

2018 Perioperative Report

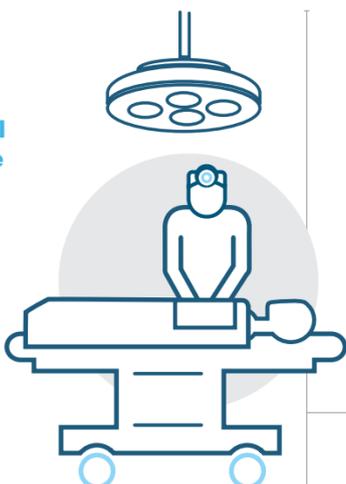
HOSPITAL IQ GATHERED THE PERSPECTIVES OF HOSPITAL LEADERS WITH REGARD TO THEIR FUTURE GOALS AND KEY PERFORMANCE AREAS IMPACTING HOSPITAL OPERATING ROOMS. Across the United States, hospital leaders reported low surgical block utilization and high costs associated with suboptimal surgical staffing. As hospital leaders project ambitious surgical revenue targets over the next 3 years, they will require technology solutions that can leverage the vast amounts of data they already have access to from existing IT investments in order to fully capture revenue and margin opportunities in the OR.

What are the top perioperative priorities for hospital operational leadership?

Top Strategic Objectives

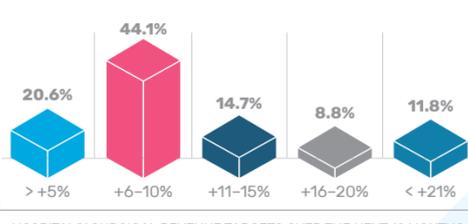
When asked to rank 5 strategic objectives, **respondents prioritized growing surgical capacity as the number one objective over the next 12 months.**

Of those strategic objectives, growing surgical capacity was followed by increasing OR utilization, improving labor productivity, improving on-time first-case starts, and reducing staff overtime.



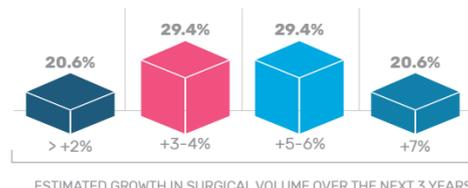
Increase Surgical Revenue

71% of respondents indicated they would like to grow surgical revenue by 6% or more in the next 12 months, with **12% targeting a surgical revenue growth of 21% or higher.**



Grow Surgical Volume

Over the next three years, **79% of respondents anticipated** growth in surgical demand of 3% or higher, with **21% estimating growth in surgical demand of 7% or higher.**



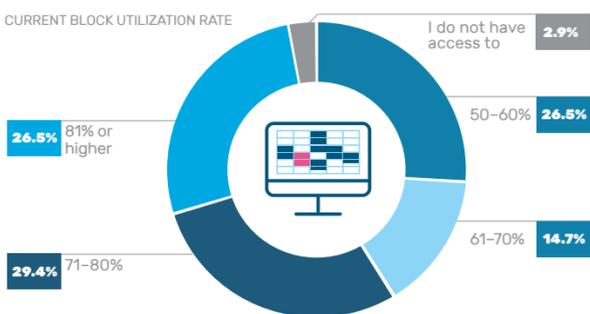
Please rank the following objectives for your hospital over the next 12 months (1 = least, 5 = most important)



What are the key OR challenges?

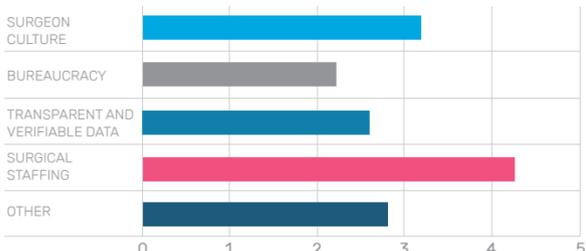
Block utilization

71% of respondents estimated their block utilization rate as lower than 81%, while 26% indicated block utilization between 50-60%.



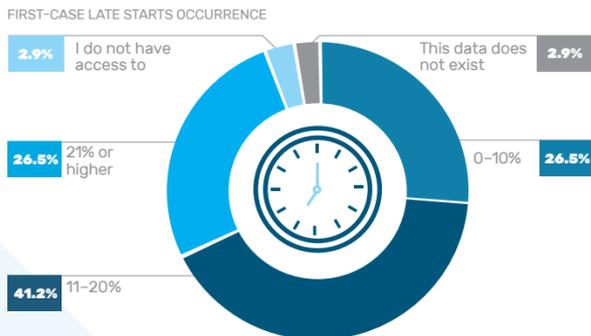
Of those who struggle with block utilization, surgeon culture and bureaucracy were reported as the biggest obstacles, followed by lack of transparent and verifiable data, and surgical staffing. Additional responses included difficulty in confirming schedules of surgeons who also work in ASC/clinics and available hospital beds.

Please rank these obstacles to increasing block utilization (1 = biggest obstacle, 5 = smallest obstacle)



Late first-case starts

68% of respondents reported that first-case late starts happen greater than 10% of the time, with 26% estimating that first-case late starts happen 21% of the time or higher.



