

Enfranchising Physicians: Successful Models for Physician Relations

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Physician Engagement and Supply Chain Strategy

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Topics

- CHP Profile
- The Problem
- Journey – Physician Engagement
- Physician Engagement - Topics of Discussion
- Key Learnings
- Questions

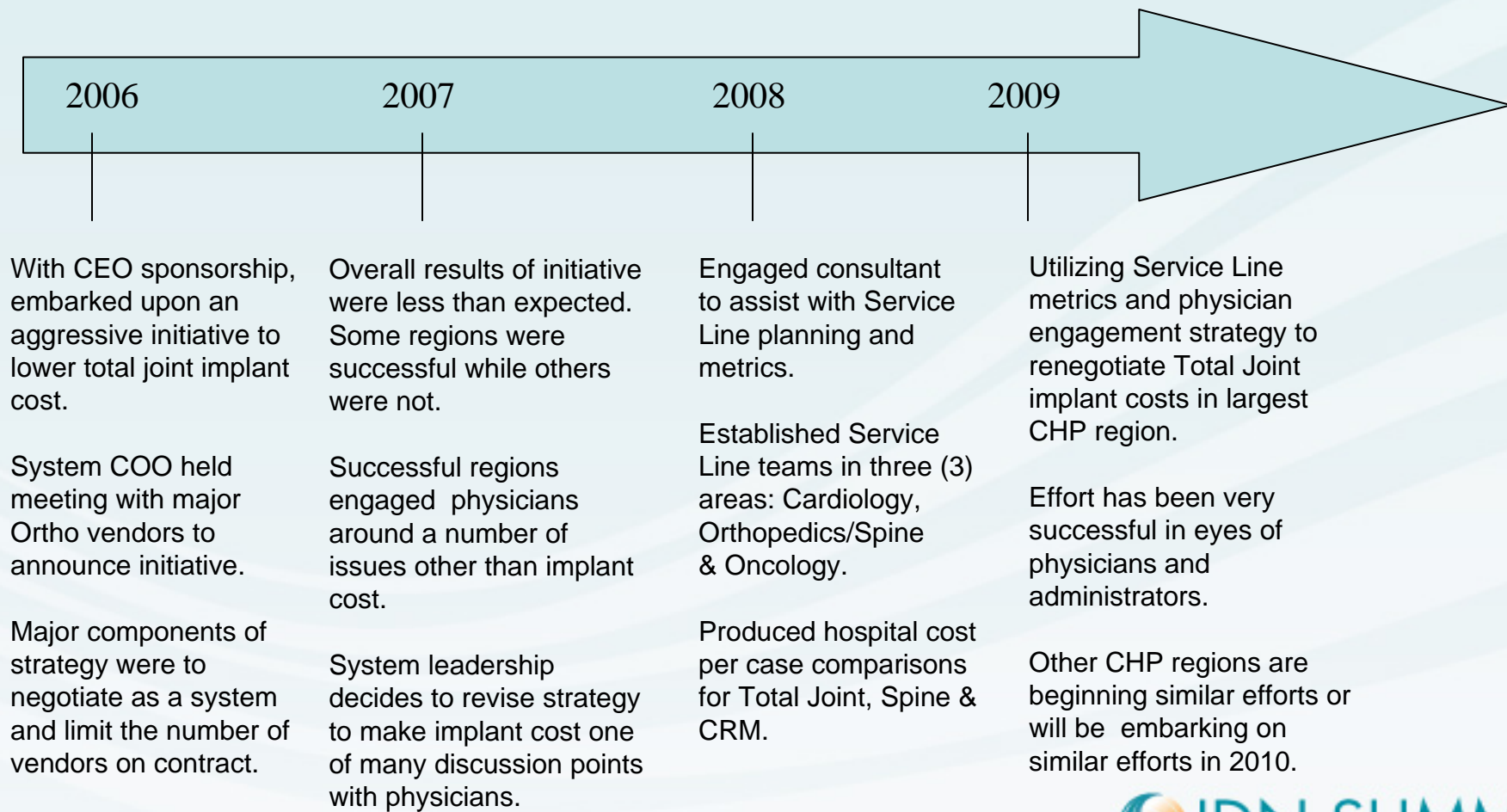
Catholic Healthcare Partners Profile

- Nine (9) Regions representing 32 hospitals in:
 - Indiana/Kentucky
 - Eastern Tennessee
 - Southwest Ohio
 - Western Ohio
 - West Central Ohio
 - Northwest Ohio
 - North Central Ohio
 - Northeast Pennsylvania
 - Northeast Ohio
- Net Annual Operating Revenue: \$4B
- Annual Supply Expense: \$700M
- Physician Relationships : 8,000 estimated

