

Exceptional Value

Annual Report | FY15



UNIVERSITY OF UTAH
HEALTH CARE



Exceptional Value Annual Report

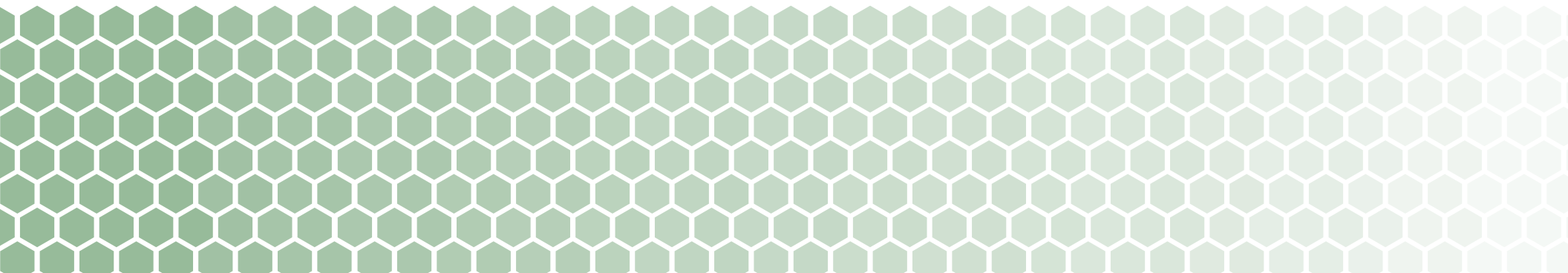


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Introduction

Are we being successful as the University of Utah Health Care?

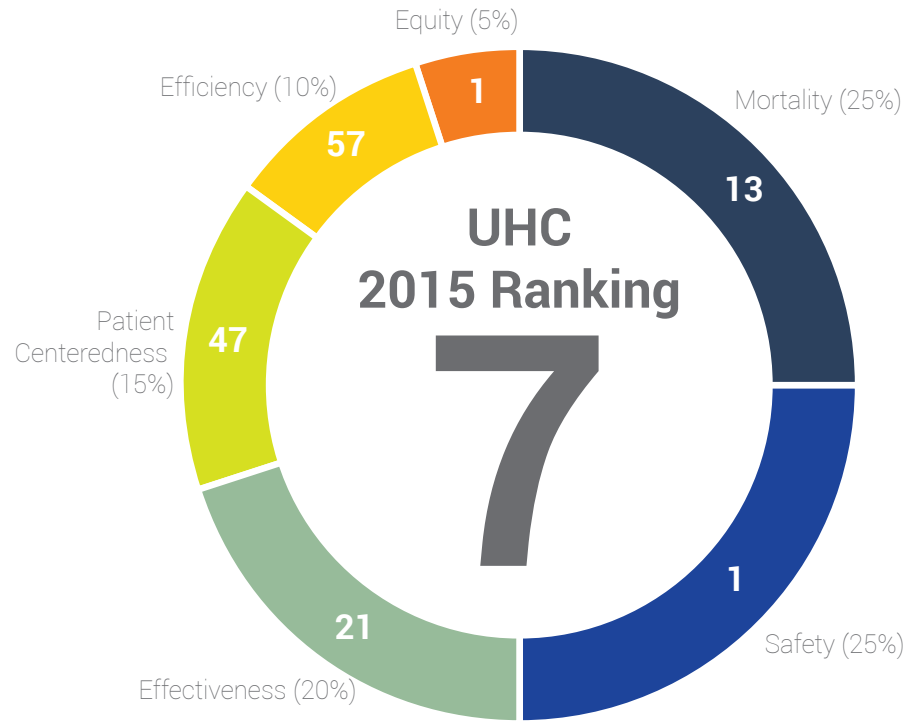
As a leadership team, this is a question we wrestle with on a regular basis. And the answer for FY 2015 is a resounding YES.

Fortunately, the clinical enterprise has had the discipline to maintain its focus on three institutional goals over the past 8 years, including: exceptional patient experience (are we making it easier for patients to come here?), quality (for every patient and every time, do we achieve safe and high quality outcomes?), and financial strength (are we being innovative to make our team's work easier and are we advancing the clinical experience?)

In FY 2015, the University of Utah Health Care has achieved its greatest success in these three areas than any other prior year. FY 2015 truly has been a significant year for UUHC and its patients.

