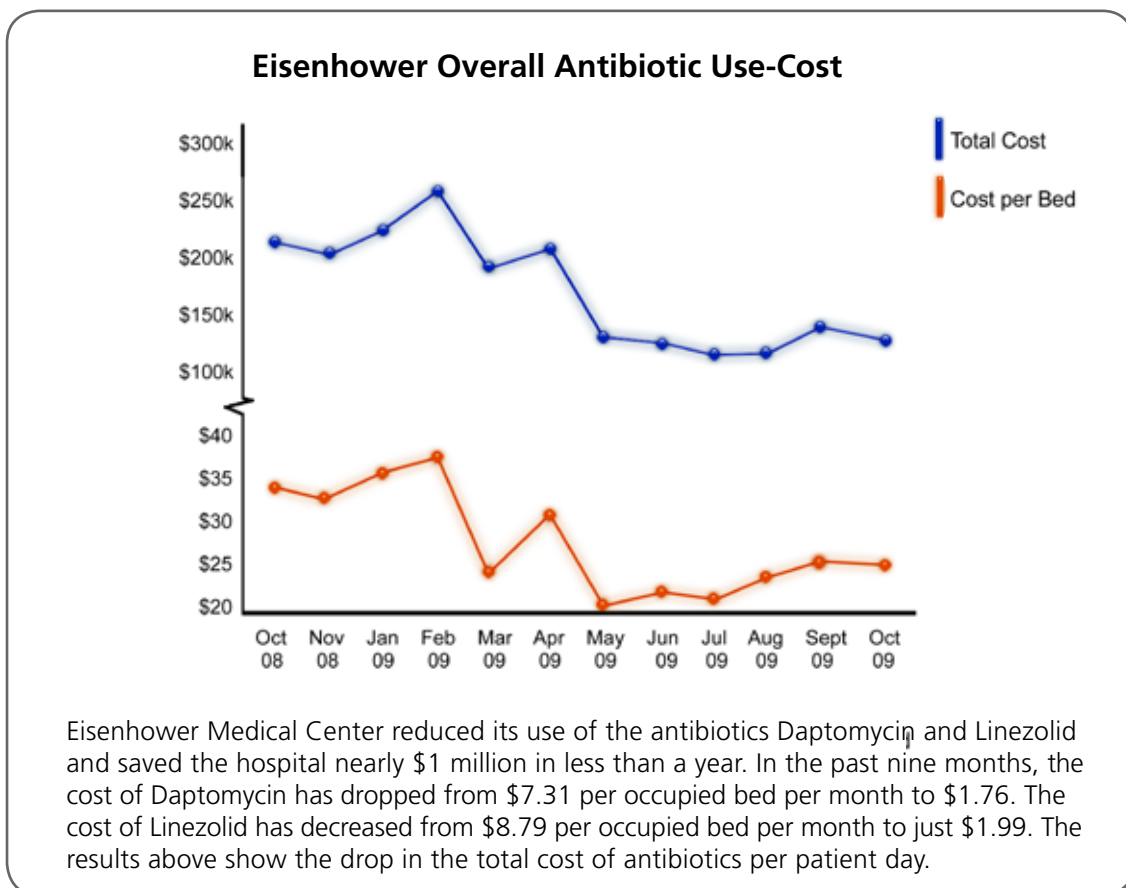
Using Analytics to Tackle the Economic Elephant in the Room (Cont.)

- **Physicians are more engaged.** From the start, this process improvement initiative was a physician- and pharmacy-led effort, not an IT project. Physician involvement was critical to our success. Without their support and buy-in, we would not have achieved such impressive results. The performance analytics technology made the difference, showing with irrefutable evidence that change was necessary — and our physicians enthusiastically embraced the prescribing protocol.

For example, the infectious disease specialists who served on our task force were so impressed with the data that they began following the protocol even before it was published. Another surgeon, who routinely used these expensive antibiotics prophylactically, immediately changed his practice when presented with statistics from the task force.

The performance analytics solution transformed our clinical data into meaningful measurement that helped us improve our processes, save money and enhance patient care. Healthcare business intelligence will continue to drive medication cost-containment efforts in the months and years to come at EMC.

Betty Nichols is currently Director of Applications at Eisenhower Medical Center in Rancho Mirage, California. Her healthcare career spans 35 years and includes work for hospitals, vendors and consulting firms. She has spent the past 25 years in healthcare IT.



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