The Problem

- Skyrocketing medical device costs
- Limited internal metrics on high cost medical devices
- Health system not using its purchasing leverage with vendors
- Absence of strategy on engaging physicians on medical devices

CHP Physician Engagement Journey 2006 - 2009



Physician Engagement

Topics of Discussion

- Market Performance
 - Inpatient & Outpatient Procedure Volume
- Operational Performance
 - Length of Stay Index
- Financial Performance
 - Inpatient Contribution Margin
- Clinical Quality
 - Inpatient Overall Patient Satisfaction
- Physician Performance
 - IP Physician/Nurse Satisfaction

What We Learned

- No “Silver Bullet”
- System support with local tactics is our “sweet spot”
- Information systems integration is helpful but not necessary
- Broad range of accurate data is essential
- Patience, Patience, Patience

Enfranchising Physicians @



Children's Hospital Boston

The Hospital for Children

Henry Tomasuolo

Vice-President, Supply Chain

Children's Hospital, Boston



Children's Hospital Boston

The Hospital for Children

- **396-bed comprehensive center for pediatric health care**
 - 22,600 inpatient admissions each year
 - 204 specialized clinical programs schedule more than 527,500 visits annually
 - 23,000 surgical procedures
 - 170,000 radiological examinations every year
- **The hospital's clinical staff includes:**
 - 963 active medical and dental staff
 - 897 residents and fellows
 - 1,570 nursing and clinical personnel
 - 5,200 other full- and part-time employees
 - plus 800 volunteers
- **Children's is the primary pediatric teaching hospital of Harvard Medical School**
- **Children's is home to the world's largest research enterprise based at a pediatric medical center**
 - More than 600 scientists
 - Including eight members of the National Academy of Sciences
 - Eleven on-staff members of the Institute of Medicine
 - Twelve members of the Howard Hughes Medical Institute

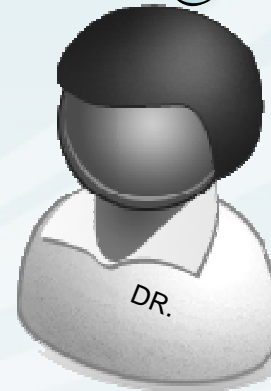
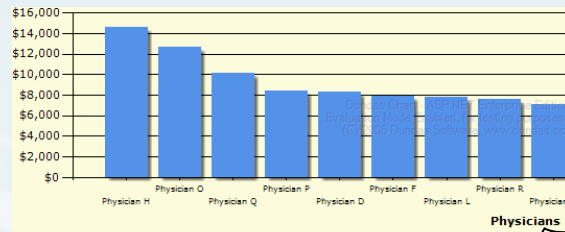
Cardiology Project:

- ❑ \$7.8M annual supply spend (Cath Lab and EP Lab)
- ❑ \$2.2M supply inventory (expensed or consigned)
- ❑ Patients from around the world. Very high acuity/complexity
- ❑ Academic / Research intense environment
- ❑ High proliferation of custom supplies

Engaging Physicians

Historical Data Presentation Process

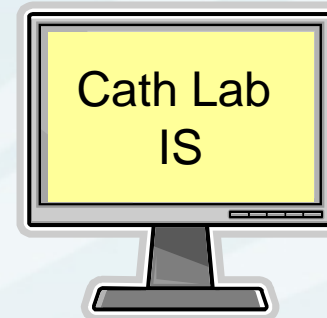
Vendor	Item Description	Item Catalog Number	Item Qty	Item UOM	Item Price
Vendor A	Stent	112233	1	EA	\$1,250.00
Vendor A	GuideWire	112236	2	EA	\$650.00
Vendor A	Catheter	112237	6	EA	\$150.00
Vendor A	Stent	113350	1	EA	\$1,250.00
Vendor A	GuideWire	112236	2	EA	\$650.00
Vendor A	Catheter	112237	6	EA	\$150.00
Vendor A	Stent	112233	1	EA	\$1,250.00
Vendor A	GuideWire	112236	2	EA	\$650.00
Vendor A	Catheter	112237	6	EA	\$150.00
Vendor B	Stent	111111	1	EA	\$1,350.00
Vendor B	GuideWire	2222	2	EA	\$625.00
Vendor B	Catheter	3333	6	EA	\$159.00



Historical processes fail to answer physicians' questions/challenges, leading to project delays and frustration

