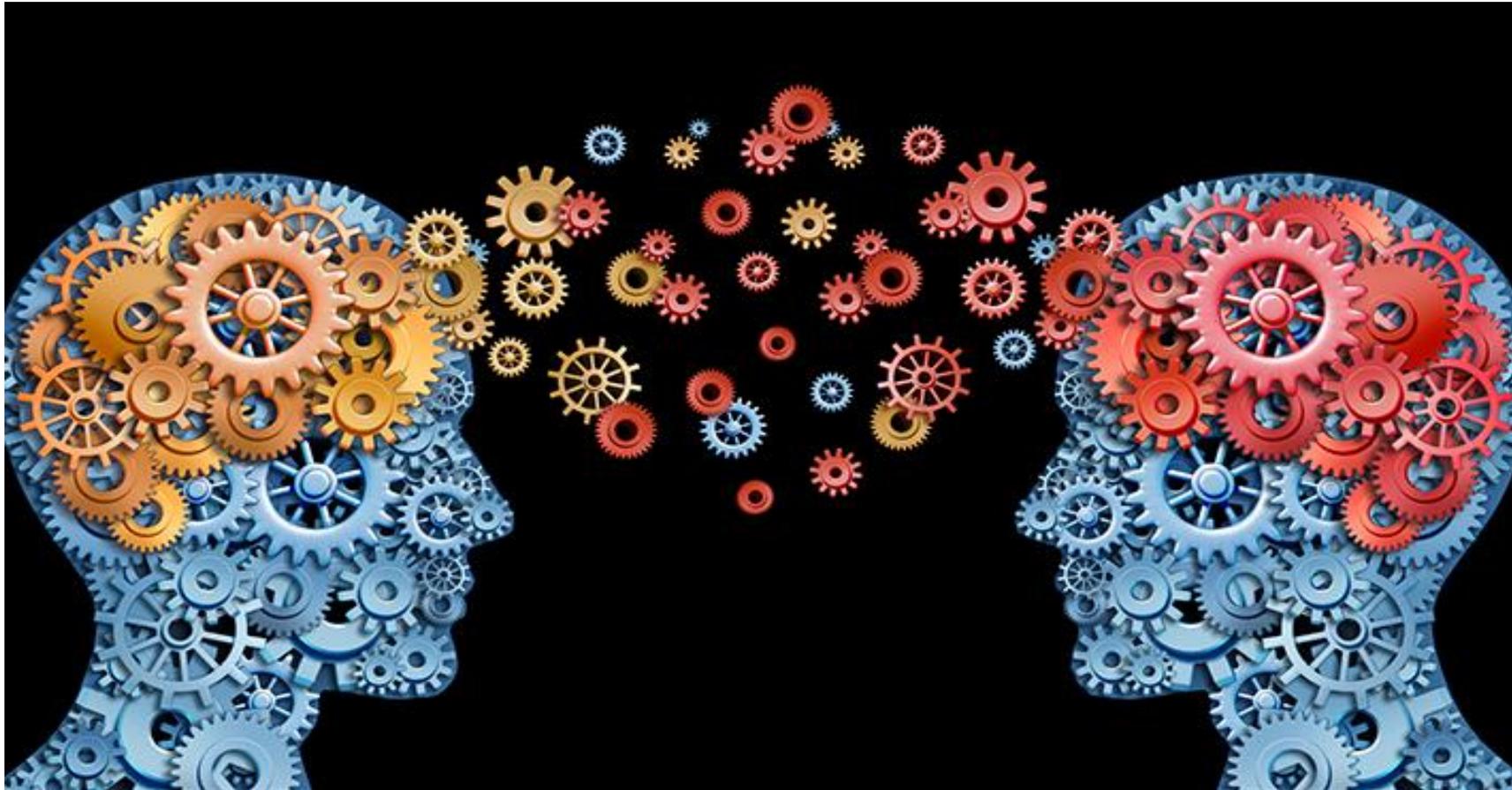


# C Suite, Data, & KPI's



Presenter: Matt Rahe

# Explaining to the CEO

- [Explaining compliance to your CEO](#)

# Agenda

- Knowing your audience
- How to think like an executive
- Building a business case
- Sample data



# What Keeps Your CEO Up at Night?

- Patient Safety and Compliance
- Financial Health of the Company
  - Reimbursement Models
  - Insurance Landscape
- CMS Reimbursement
- Bad Press and Emergencies
- Patient Expectations