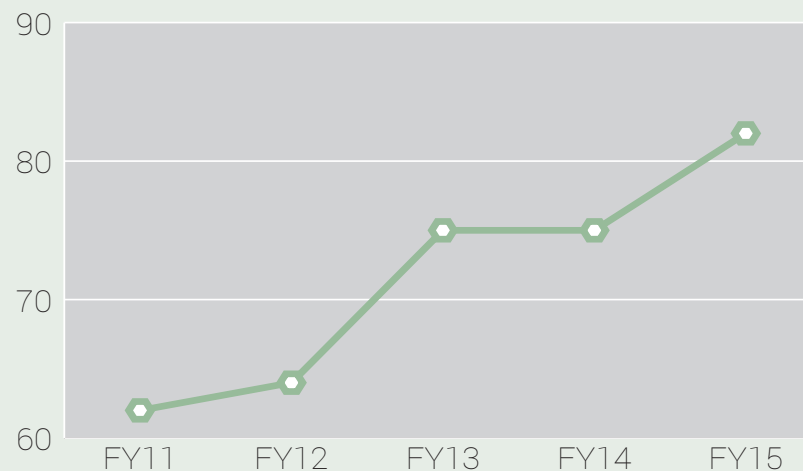
We are humbled by the success and devotion of all the UUHC physicians, leadership, and staff in making UUHC one of the best academic medical centers in the country.

For the sixth year in a row, UUHC's quality has been among the highest in the country for academic medical centers.



Average Overall Patient Experience Percentile

For the first time ever, the overall patient experience exceeded the 80th percentile during FY 2015. We ultimately achieved a quarterly ranking of 87th percentile as compared to thousands of the best hospital and health systems across the country.



And FY 2015 was the most significant financial year for the system ever, with financial commitments of UUMG, the SOM departments and the hospitals and clinics exceeding expectations.

The road to nimble and profound innovation is paved with the ability to relentlessly focus on the most important work. And that is what the physicians, leadership and teams at UUHC have been able to accomplish over the past decade and in particular this past year.

The purpose of the FY 2015 exceptional value report is to share

the great work of all of your teams and celebrate your successes that have led to these overall organizational achievements. The exceptional value report shares the priority work your teams have engaged in during FY 2015 as declared in the organization's Operational Strategy (Operational Plan).

We thank you for your commitment to making UUHC one of the best academic medical centers in the country. And even more importantly we thank you for your profound impact on the lives and health of our family members, neighbors and community.

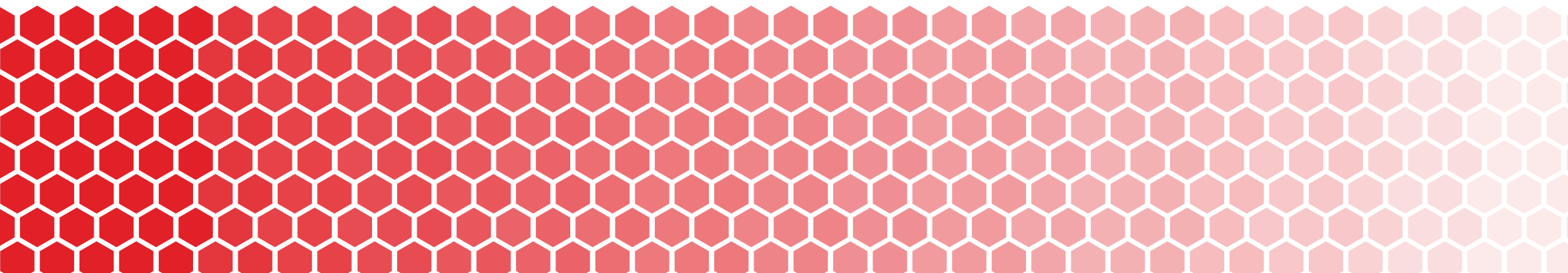
We love being part of this organization because of your significant and profound work in advancing UUHC, as recognized in this annual report, as well as the level of team work and camaraderie we find working side by side with you every day.

Thank you.

