



Quality and Cost: All That Glitters Is Not Gold

Brittany Hightower, MSN, RN, Value Analysis Clinical Manager Ellie Kirshenbaum, BSN, RN, CPN, Value Analysis Clinical Manager Nebraska Methodist Health System, Omaha, Neb.

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Brett Richmond, FACHE, President and Chief Executive Officer Methodist Fremont Health, Fremont, Neb.

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## **Learning Objectives**

- Define the roles and responsibilities of the New Product Committee.
- Identify at least three criteria important in the evaluation of new product requests.
- Describe the value of incorporating quality metrics after implementation of new products, procedures or equipment.



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Agenda

Who

Why & How

New Product Committee

Quality & Cost

Takeaways & Lessons



Nebraska Methodist Health System

- Serving eastern NE & western IA
 - Methodist Hospital (Omaha), 475-bed hospital
 - Methodist Womens Hospital (West Omaha),137-bed hospital
 - Methodist Jennie Edmundson (Council Bluffs), 236-bed hospital
 - Methodist Fremont Health (Fremont), 75-bed hospital
- Other Services
 - 31 Clinic locations throughout Nebraska & southwest Iowa
 - Nursing & Allied Health College with 1,000+ students
 - Laundry & Supply Distribution Center
- Mission
 - Improving the health of our communities by the way we care, educate, & innovate

*PHOTOS: Methodist: Find a Location. Methodist Health System website. https://bestcare.org/locations?_ga=2.14623799.1284541338.1690382971-1313689511.1664300624. Published 2023. Accessed July 2023.