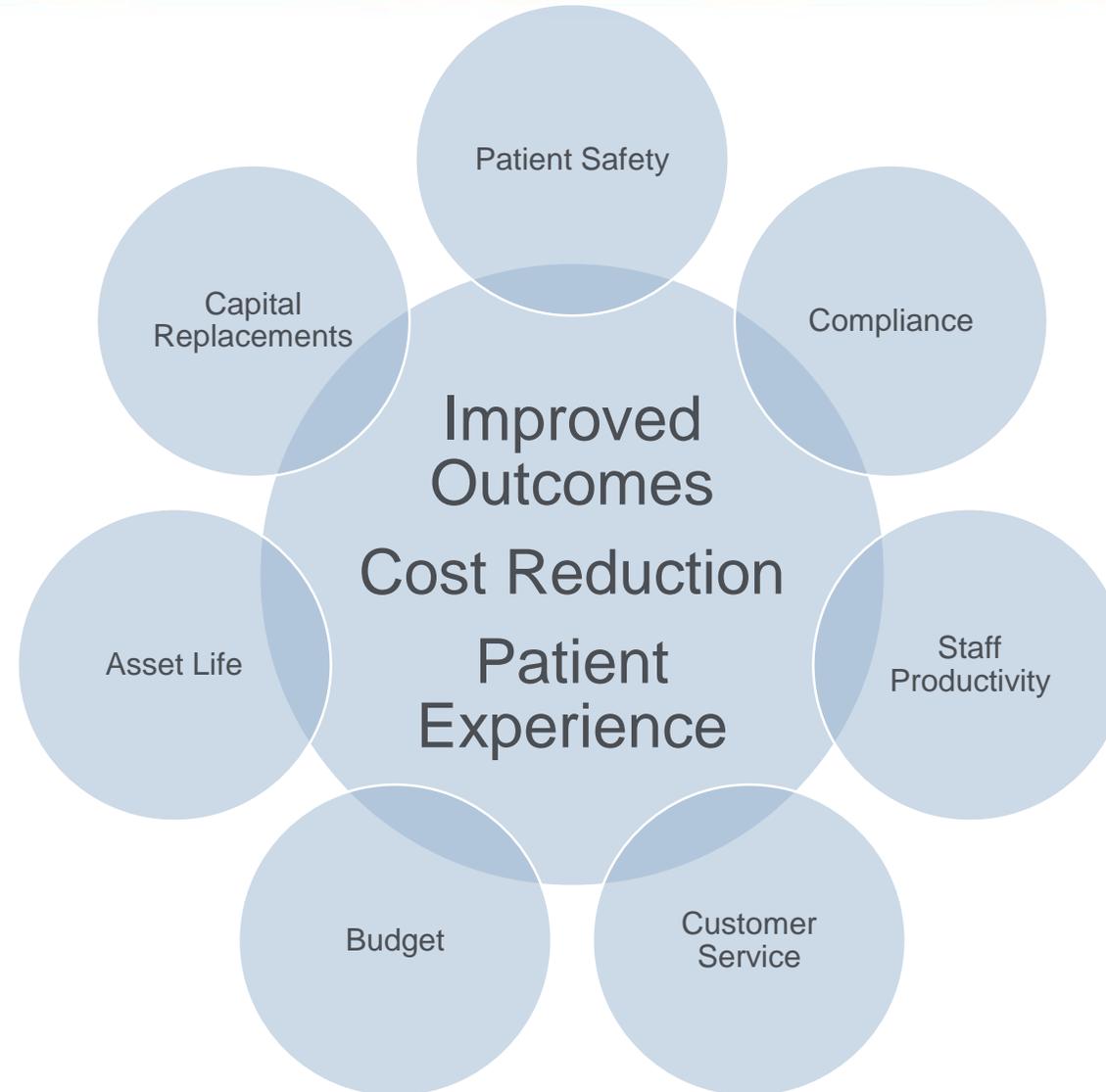
A healthcare professional, likely a nurse or doctor, is shown from the chest down, wearing light blue scrubs. A silver stethoscope is draped around their neck. They are holding a white tablet computer with both hands, looking at the screen. The background is a blurred hospital setting with warm, bokeh-style lighting.