Quinn McKenna
Chief Operating Officer

Robert Pendleton, MD
Chief Medical Quality Officer

EXCEPTIONAL PATIENT EXPERIENCE



1. Improve Patient Access

Increase the number of new patient visits by 5%

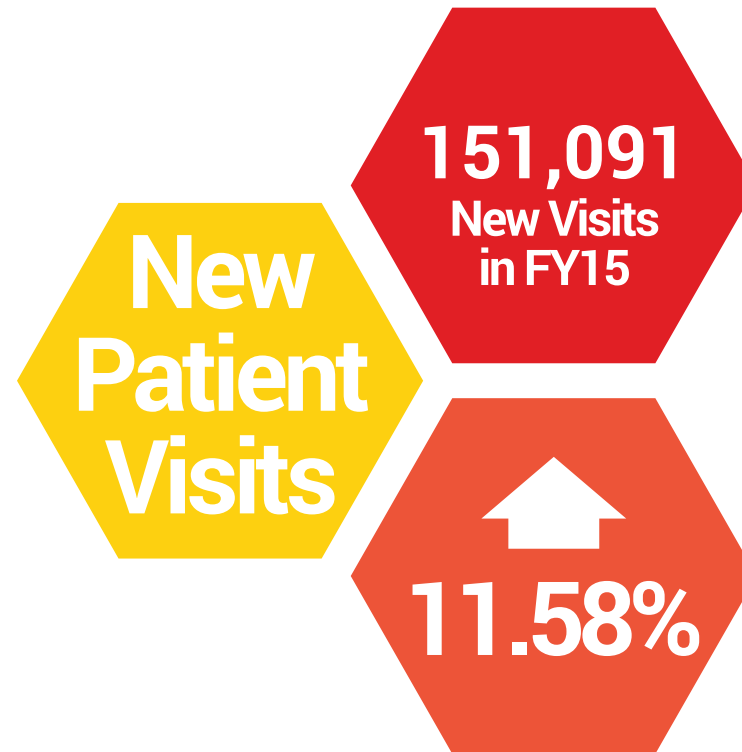
How do we make it easier for our patients to come here? A seemingly simple question – but improving access has required both increased coordination and local innovation.

System Achievements

- We increased new patient visits by 11.58% resulting in 151,091 more visits than FY14
- We coordinated expertise on template management through our Integrated Business Operations Committee
- We established standards and measures of access performance across the system
- We maximized our EPIC scheduling system through standard training for all staff

