

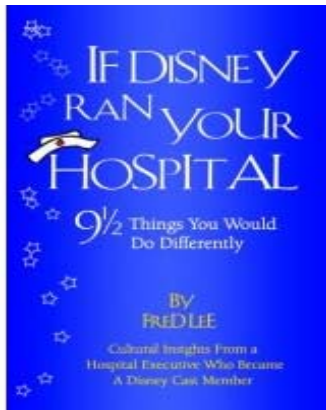
# NAVIGATOR

Photograph by Mary Hudson  
Lighthouse - Annapolis, Baltimore

NAVIGATOR is a Publication of MedicalGPS, LLC Especially for Healthcare Professionals

## Fred Lee Endorses M3-Patient Experience™

Fred Lee, author of, *"If Disney Ran Your Hospital, 9 ½ Things You Would Do Differently"*, praised MedicalGPS' real-time patient feedback system recently.



After spending a considerable amount of time and energy reviewing and evaluating MedicalGPS' automated real-time patient feedback system, M3-Patient Experience™, (formally known as M3-Patient Satisfaction), the following assessment was offered:

*"I liked all the questions in your survey and could honestly not think of anything I felt was not covered. It is really an electronic work of art. You are to be highly commended. I can recommend it highly, and you can quote me on that!" - Fred Lee*

M3-Patient Experience™ continuously monitors, measures, and assists healthcare professionals with maximizing patient retention and patient loyalty. Frontline support staff, healthcare providers, as well as administration see the real-time positive results of providing outstanding customer service and compassionate care.

"After reading Fred Lee's book, we were inspired to contact Fred. We wanted first to thank him for expressing, in

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## Measuring to Improve or to Impress?

By: Jerry Stone

Is your organization measuring patient satisfaction to improve, or, to impress? In Fred Lee's book, *"If Disney Ran Your Hospital, 9 ½ Things You Would Do Differently"*, Fred mentions the need for healthcare organizations to measure to improve, not to impress. The irony is, the best way to ensure that your patients are favorably impressed, is to measure with the intent to improve, NOT to impress. Measuring patient satisfaction for any other reason other than to improve often backfires, resulting in patient dissatisfaction.

If you're like me, you're probably not impressed when organizations promote themselves saying things such as, "more than 98% of our customers were satisfied with our service". After a quick deduction – "so that means 2% of your customers are unhappy and dissatisfied, and that's 'OK'"? Also consider, of the 98% that said they were "satisfied", how many of those customers/patients were actually, marginally "satisfied".

### Averages and Percentages Are Often Deceiving

Just last week I had an opportunity to learn more about one particular patient's recent visit to see their healthcare provider. This particular patient took the time to fill out the patient satisfaction survey, and, on the surface, it looked pretty good -- here are the actual results.

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## A Better Bedside Manner

By: Jeff Ockerman

Studies are now being reported that show some hospitals are encouraging their doctors to apologize for medical errors. Rather than being an invitation for litigation, these studies show that apologies reduce the number of lawsuits and liability costs.

The Sorry Works! Coalition has been formed to encourage this movement among hospitals and doctors. Doug Wojcieszak, a spokesman for the Coalition, reports that Harvard Medical School's major teaching hospitals are now encouraging their doctors to apologize for medical errors. The first hospital to implement apologies for errors, he says, was the Lexington, Ky., Veterans Administration Hospital, which instituted a policy of apologizing for all medical errors and offering fair, upfront compensation to patients, families, and their attorneys. This hospital reported in the December 1999 edition of *Annals of Internal Medicine* that their facility ranked in the lowest quartile of VA facilities for malpractice payouts; their average settlement per case was \$16,000 compared with the national VA average of \$98,000.

The approach has spread to other VA hospitals and hospital systems. The Coalition reports that the University of Michigan's hospital system has cut its lawsuits in half and estimates saving \$2 million in defense litigation expenses annually because cases are being settled in months instead of dragging out for years. Similar positive results have been reported at 28 Kaiser hospitals and 39 hospitals in the Catholic Healthcare West System.