***“With the increasing popularity of high-deductible health plans and more readily available information on outcomes and prices, healthcare is becoming an industry in which consumers shop for care. This makes it critical for hospitals and health systems to become more competitive to maintain market share.”***

***“CEOs and CFOs: 10 Things Demanding Your Attention this Year,” Becker’s Hospital Review, January 5, 2016***



# What Do You Notice?



# Think Like an Executive

- Weigh decisions as they relate to the whole business not just you or department
- Keep their priorities in mind
- Use data to support your decisions
  
- What do you need to be more effective:
  - Funding for projects
  - A bigger staff
  - Replace equipment/systems
  - Technology
- Triple AIM APPROACH



<http://www.paloalto.va.gov/PALOALTO/features/mobiledevices.asp>

# Learning the Language

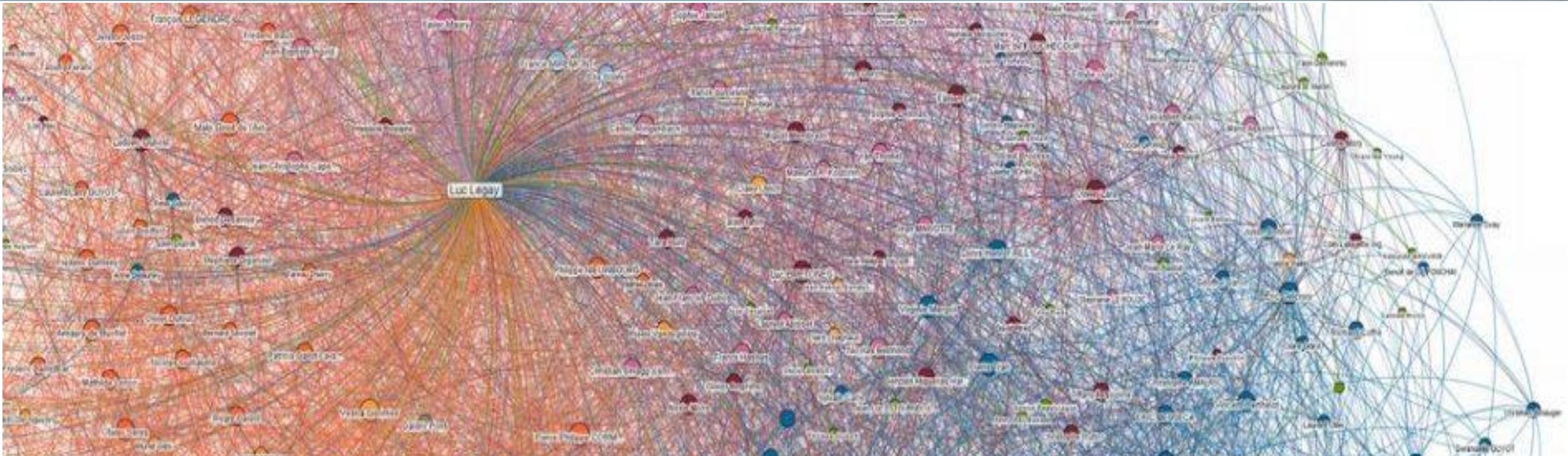


- Industry Publications
- Conferences
- Ask!

It's a Data Driven World



# Data – Your Most Precious Resource



“People talk about data being the new oil, I think it’s going to be like the new water. It’s just a resource that will be core to how we do our business and lead our lives.”

Joel Gurin – founder [OpenDataNow.com](http://OpenDataNow.com)

# Cost Standards

## Maintenance Cost/GSF:

- Mean = \$5.04
- Best in Class = \$1.39
- 90<sup>th</sup> Percentile = \$8.96

## Utility Spend/GSF:

- Mean = \$3.23
- Best in Class = \$1.26
- 90<sup>th</sup> Percentile = \$4.91

You can't manage  
what you can't **measure**

Peter Drucker



# Success Depends on Speaking the Same Language

- Bi Weekly meetings with leadership
- Developing goals and KPIs
- Track dollar value of the projects planned and executed
- Be proactive and get involved
- Stay ahead of code changes and industry trends

# Key Performance Indicators

## Maintenance Productivity Data Collected in a CMMS:

- 31% - Response time for work requests
- 39% - Percentage of work orders closed on time
- 38% - Cost per square foot
- 26% - Number of service complaints
- 55% - Maintenance staffing per square foot
- 12% - Percentage of budget spent on breakdowns
- 55% - Corrective backlog and PM completion

# Build a Business Case

- Talk Solutions, Not Products
  - Describe the problem you are trying to solve
  - Describe the results of the proposed solution
- What are the drivers behind the solution?
  - Create efficiency
  - Mitigate risk
  - Drive revenue
  - Reduce cost
- Include data points specific to your request
  - Increased instances of failure
  - Cost overruns
  - Corrective actions

# Measure Twice Cut Once

- 67% of respondents had their requests for funding denied at least once due to lack of justification
- Data to support funding requests is critical to approval.