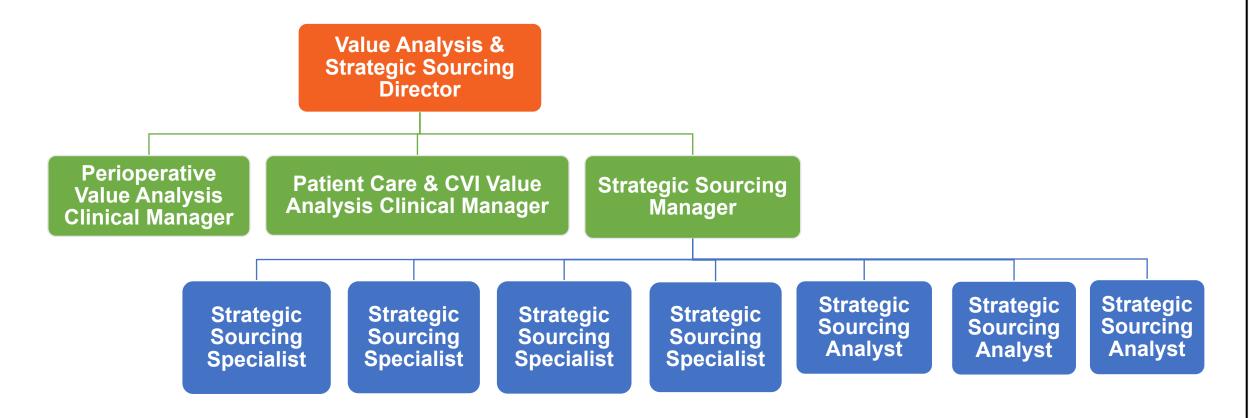








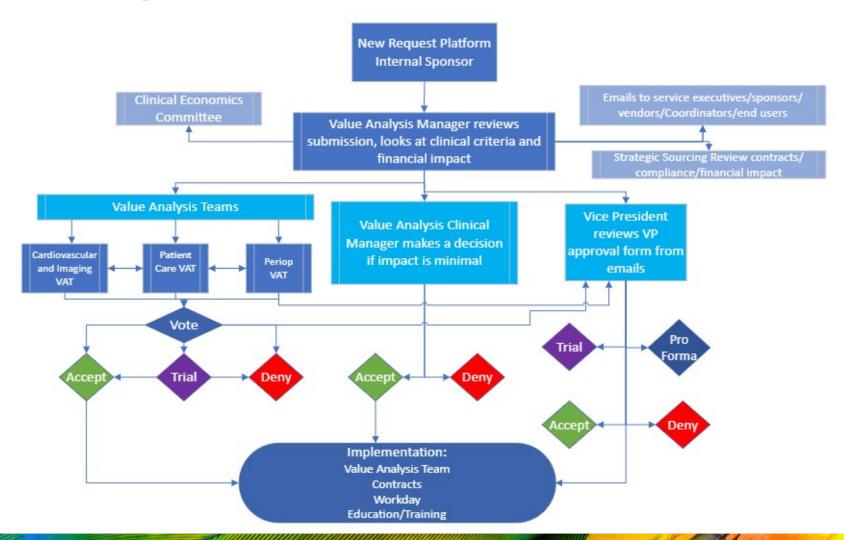
Value Analysis at Methodist



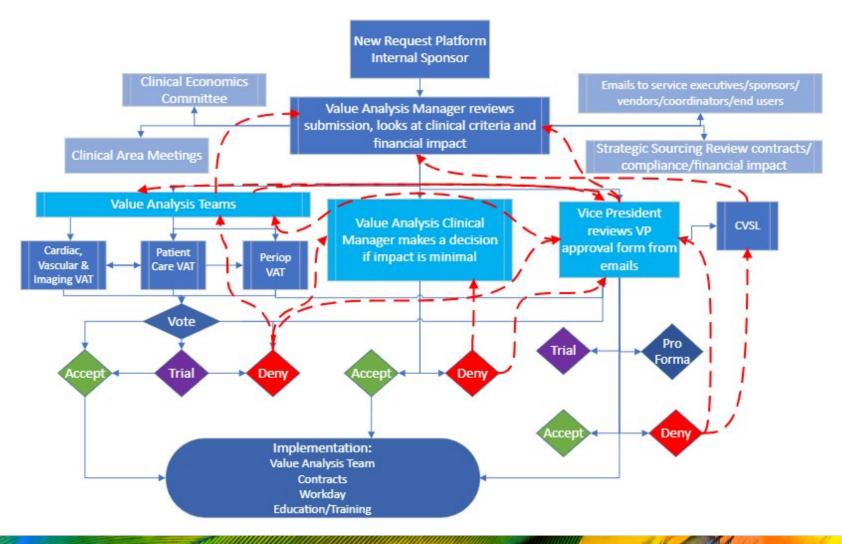
Department Mission: Foster a clinically-integrated and fiscally-responsible supply chain by utilizing data-driven practices and developing innovative strategies.



Prior New Request Workflow



Prior New Request Workflow



CVSL: Cardiovascular Service Line

Why --

Inefficiencies

 Lack of evidence, accountability, & performance metrics to prove or disprove assumptions



Strategies

Data-Driven Decision Making

Assumptions & Clinical Variation



Post-Implementation Validation

 All requests fully reviewed regardless of sponsor and system intent



System Approach to Goal Alignment

Several review pathways & communication channels



Consistent Communication

 Isolated efforts in improving patient outcomes creating disconnect between product & practice



Quality Collaboration

How --

Best Practice Research Networking with external health systems

Association of Healthcare Value Analysis Professionals Leaders

WEEK 1-2

Gather information and collaborate with Quality Department leaders from all 4 affiliates

WEEK 3-5

Review current process with key stakeholders in clinical areas

WEEK 6-9

Develop process and proposal for new request process

WEEK 10-12

Presentations:

- Sourcing Specialists
- Quality Leaders
- Clinical stakeholders
- CNO, CMO, CFO

WEEK 13

Presentation to all health system presidents

WEEK 14-18

Implementation:

- System-wide communication
- Scheduling
- Logistics

New Product Committee

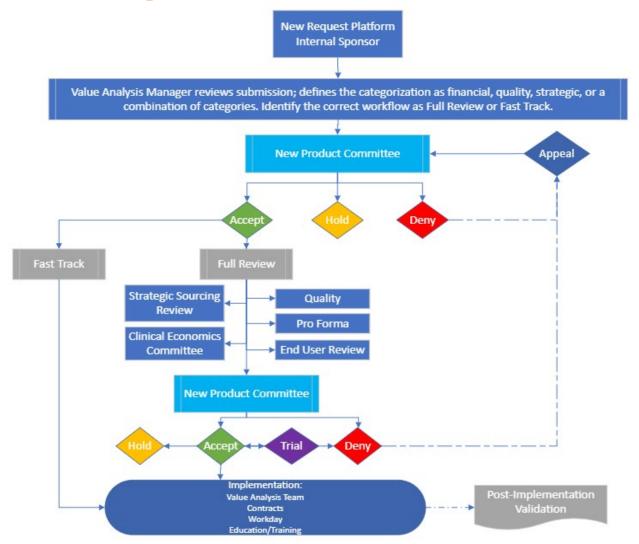
Establish request criteria to align with our system culture and goals