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# Measuring Financial Success

## Key Financial Indicators (part 5 of 5)

By: Marty Hudson

Previously we have discussed your organization's need for a strategic plan, the importance of budgeting and forecasting, the preparation of a financial reporting package, and the need to understand, value, manage and monitor accounts receivable. Monitoring of accounts receivable through a system of key indicators is absolutely imperative, as it is likely the largest current asset of your organization. But monitoring key indicators goes beyond management of assets and is essential in managing your daily operations. Key indicators are driven from the organization's strategic plan, are formulated through budgeting, are key in forecasting and should be a fundamental part of the financial reporting package. Be prepared to change your focus of key indicators, dictated by changes in operations, adjustments to forecast, and attainment of the overall strategic plan.

Key financial indicators should support and enhance the financial package. Determine what is important to your organization. Identify areas of opportunity and risk; create indicators to give a "heads-up" display of trends, and progress of achieving planned objectives. If reducing overtime is a focus of the organization, create a heads up analysis by major categories of overtime hours, or overtime hours as a percentage of regular hours. Present this by department, pod or job function. Percentage of overhead to net revenue is an excellent monitor of areas that may work their way out of acceptable ranges over a period of months.

Without key indicators, slow moving negative changes can creep up on you, and be a major problem that may take time to correct. Be proactive and monitor key indicators to head off issues before they arise. Use graphs or tables depending on your audience and what works best for the quick "heads-up" display and analysis.

Other potential indicators may include:

- Charges and collections by operating day – this puts months on an equal basis, regardless if they consist of 20 operating days or 23 operating days.
- Charges and collections by provider – this helps focus on fluctuations based on workdays vs. vacation or CME days by providers.
- Nurse hours vs. w/RVUs.
- Support Staff Worked Hours per In-Clinic Patient Visit.
- In-Clinic Patient Visits per Provider FTE.
- Support Staff Worked FTE per Provider FTE.
- Support Staff Salaries as a percent of Net Revenue.
- Gross Revenue Trends.
- Major Surgery Procedures.
- Payor Mix Analysis.
- Charge Ticket Lag-time comparisons.

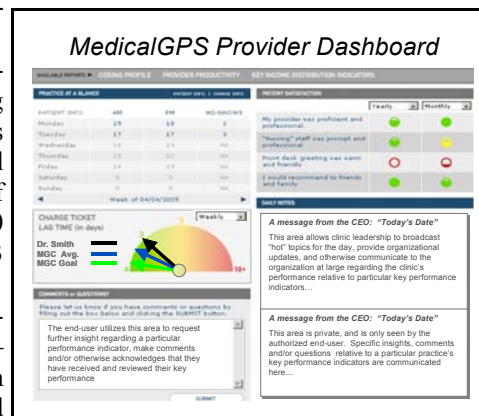
The list can go on and on. Focus on key areas of your organization. Create opportunities to reduce overhead and improve productivity. Always search for ways to work smarter not harder.

MedicalGPS utilizes **GPMapping™** to create "heads-up" provider dashboards, administrator

dashboards, and trending and analysis reports. GPMapping gives the ability to trend key indicators in your organization and drill down into the details to uncover opportunities for improvement.

GPMapping creates key indicators automatically each download cycle, whether monthly, weekly or even daily. You can view a demo of GPMapping on-line at [www.medicalgps.com](http://www.medicalgps.com), or contact MedicalGPS to receive a customized demonstration utilizing your organization's data.

Remember; stay focused on your organization's purpose and strategic plan. Utilization of budgets, forecasting, good financial management and key indicators will keep you on track to reach your objectives.



## Fred Lee Endorses M3-Patient Experience™

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Equipping healthcare decision makers with near real-time patient feedback...

such an effective way, what we also strongly believe. MedicalGPS' focus has always been on creating a favorable, memorable experience for the patient, not merely *satisfying* the patient. M3-Patient Experience is

dedicated to accomplishing exactly what Fred prescribes: monitoring, measuring, and maximizing the patient experience" -- Marty Hudson, MedicalGPS' President and Co-founder.