# What Do You Need to Be More Effective?

- A bigger staff?
- Funding for projects?
- Replace equipment/systems?
  - Reduce risk
  - Energy savings

# What Can You Bring to the Table?

- **Staffing Recommendations**
  - Amount of Work (time spent and number of work orders)
  - Responsiveness
  - Staff Productivity
  - Percent of Work Contracted
  - Amount Spent on Contracted Work by Category



# What Can You Bring to the Table?



- **Capital Replacement Recommendations**
  - Asset Inventory – age, condition, useful life, availability of spare parts, work/operational history, area served/risk
  - Total Cost of Ownership
  - Costs per Asset

# What Can You Bring to the Table?

- **Safety/Compliance Data**
  - Are we prepared for our surveys?
  - Are we vigilant about patient safety?
  - Are we getting the most out of our assets/saving energy?
- **Customer Satisfaction Data**



# Quiz: Do you know your own numbers?

1. Maintenance costs per square foot?
2. Per discharge?
3. Number of work requests?
4. Response time for work requests?
5. Asset Inventory
  1. Up to date?
  2. Age?
  3. Condition?
  4. Work history?
  5. Risk assessment?



<https://blog.nsbank.com/health-savings-accounts-what-how-and-why/>

# Quiz: Do you know your own numbers?

Maintenance cost per square foot?

\$5.04

*Benchmarking 2.0: Healthcare Facility Management Report, IFMA 2013*

Per discharge?

\$291.47

*Benchmarking 2.0: Healthcare Facility Management Report, IFMA 2013*



<https://blog.nsbank.com/health-savings-accounts-what-how-and-why/>

# Where Do I Get the Data?

Only **26%** were tracking number of service complaints.\*

Only **12%** were tracking percentage of budget spent on “breakdown (unplanned) maintenance.”\*

Only **26%** were tracking “man hour” productivity.\*

# You Can't Manage What You Can't Measure

And you can't measure what you can't capture...

You need:

- Work Request Management
- Planned Maintenance (specific to HC compliance)
- Asset Management (specific to HC compliance)
- Environment of Care Rounding
- QA and Customer Surveys
- Analytics/Reporting (specific to HC compliance)
- System-Level Benchmarking and Reporting