- Pre-determine criteria: Financial, Quality, and/or Strategic
- Incorporate post-implementation validation metrics
- Facilitate data-driven decision making

Develop multidisciplinary, system-wide approach to new request process

- New Product Committee as the accountable decision-making body
- Collaborate with quality departments to enhance quality of care
- Visibility and interdepartmental communication across the system
- Internal sponsor representation
- Foster physician engagement
- Improve efficiency

New Request Workflow



Hold

- •Before Full Review- resource restrictions (budget)
- •After Full Review- accepted and will be implemented

Accept

Majority vote at NPC meeting

Deny

 Sponsor and supplier notified of NPC decision by VA Clinical Managers

Appeal

- •Requests may be appealed for reconsideration
- •Submitted by the sponsor with new evidence

Validation

- Pre-determined financial or quality metrics
- •Presented for validation of performance at a time agreed upon by NPC

New Request Criteria

Financial Benefit

Cost Savings

Cost Avoidances

Quality Improvement

Patient Outcomes

- Ex. Reduced length of stay, procedure time, readmission rate, and/or hospital-acquired infection rate
- Improved satisfaction and/or safety

Safety

Strategic Initiative

Standardization

Service Line Expansion

Physician Recruitment

Community Benefit

New Request Pathways

FAST TRACK

- Negative Incremental Impact to NMHS less than \$10,000; and
- Standardization opportunity accepted by VAT
- Impacts one facility or clinic
- Does not impact clinical workflow
- Does not negatively impact any contracts
- Savings to NMHS; and
- Standardization opportunity accepted by VAT
- Impacts one facility or clinic
- Does not impact clinical workflow
- Does not negatively impact any contracts
- Vice President or President Discretion

FULL REVIEW

- Strategic Sourcing Review
 - Contract compliance
- Financial Impact
- Clinical Economics Committee
- Review from representatives of Decision Support, Billing, Coding, Pre-Access, Access, and Reimbursement
- Quality
- Review with Quality Dept. to identify validation metrics
- Pro Forma
- Review financial impact of request over 5 years
- End User Review
- Review request with impacted clinical areas

NPC Membership

Non-Voting Members

Facilitators

Value Analysis Clinical Managers

> Strategic Sourcing Manager

Value Analysis & Strategic Sourcing Director

Quality Leaders

Methodist Hospital/ Womens

Methodist Fremont Health

Methodist Jennie Edmundson

Infection Prevention Representative

Strategic Sourcing

Clinical Strategic Sourcing Specialists

Vice

Presidents

Methodist Hospital/ Womens

Methodist Fremont Health

Methodist Jennie Edmundson

Methodist Physicians Clinic

Clinical Staff Representation

Methodist Hospital/ Womens CMO

Methodist Jennie Edmundson CMO

Voting Members

Clinical Representation

Cardiac, Vascular & Imaging

Leaders and Executives

Patient Care

Leaders and Executives

Perioperative

Leaders and Executives



Executive Leadership Communication



March 2023

To Methodist Health System Medical Staff Members and Employees:

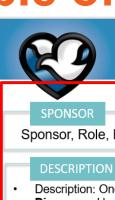
In a continuous effort to provide the highest quality patient care, Methodist Health System has identified a process improvement opportunity to increase transparency, collaboration, and provide quality outcomes in our new request platform for products, equipment, and procedures. This approach will provide a structured process and consolidated line of communication to reduce the time to review requests and deliver decisions.

To do this, Methodist has implemented a New Product Committee ("NPC") that will meet monthly to review all new requests. NPC is comprised of all health system vice presidents, service line executives, medical staff leadership, Quality Department Directors, and representation from the Value Analysis Department.