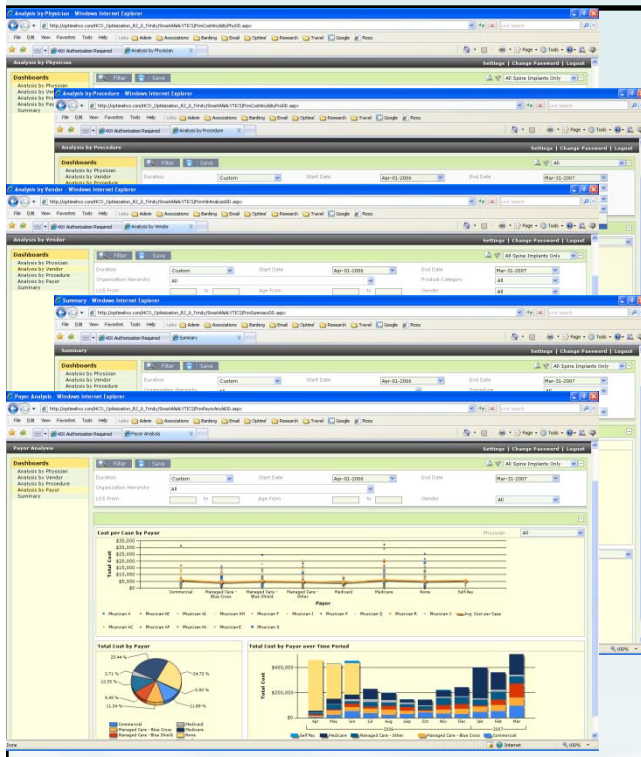
Engaging Physicians

Gathering The Data



Engaging Physicians

Real Time Collaborative Data Dialoging



- ✓ Cost
- ✓ Patient Acuity
- ✓ Product Quality
- ✓ Contribution Margin
- ✓ Patient Outcomes

The process we use answers physician questions/challenges and inspires scientific study of product utilization

Item Desc	Item Catalog	Item Qty	Item UOM	Item Price	Ext Cost	Item Code	Performing Physician**	Type	Proc Date	Procedure	Account Number	Discharge Date	Age
Stent	112233	1	EA	\$1,250.00	\$1,250.00	500601	Physician A	Intv	4/1/2009	PedCardIntv	1234566	4/10/2009	3
Guidewire	112236	2	EA	\$650.00	\$1,300.00	500602	Physician A	Intv	4/1/2009	PedCardIntv	1234566	4/10/2009	3
Catheter	112237	6	EA	\$150.00	\$900.00	500603	Physician A	Diag	4/1/2009	PedCardDiag	1234566	4/10/2009	3
Stent	113350	1	EA	\$1,250.00	\$1,250.00	500601	Physician A	Intv	4/25/2009	PedCardIntv	1235467	4/28/2009	15
Guidewire	112236	2	EA	\$650.00	\$1,300.00	500602	Physician A	Intv	4/25/2009	PedCardIntv	1235467	4/28/2009	15
Catheter	112237	6	EA	\$150.00	\$900.00	500603	Physician A	Diag	4/25/2009	PedCardDiag	1235467	4/28/2009	15
Stent	112233	1	EA	\$1,250.00	\$1,250.00	500601	Physician A	Intv	6/4/2009	PedCardIntv	1240012	6/9/2009	7
Guidewire	112236	2	EA	\$650.00	\$1,300.00	500602	Physician A	Intv	6/4/2009	PedCardIntv	1240012	6/9/2009	7
Catheter	112237	6	EA	\$150.00	\$900.00	500603	Physician A	Diag	6/4/2009	PedCardDiag	1240012	6/9/2009	7
Stent	11111	1	EA	\$1,350.00	\$1,350.00	500992	Physician B	Intv	4/13/2009	PedCardIntv	1230101	4/16/2009	11
Guidewire	2222	2	EA	\$625.00	\$625.00	500994	Physician B	Intv	4/13/2009	PedCardIntv	1230101	4/16/2009	11
Catheter	3333	6	EA	\$159.00	\$159.00	500939	Physician B	Diag	4/13/2009	PedCardDiag	1230101	4/16/2009	11

Cath Lab Project Results:

- ✓ **Cost:** \$1.6M reduction
- ✓ **Patient Acuity:** Improved RVU accuracy
- ✓ **Product Quality:** Evidence-base established
- ✓ **Contribution Margin:** Transparent fact-base
- ✓ **Patient Outcomes:** Comparative analytic engine
- ✓ **OR Chief Requesting SCM Attention**

Discussion

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