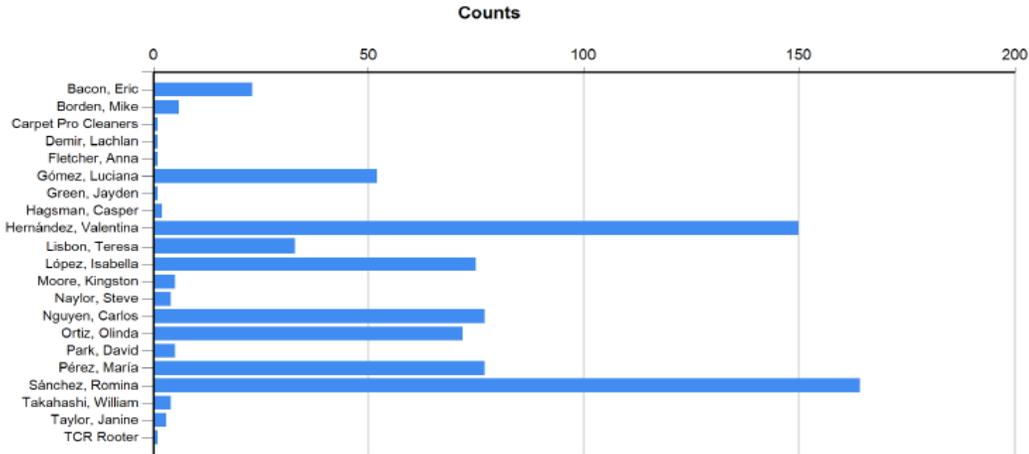
# Report and Analyze: Repair vs Replace

Asset #	Description	Tag	Model Serial #	Location	Category	Purchase Cost	Time	Cost	% of Purch Cost	
39	Generator	EEG01	98A01627-S 2040945	Exterior > Maintenance Shed	Electrical	\$10,000.00				
	<u>WO#</u>	<u>Priority</u>		<u>Description</u>		<u>Start Date</u>	<u>Completion Date</u>	<u>Labor Time</u>	<u>Cost</u>	
	4715	6 - By Due Date		Weekly Generator Test		21-Dec-15	27 Dec 2015	0m		
	4727	6 - By Due Date		Weekly Generator Test		21-Dec-15	30 Dec 2015	0m		
	4799	6 - By Due Date		Annual Emergency Generator Inspection (Gas)		23-Dec-15	04 Jan 2016	0m	\$500.00	
	4946	6 - By Due Date		Weekly Generator Test		28-Dec-15	03 Jan 2016	0m		
	4958	6 - By Due Date		Weekly Generator Test		28-Dec-15	06 Jan 2016	0m		
	5165	6 - By Due Date		Weekly Generator Test		04-Jan-16	08 Jan 2016	0m		
	5167	6 - By Due Date		Weekly Generator Test		04-Jan-16	11 Jan 2016	0m		
	5283	6 - By Due Date		Annual Emergency Generator Inspection (Gas)		06-Jan-16	18 Jan 2016	0m		
	5465	6 - By Due Date		Weekly Generator Test		11-Jan-16	17 Jan 2016	1h	\$15.00	
	5467	6 - By Due Date		Weekly Generator Test		11-Jan-16	20 Jan 2016	0m		
	5687	6 - By Due Date		Weekly Generator Test		18-Jan-16	27 Jan 2016	0m		
Asset #	Description	Tag	Model Serial #	Location	Category	Purchase Cost	Time	Cost	% of Purch Cost	
		9708		Weekly Generator Test		07-Jun-16	17 Jun 2016	0m		
		9832		Weekly Generator Test		13-Jun-16	19 Jun 2016	0m		
		9856		Weekly Generator Test		14-Jun-16	17 Jun 2016	0m		
		9985		Weekly Generator Test		20-Jun-16	In Progress	0m		
		10025		Weekly Generator Test		21-Jun-16	In Progress	0m		
							Total: 82 WOs	28h 37m	\$1,274.36	12.7 %
							Total: 82 WOs	28h 37m	\$1,274.36	