Of those who reported late first-case starts, 60% indicated that surgeon lateness was the leading cause.



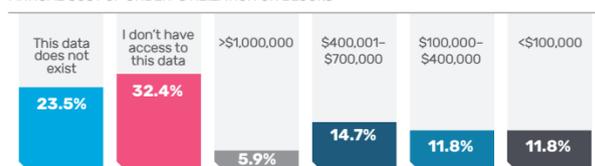
Staffing

Scheduled staff for under-utilized surgical blocks:

32% of respondents estimated \$100,000 or more is wasted annually due to scheduled staff costs in under-utilized OR blocks, with 6% estimating an annual cost greater than \$1,000,000.



ANNUAL COST OF UNDER-UTILIZATION OR BLOCKS

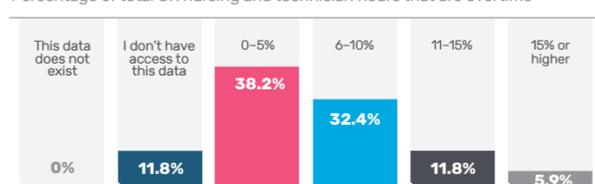


Of those who struggle with creating a surgical staffing schedule that is aligned to actual surgical demand, budget restrictions and lack of appropriate technology to develop schedules were the biggest obstacles identified, followed by lack of data and appropriate time needed to develop the schedules.

Overtime hours: 50% of respondents indicated

5% or more of total OR nursing and technician hours are considered overtime.

Percentage of total OR nursing and technician hours that are overtime

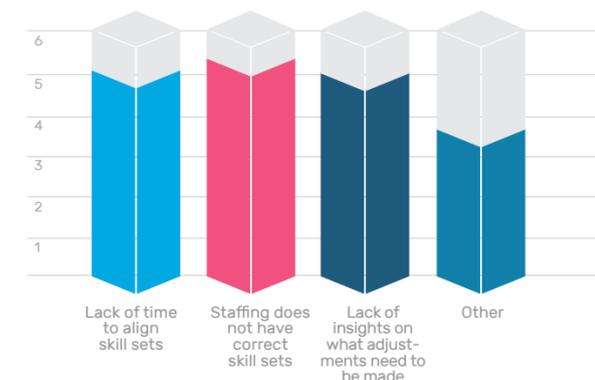


Of those who struggle with nursing and technician overtime hours, budget restrictions and the fact that the data doesn't exist were reported as the two biggest obstacles to reducing overtime, followed by a lack of technology to develop schedules.

Misalignment of staff skill sets: 47% of respondents indicated that misalignment of OR staff skill sets was a costly hospital issue.

When asked to rank the obstacles to aligning OR staff skill sets, staff not having the correct skill sets and lack of insights on what adjustments need to be made were reported as the biggest hurdles, followed by the lack of time to align skill sets.

Please rank these obstacles to increasing block utilization (1 = biggest obstacle, 6 = smallest obstacle)

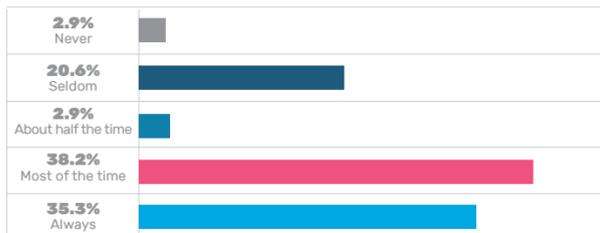


What are data and technology trends for OR hospital leadership?

Inaccessible data

Only 35% of respondents reported they are consistently able to access the data needed to make OR staffing decisions, with **24% indicating they seldom or never have access to the data they need.**

How often hospitals are able to access the data needed to make OR staffing decisions



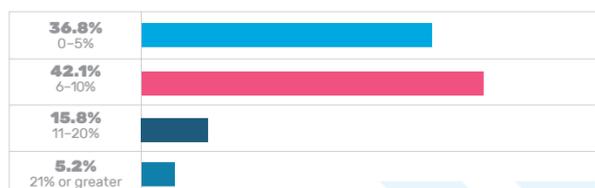
Unsophisticated tools

To create block scheduling for operating rooms, respondents reported 46% use Excel spreadsheets, 33% use a computer program, **13% use hard copy datasheets**, and 8% responded with "other", specifying both hard copy and Excel spreadsheets or using a third party analysis company.

Growing investments in technology

76% of respondents indicated they believe better technology is essential to achieving their hospital objectives for the next 12 months, with **63% estimating increased investments in operational analytics tools** over the next 3 years of 6% or greater. 5% even estimated investments of 21% or greater.

How much hospitals are planning to increase investments in operational analytics tools over the next 3 years



CONCLUSION

In a competitive healthcare landscape, hospital leaders have ambitious goals to increase both surgical revenue and surgical capacity. However, key OR challenges are preventing hospitals from reducing cost waste and leveraging resources toward growth. Across the country, hospitals struggle to leverage data effectively in order to capture opportunities and hold surgeons and staff accountable for OR performance. To achieve these strategic goals, hospital leaders will need to invest in better technology and establish a data-driven perioperative culture. To learn more, visit www.hospiq.com/perioperative