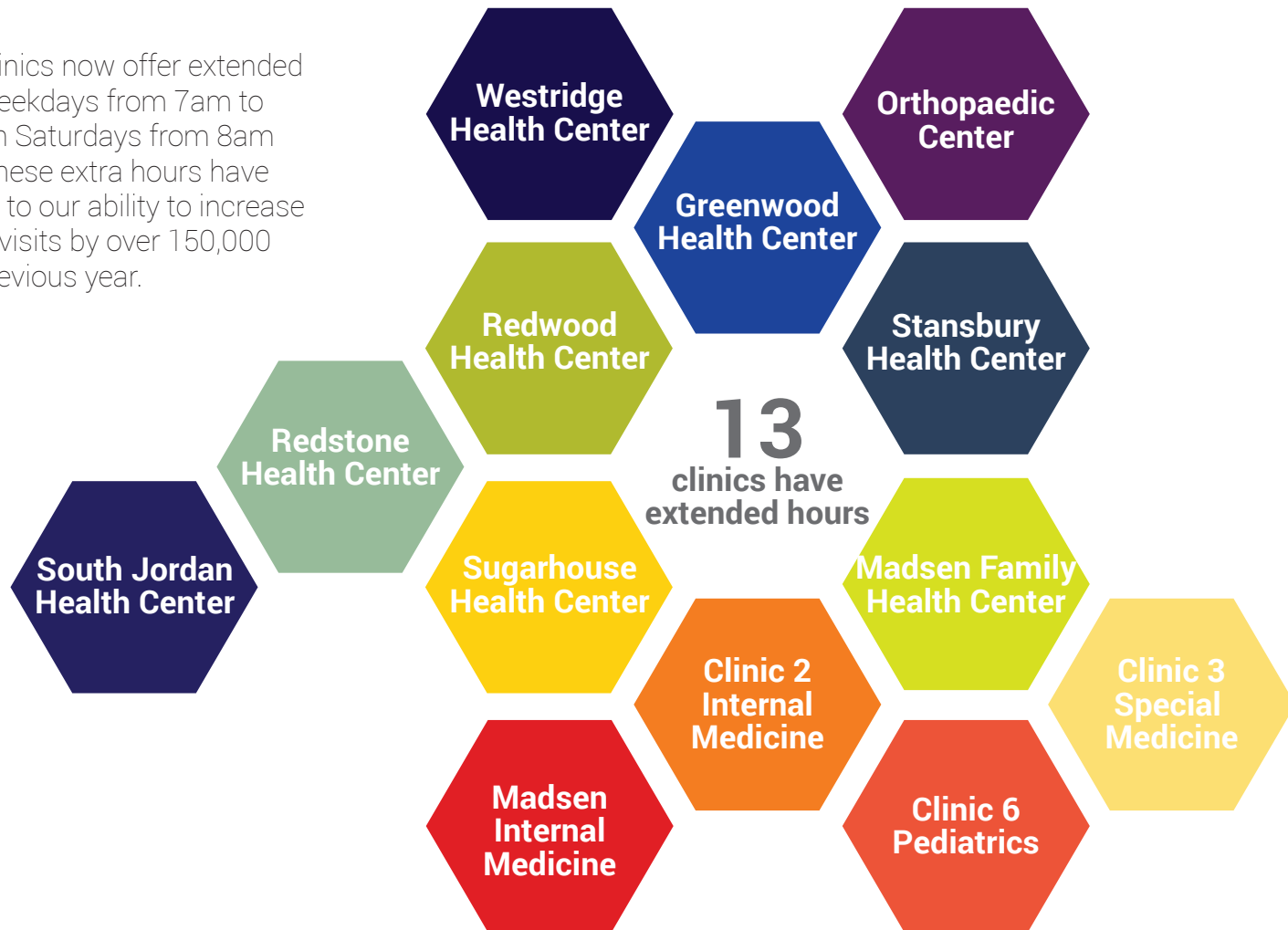
Local Innovation

- Extending and expanding hours of operation to include evenings and weekends
- Same-day scheduling
- Innovative use of Advanced Practice Clinicians to expand access and improve physician efficiency

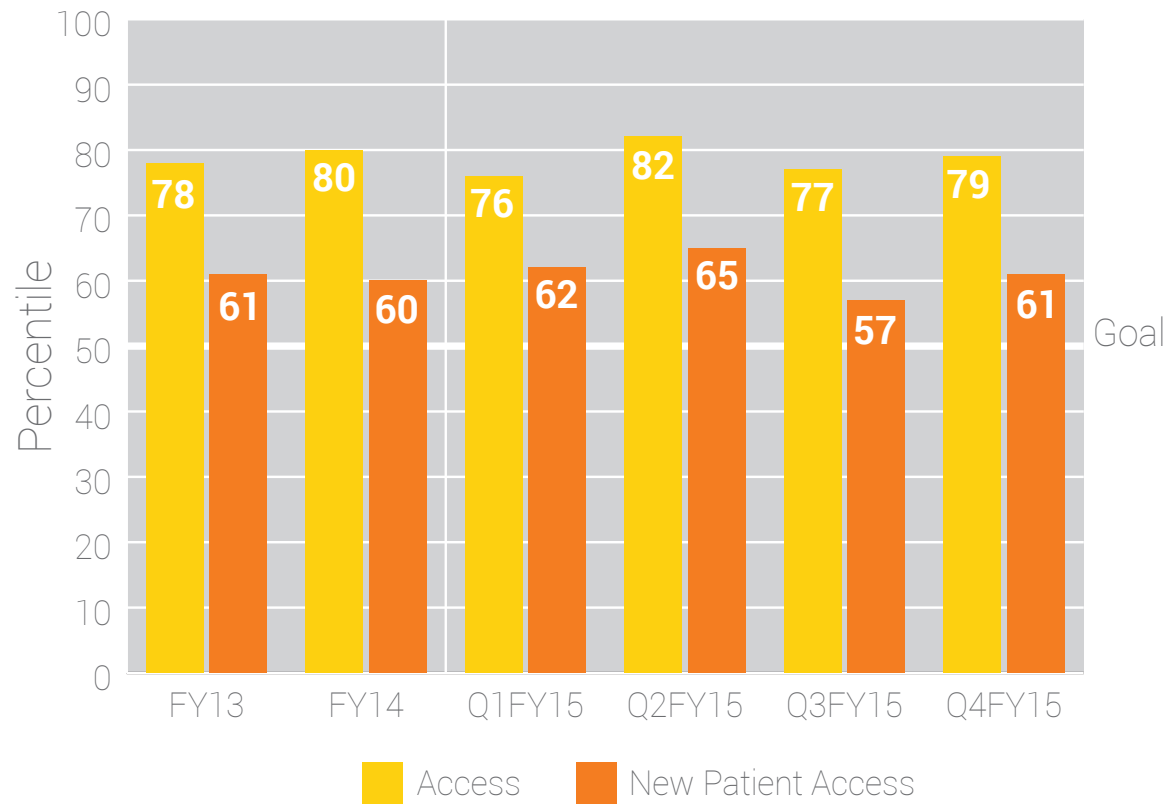


Extend hours of clinic availability across the system (10% of clinics will have availability from 7 am to 7pm)

13 of our clinics now offer extended hours on weekdays from 7am to 7pm and on Saturdays from 8am to 12pm. These extra hours have contributed to our ability to increase our patient visits by over 150,000 from the previous year.