# Report and Analyze: Productivity and Responsiveness

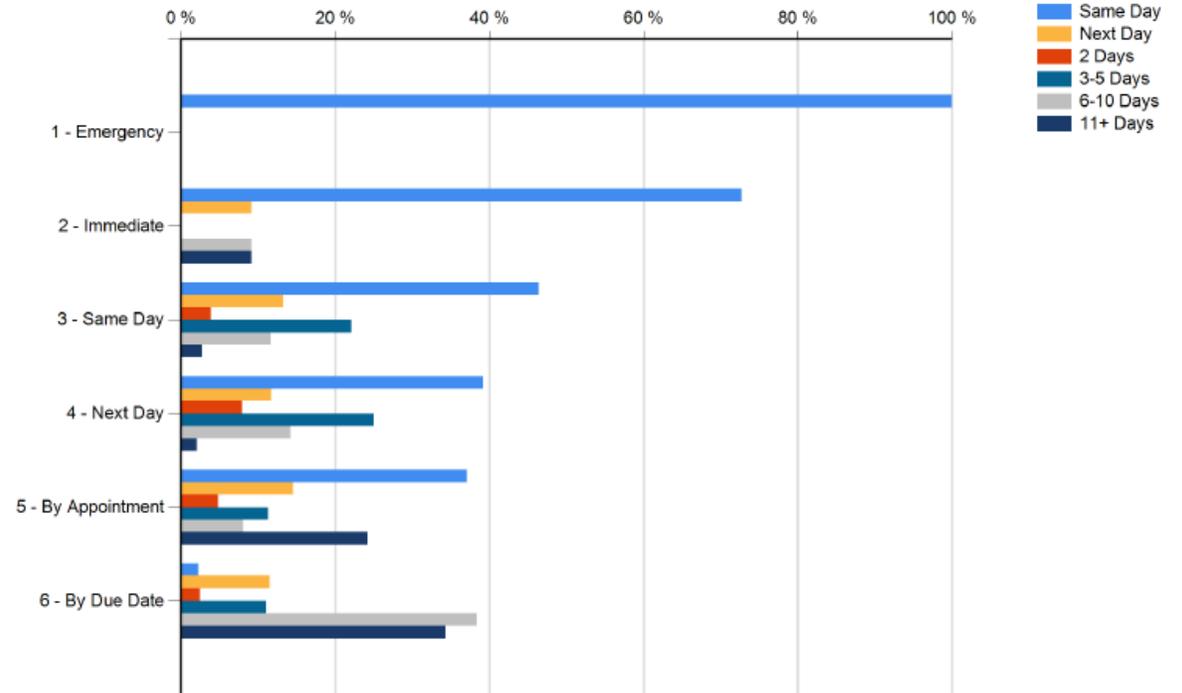
## DSI App Engineers

## Labor Productivity



Name	# of Work Orders	# In Progress	Time	Cost
Bacon, Eric	23	1	62h 11m	869.01
Borden, Mike	6	1	3h	0.31
Carpet Pro Cleaners	1	0	2h	0.00
Demir, Lachlan	1	0	1h	15.00
Fletcher, Anna	1	0	1h	0.00
Gómez, Luciana	52	4	69h 20m	832.00
Green, Jayden	1	1	1h	0.00
Hagsman, Casper	2	0	2h	30.00
Hernández, Valentina	150	12	74h 30m	968.54
Lisbon, Teresa	33	1	21h	315.00
López, Isabella	75	3	137h 30m	1,650.00
Moore, Kingston	5	1	11h	128.00
Naylor, Steve	4	0	39h 45m	
Nguyen, Carlos	77	6	38h 30m	500.50
Ortiz, Olinda	72	0	36h	504.00
Park, David	5	0	12h 30m	500.00

## Work Order Response Time By Priority



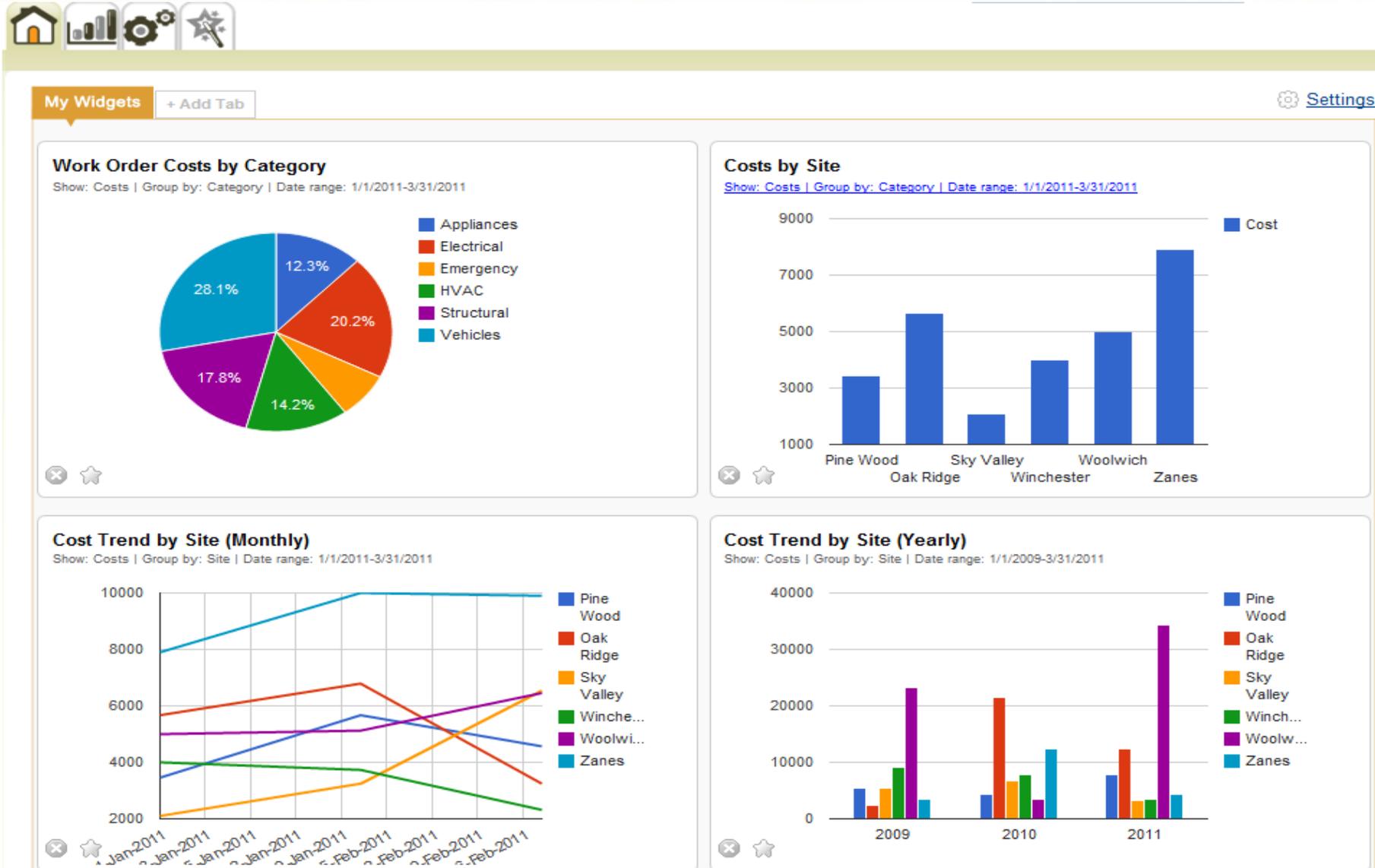
Work done within:	Same Day	Next Day	2 Days	3-5 Days	6-10 Days	11+ Days
1 - Emergency	1 (100.0 %)	0 (0.0 %)	0 (0.0 %)	0 (0.0 %)	0 (0.0 %)	0 (0.0 %)
2 - Immediate	8 (72.7 %)	1 (9.1 %)	0 (0.0 %)	0 (0.0 %)	1 (9.1 %)	1 (9.1 %)
3 - Same Day	84 (46.4 %)	24 (13.3 %)	7 (3.9 %)	40 (22.1 %)	21 (11.6 %)	5 (2.8 %)
4 - Next Day	94 (39.2 %)	28 (11.7 %)	19 (7.9 %)	60 (25.0 %)	34 (14.2 %)	5 (2.1 %)
5 - By Appointment	23 (37.1 %)	9 (14.5 %)	3 (4.8 %)	7 (11.3 %)	5 (8.1 %)	15 (24.2 %)
6 - By Due Date	12 (2.3 %)	60 (11.5 %)	13 (2.5 %)	58 (11.1 %)	201 (38.4 %)	180 (34.4 %)
Total	222 (21.8 %)	122 (12.0 %)	42 (4.1 %)	165 (16.2 %)	262 (25.7 %)	206 (20.2 %)

