



IMPERATIVE: CASE STUDY: Increase Laboratory Service Capacity Major University Medical System

Major Results:

- 50% increase in available service capacity
- Cost per billable test reduction over 24 months of nearly \$3M annualized
- Elimination of routing errors
- Reductions in Chemistry TAT of nearly 25%



University Medical Center Laboratory Achieves 50% Increase in Service Capability

A major university medical system, which consisted of three hospitals and numerous clinics spread throughout a metropolitan area was experiencing long turn-around times, potential lost business and a high cost per test. Each hospital had their own laboratory, including pathology staff. Each facility conducted a similar array of tests. There was little communication or coordination across pathologists or site management.

The improvement project was championed and driven by pathologist and medical staff, working with management within a structure designed and coached by Compirion's consulting team, who also provided analysis and system development. It began with a review of sites, volumes (actual and potential), markets and competition.

Sites were studied for business aspects: pathology and clinic relationships and incentives, operational capacity, clinic and hospital satisfaction and service levels, ordering and delivery protocols and expectations, test costs, and result technology, timeliness and availability.

Sites were studied for operational aspects: Work intake, processing, delivery and reporting systems and flow; staff expectations, assignment and supervision;

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University Medical Center Laboratory Achieves 50% Increase in Service Capability *(cont.)*

management activity and coordination; resource requirements, service and capacity levels necessary to meet community potential demand.

A new laboratory system was designed and fully implemented including:

- New clinical workload standards
- Staff cross-training program fully implemented
- Centralized rapid testing lab
- Consolidation of all Hematology
- Single management structure
- New test routing system to assure rapid TAT
- Streamlined ordering and resulting systems
- Pathologist and Management team daily review of flow, quality and financials.
- Coordination with finance and marketing on strategic growth initiative

At the end of the improvement project the following major results were achieved:

- 50% increase in available service capacity
- Cost per billable test reduction over 24 months of nearly \$3M annualized (Capacity+service+marketing > volume + natural attrition).
- Elimination of routing errors
- Reductions in Chemistry TAT of nearly 25%

For more information on Compirion's sustainable healthcare solutions call **1-866-661-4677**, or visit **www.compirion.com**.

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