"Fred describes several simple-truths that compel patients to share their experience with friends and family. One simple-truth that spoke to me was Fred's description of the three levels of caring - competence, courtesy and compassion.

Whenever we experience compassion toward us, we're likely to share that experience days, weeks, or perhaps years afterwards with our friends and family. We're tremendously excited about working with Fred and Aura Lee as MedicalGPS delivers M3-Patient Experience and other consumer-focused solutions to healthcare organizations." -- Jerry Stone, MedicalGPS' Chief Operating Officer & Co-founder.

## Saving Time and Money on Patient Billing

By Marty Hudson and Mike Cowart

In this time of reducing reimbursement and increasing overhead, healthcare organizations must explore every opportunity to control costs. As organizations grow in size, printing needs become more voluminous, time-consuming and expensive. Those at the high end require expensive printers and other equipment to support and maintain high-volume and high print quality. The 21<sup>st</sup> century has brought with it electronic communication at a very high level; however, printing remains a key component of communicating with customers. Healthcare organizations have a high volume of statements that must be sent out each month, requiring a great deal of time and overhead. Outsourcing this function may be a huge opportunity.

Explore this further by asking yourself, "What problems do outsourcing services solve?" Everyone involved may have a different viewpoint. Obvious an-

swers may be cost savings, fewer employees or re-deployment of employees to more critical areas. Other opportunities may exist in better utilization of floor space, or old equipment needing replacement or constant maintenance. Other problems to correct may be a performance issue, rather than cost-savings. Is the job too big for the current in-house resources? This can result in extended days in accounts receivable, among other performance issues. Are there in-house limitations in changing statement formats, causing poor communications with your patients?

Whatever opportunities exist; be certain to involve key-players to reveal obstacles and side effects that may arise with any major change in operations. Involvement of key-players also creates buy-in and enhances your opportunity for success. Always monitor and be prepared to modify your changes after implementation. Communicate success and proactively address issues.

Statement Rendering Solutions, LLC, a document processing company located in Nashville, TN, recently implemented an outsource solution to a large group in excess of 25 clinics. An extensive cost analysis determined that the clinic organization was paying \$2.00 each to process a patient bill. That cost is now \$.60 including postage, outer envelope, reply envelope, customized statement, and all processing costs. Due diligence and a full analysis should be performed, as in any major change. MedicalGPS, LLC and Statement Rendering Solutions can provide you with data and expertise to assist your organization with this analysis and potential opportunities.

*Mike Cowart is Director of New Account Development with Statement Rendering Solutions, LLC, and can be contacted at 615-269-4566, ext 262 or email Mike at: [mcowart@statementrendering.com](mailto:mcowart@statementrendering.com)*

## Measuring to Improve or to Impress?

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On a 5-point scale, with 5 being the best rating, of the 13 questions answered, the patient gave a 4 rating to eight questions, one question actually received the highest rating, a 5, and four questions received an average, 3 rating. There were no unfavorable 2 ratings, and no very unfavorable 1 rating. Furthermore, often considered to be the most important question in terms of overall satisfaction, -- "Would you recommend us to friends and family" -- this patient gave the organization a 4 rating, the next to the best score. With an average score of 3.8 out of a possible perfect score of 5.0, this patient will most likely be viewed as being "satisfied" or perhaps as even being, "very satisfied".

The patient's real perception of their experience that day, in addition to their numerical scores, was summed up in a comment, which stated in part, "I will never come back here again". Wait a minute; what could have possibly went wrong? The lowest score was a 3, and

there were only four 3's, eight questions were 4's, and there was actually a 5! Yet the patient says they will never come back here again? One might conclude, "Obviously this patient does not know how to take a survey"! Unfortunately, that is not reality.

The reality is, averages and percentages often mask what's really happening. Too many of us well-intended managers/administrators have been lulled into a false sense-of-security, thinking, "we're doing OK, 98% of our patients are satisfied". And if you're normal, the next thing we do is ask, "how do we compare to other organizations like us, I'm sure we're at least as good as they are, if not better...?" These kinds of questions are often symptoms of organizations that have, with very good intentions, been measuring to impress, instead of measuring to improve. More times than not, these organizations want to measure to improve, but have inherited the methods and systems passed on to them that do not allow them to meas-

ure to improve.