# Report and Analyze: EOC Trends

## EOC Rounds Top 10 Deficiencies

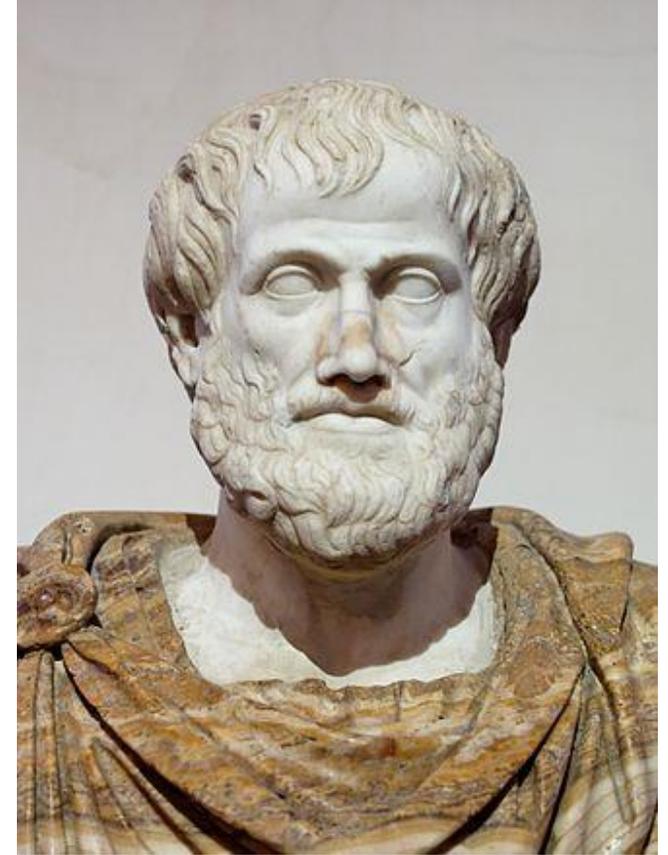
Rank	Item	Total Inspections	# of Deficiencies	Compliance %
1	Emergency Preparedness > Explain the acronym RACE	272	15	94%
2	Emergency Preparedness > Unattended Computers are Logged off	272	15	94%
3	Fire Safety > No doors propped open (wedge)	272	15	94%
4	Hazardous Materials and Waste > NO regular trash is present in Red bag or Red bin biohazard waste containers	272	14	95%
5	Hazardous Materials and Waste > Staff Question: How do you obtain a MSDS/SDS from the Intranet?	272	10	96%
6	Medical Equipment > All rental equipment has an orange non hospital owned equipment tag.	272	10	96%
7	Medical Equipment > Staff Question: What do you do with broken patient care equipment?	272	9	97%
8	Safety and Security > What number do you call for Security assistance?	272	9	97%
9	Utilities > Light fixtures are functioning. (No burned out bulbs)	272	6	98%
10	Medical Equipment > Staff Question: What do you do with broken patient care equipment?	272	5	98%