NPC's goals are as follows:

- To review requests for products, procedures, or equipment using criteria that aligns with health system strategic goals;
- (ii) To utilize a multidisciplinary approach to new product request reviews; and
- (ii) To assess, following the implementation of new products, procedures, or equipment, outcomes using quality-based contract performance metrics.

Example of New Product Committee Slides



New Product Committee Item number & Manufacturer

SPONSOR TO FILL OUT

Sponsor, Role, Entity

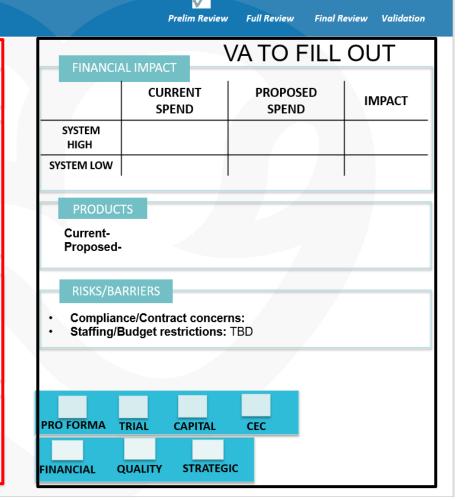
- Description: One Sentence to describe item.
- Discovery: How did you discover the item?
- **Reason:** Reason for requesting the item?
- New or Existing Procedure: Is this request associated with a new or existing procedure? What is the procedure?
- Replacement or Addition: What are you using currently to perform the intended function? Will this request replace your current option will this be and additional option?

CLINICAL IMPACT

- Areas Involved: What facilities/areas will be impacted by the request?
- **Interest:** List any other areas/physicians that may use this product?
- Impact to Practice: Will this new product change the way that you currently perform this task or procedure? If so please explain.
- Anticipated Annual Usage: What is your anticipated annual usage? Does this volume reflect your volume alone or other areas/physicians?

QUALITY IMPACT

- **Patient Outcomes:** How will this product maintain or improve patient care?
- Safety Concerns: Does this request address a concern with patient care or safety?



Quality & Cost --

Quality Role

- Review clinical outcome assumptions with VA Clinical Managers
- Provide pre- and post-implementation data for validation

Partnership Goals

- Enhance quality of patient care
- Collaborate on system quality improvement efforts
- Data-driven decision making
- Post-implementation validation of new products

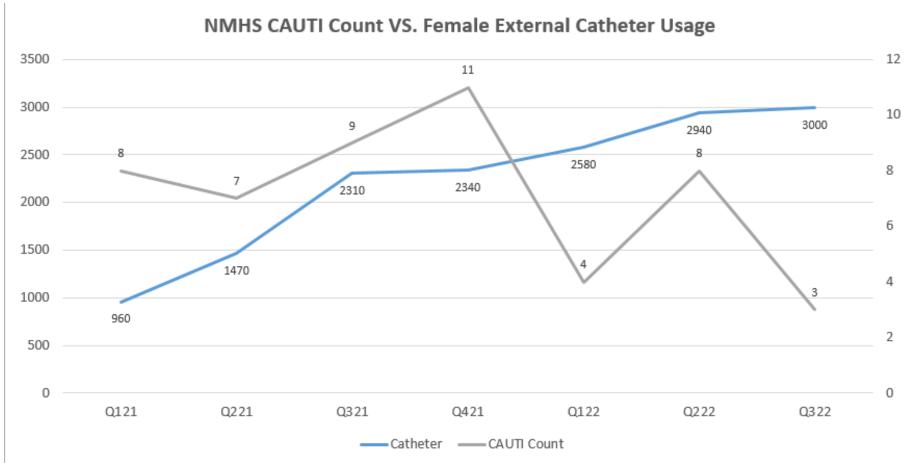
Validation Example

- Female External Catheter
 - Non-invasive urine output management for female patients
 - Trialed Oct-Dec 2020, Implemented Jan 2021
- Financial Impact
 - Increase of \$25,000-\$49,000 annually
- Quality Outcomes
 - Assumption: reduction in CAUTI rates, skin breakdown, and length of stay
- Average cost of a CAUTI: \$13,793*

^{*} Estimating the Additional Hospital Inpatient Cost and Mortality Associated With Selected Hospital-Acquired Conditions. Agency for Healthcare Research and Quality website. https://www.ahrq.gov/hai/pfp/haccost2017-results.html. Published November 2017. Accessed October 2022.



