Increasing Block Utilization to Drive Bottom-Line Revenue & Grow Surgical Volume

By consolidating surgical block and case data into a powerful operations management system that empowered service line managers to make better block adjustments, Boston Medical Center:

- Added an additional $3.9M per year to the hospital’s bottom line over a three-year period, for a total of approximately $11.6M in additional margin over three years
- Increased overall surgical block utilization from 74-80% over this three-year period
- Contributed to a 2.7% increase case volume over this three-year period
- Fostered a shared accountability framework for executives, surgeons and OR service managers built on accurate, understandable, actionable data

“...We are still using stone tools to conduct sophisticated analysis. It makes sense to enlist companies that can code and build analytic platforms that support hospital operations.”

Yi-An Huang
Senior Director of Procedural Operations
Boston Medical Center Challenges

With 74% surgical block utilization, the BMC team knew its block utilization could be significantly higher. Higher block utilization would mean making better use of fixed labor costs by leveraging employees who were otherwise idle. Additionally, they needed to serve a growing patient population by increasing surgical volume.

An executive committee was managing block allocation across all service lines without good insight to how block time was actually being used by surgeons. This centralized management structure hindered individual service line managers from effectively assigning block time to surgeons and groups while taking departmental culture into account, resulting in a gap between accountability and responsibility. Furthermore, discussions amongst this executive group over improving utilization were nonproductive without good data.

The BMC team knew the answer to improvement was in their data, but BMC’s Epic EHR was not up to the task. Yi-An Huang, a very senior resource, spent a quarter of his time channeling multiple 50-page Epic PDF reports into Excel in an attempt to correlate surgical blocks to actual surgical case load. The process was incredibly time consuming and cumbersome, and even after all this effort, the information was difficult to present and offered only limited insights for executives and service line managers to improve surgical block utilization.

“The reality is that hospitals are places swimming in data but have very little insight and it is difficult to turn the data into something they can take action on.”

Yi-An Huang
Senior Director of Procedural Operations
Hospital IQ’s Perioperative Solution

Hospital IQ’s Perioperative solution provided Boston Medical Center with the data to capture all potential opportunities with the setup of automated feeds to ingest data from Epic EHR. With the software’s insights, hospital administrators analyzed time at a granular level, matching surgeons to specific patient cases.

The solution also “shuffled the deck” of scheduled blocks and surgeons vs. actual surgical cases performed; calculated utilization easily; and made the results easy to access, communicate and drill into. Executives could easily see performance numbers and understand the calculations behind them.

This clarity drove the executive group to the better definition of overall block distribution and also allowed for the creation of a shared ownership framework in which OR service line managers could meet their responsibility by managing their own blocks in a much more agile fashion than a quarterly meeting.

Benefits Achieved And Value Created

By leveraging the Hospital IQ’s Perioperative Solution, Boston Medical Center captured opportunities to increase block utilization from 74-80% and increase case volume by 2.7% over a 3-year period.

Additional cases were implemented inside existing prime-time blocks, without the need for additional staff members. This translated into additional per case bottom line revenue and saved the hospital thousands in variable costs per case. The combination added an additional $3.9 million per year to the hospital’s bottom line over three years, for a total of approximately $11.6 million.

Confidence and transparency in the Hospital IQ system and data opened the door to cultural and managerial change. The system fostered a shared accountability framework for executives, surgeons and OR service managers built on accurate, understandable, and actionable data. A true cultural shift occurred in which blocks change more often and utilization is reviewed every quarter.

“Being able to take the data and use it as a tool to visualize what our performance looks like and highlight opportunities to improve is pretty invaluable.”

Yi-An Huang
Senior Director of Procedural Operations

About Hospital IQ

Hospital IQ is a team of industry veterans who are passionate about working closely with health systems and using collective knowledge and experience to drive operational innovation and improved performance.

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