Measuring to improve, which by the way, will result in those favorable impressions we're all striving for, requires a change in the way most organizations collect, analyze, communicate and otherwise, use patient feedback.

***"We can't solve problems by using the same kind of thinking we used when we created them."***

*--Albert Einstein*

Here are MedicalGPS' 10-steps to; Measuring to Improve:

- 1-Develop actionable questions
- 2-Collect, analyze and review patient feedback near real-time
- 3-Before aggregating patient feedback, review each patient's response ("can't be done" you say, let MedicalGPS help maximize the use of technology).

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MedicalGPS, LLC

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## About MedicalGPS, LLC

MedicalGPS, LLC was founded on certain uncompromising guiding principles. We are committed to servicing our clients and their affiliates with the highest degree of ;

*Integrity, Honesty, Fairness,  
Faithfulness,  
Reliability, and  
Dependability.*

Marty Hudson & Jerry Stone

Photograph by Marty Hudson  
Lighthouse - Nathan Williams

## Measuring to Improve or to Impress?

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**4-**Stratify patient feedback into Exceptional and Unacceptable categories

**5-**Proactively review Exceptional and Unacceptable responses with responsible support staff as soon as possible following the patient's experience (within several hours or a few days, not several weeks or months).

**6-**Follow-up with patients' requiring/requesting follow-up as soon as possible (the longer the patient waits for a response, the greater the likelihood that patient will not remain loyal).

When your organization receives repeated undesirable responses-

**7-**Review policy and procedures

**8-**Reaffirm policy and procedures are appropriate, or modify as needed

**9-**Couch and Counsel support staff as needed.

**10-**Benchmarking – focus on internal benchmarks and improvement trends, and pay less attention to external comparisons. External comparisons usually lead right back to, "we're doing OK compared to..." which takes the focus off of measuring to improve.

***"An organization's ability to succeed has more to do with its ability to transform itself, continuously, than whether it has the right strategy"**  
--F. Gouillard*

*If your organization desires to measure to improve, letting the improvements impress, we'd like to demonstrate for you M3-Patient Experience™, MedicalGPS' real-time patient feedback solution.*

**Contact MedicalGPS  
for an on-line demonstration of  
M3-patient Experience™**

## A Better Bedside Manner

*(Continued from page 1)*

These apology programs, which some call "honesty" programs, vary from hospital to hospital, but usually follow a similar protocol. After a bad outcome, a review committee determines whether the standard of care was met. If the standard of care was not met, a meeting is scheduled with the patient and family and their legal counsel, where the doctors apologize, provide explanations, and, importantly, offer fair, upfront compensation for the injuries.

On the other hand, if the investigation shows that the standard of care was in fact met, the doctors still meet with the patient and family and their legal counsel. They explain what happened, open medical charts, and answer all questions. This approach, the Coalition says, reduces the number of nonmeritorious cases that account for 60 to 80 percent of all medical malpractice lawsuits.

As a lawyer, I know this approach is the reverse of traditional litigation strategy. But by not involving insurance companies and their legal counsel on the front end, it seems that doctors and hospitals may greatly benefit from it. Lawyers are still involved, but typically they are hospital and physician attorneys who prepare the compensation/release forms necessary to legally implement the agreements. And in the case of a denial by the hospital and physicians of compensation, evidence of the case has already been presented to the family and patient and their counsel and can be defended in court. Discovery costs are reduced by presenting the information on the front end. The Coalition states that hospitals and physicians save money either way.

And most importantly, the patients benefit from honesty programs. The Coalition states that they are provided a quick and fair alternative to litigation and reports that honesty programs help doctors improve medical care because they can learn from their mistakes.

*Jefferson H. Ockerman, J.D., counsel with Stites & Harbison, PLLC, Nashville, TN, advises clients on a variety of health care law matters. He regularly provides counsel on issues including fraud and abuse, physician self-referrals, the confidentiality of health information, licensures and certificates of need, PPO and PHO formation and managed care law. Contact Jeff at 615-782-2200.*