Validation Example- Patient Care



^{*} Nebraska Methodist Health System internal data Q1 2021-Q3 2022

Outcomes & Impact

- Committee Member & Sponsor Feedback
 - Survey at 6- & 12- months
- Physician Engagement
 - 13 Specialties: physiatry, cardiology, vascular surgery, anesthesia, urology, orthopedic, cardiothoracic surgery, thoracic surgery, neurosurgery, head and neck, general surgery, interventional radiology, gynecology
 - 12 of 15 physicians completed template & presented to the Committee

Outcomes & Impact

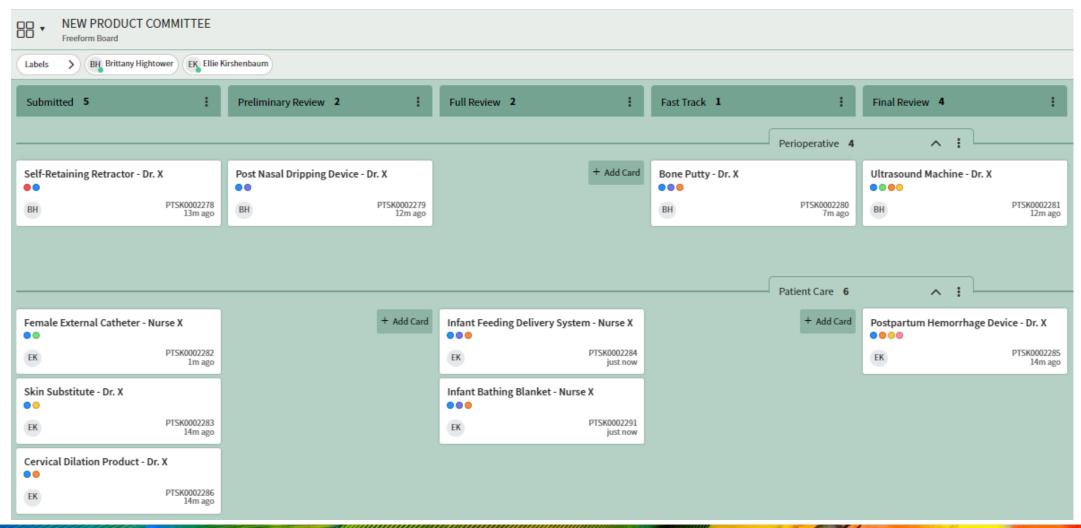
Number of Days to Resolve New Requests

VAT	PRIOR	NEW	
PATIENT CARE	52	46	
CVI	84	28	
PERIOP	116	51	

*PRIOR: Data shown reflects requests 2/1/2022-1/31/2023 NEW: Data shown reflects requests 2/1/2023-7/20/2023

- Quality Performance Targets
 - All requests reviewed monthly
 - 3 of 9 requests actively monitored for quality improvement metrics
- Visibility & Communication
 - Monthly meetings frame expectations
 - Visual Task Board for live request status

Outcomes & Impact – Visual Task Board



Lessons Learned

Development & Implementation

- Seamless system-wide adoption
- Increased requests due to visibility and removal of barriers
- System-wide leadership support

Quality Partnership

- Complexity to site-of-care changes
- Limitations with available data

Clinical Staff Partnership

- Value in peer-to-peer discussion
- Involving CMO in development of process

Sponsor Participation

- Sponsors' willingness to attend meetings creates accountability
- Allows for more robust conversation

Key Takeaways Executive Leadership Support Pre-determined criteria to System-wide, evaluate new New multidisciplinary requests committee **Product** Review **Process** Quality performance metrics within decision-making process Charter & **Procedures**



Questions?



Contact:

Brittany Hightower, Brittany.Hightower@nmhs.org Ellie Kirshenbaum, Ellisa.Kirshenbaum@nmhs.org Brett Richmond, Brett.Richmond@nmhs.org

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