# Report and Analyze: Site Comparisons



# TELOS

- Aristotle – 384 BC
- Student of Plato – founder of the study of logic
- The final cause (*telos*) is its **purpose**, or that for the **sake of which a thing exists or is done**, including both purposeful and instrumental actions and activities. The final cause is the **purpose or function that something is supposed to serve**. This covers modern ideas of motivating causes, such as volition, need, desire, ethics, or spiritual beliefs.



# Meaning of Work

The TED logo is displayed in a bold, red, sans-serif font. The letters are thick and blocky, with the 'E' having a distinct horizontal bar. The 'D' is rounded at the top and bottom.

<http://www.npr.org/programs/ted-radio-hour/443411154/the-meaning-of-work>

# Mission Statement

- Mission
  - ABC Health System is committed to improving the health and well-being of our community by providing outstanding and compassionate care to all.
- Vision
  - ABC Health System will be the provider of choice and the preferred partner for quality healthcare and community health by:
  - Collaborating with physicians, employees, volunteers and others to engage, educate and guide our community to take charge of their health and well-being
  - Transforming patient care delivery through high quality, coordinated services for the best value.
  - Ensuring we are the best minds and biggest hearts.

# Mission Statement

- **Our Mission**
  - To deliver compassionate, quality care that serves to promote the region's health
- **Our Vision**
  - ABC Health System will be the trusted leader in providing exceptional care for those we are *privileged* to serve.
- **We Value:**
  - **Safety as a guiding principle**
  - Compassion, dignity and respect for all people
  - Trust and accountability in all of our locations
  - Learning for life
  - Innovation in our approach
  - Teamwork and collaboration across boundaries
  - Community partners in health



- Mission
  - To improve the health and well-being of eastern North Carolina
- Our Values
  - Safety – Achieving zero harm to patients, visitors, families, and staff
    - Provide an environment of safety
    - Anticipate and prevent potential harm
    - Follow safety habits and best practices

# Our TELOS

- OUR MISSION

- We empower our clients and our people, combining innovative technology with operational insight to transform the places we learn, live, **heal**, work, and play.
- We don't cure cancer, we don't heal sick people or save lives
- BUT
- We have a unique opportunity
- We support the people who fight this fight

# Sources

- **“5 Strategic Advantages of Improved Facility Management in Healthcare,” *Becker’s Hospital CFO*, February 20, 2015**
- **“40 Things to Know About Healthcare Costs,” *Becker’s Hospital CFO*, January 13, 2016**
- ***Benchmarking 2.0: Healthcare Facility Management Report*, IFMA 2013**
- **“CEOs and CFOs: 10 Things Demanding Your Attention this Year,” *Becker’s Hospital Review*, January 5, 2016**
- **“Dan Beckham: The Most Important Characteristic in a CEO?: Strategic Muscle,” *Hospitals and Health Networks*, February 16, 2016**
- **“Hospital CFOs’ Top Concerns for 2016,” *Becker’s Hospital CFO*, December 8, 2015**
- **“How Your Hospital Can Tailor a Value-Based Strategy,” *Hospitals and Health Networks*, May 12, 2016**
- **“Smart Money: Making the Case for Hospital Infrastructure Funding,” *Health Facilities Management*, January 3, 2014**
- **“Stemming FM Shortage: Industry Leaders Discuss What Makes Field Great,” *Facility Care***





**Questions?**