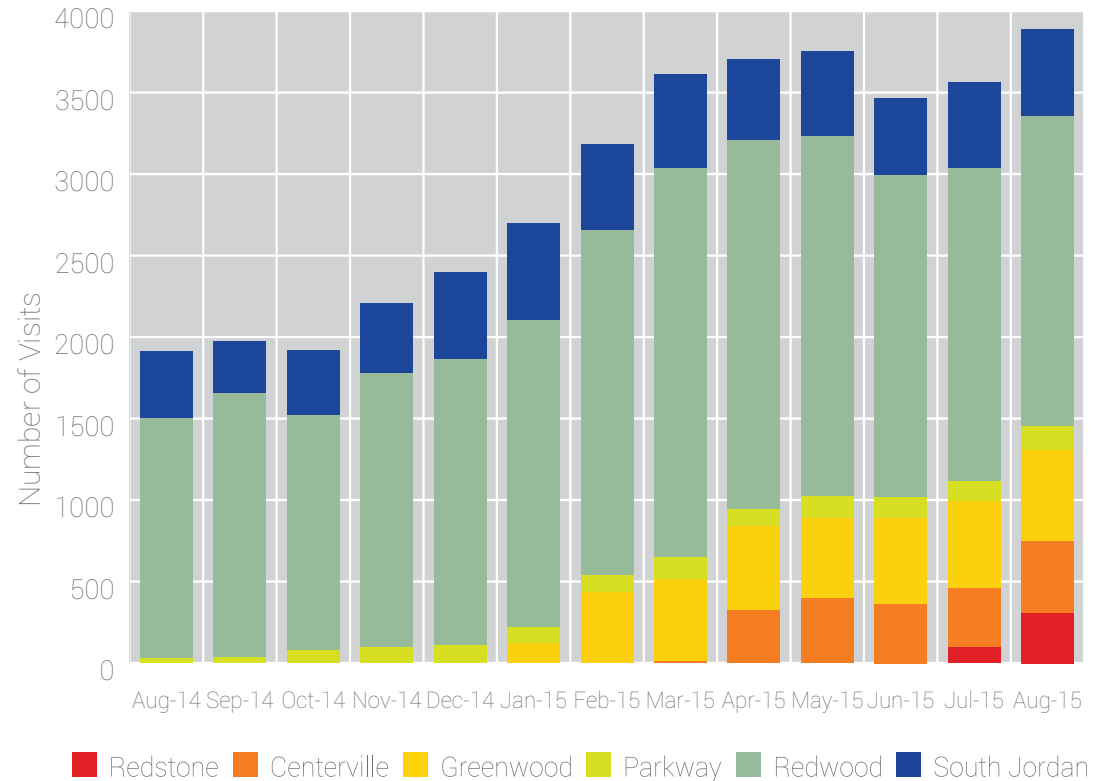
Achieve overall 50th percentile for ease of new patient scheduling by the fourth quarter



UHC benchmarking group

Expand Urgent Care capacity to 5 sites by the end of the fiscal year

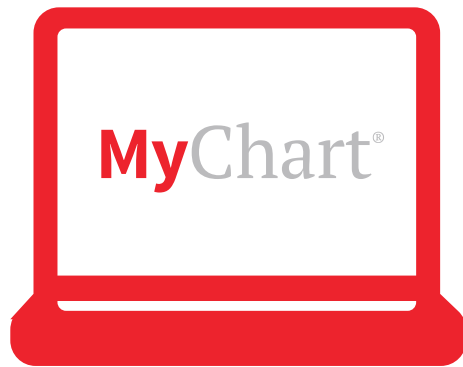
University of Utah grew by five Urgent Care sites, from two in FY14 to seven in FY15. Urgent care is spreading across the Wasatch Front in order to provide more access points to our patients where the demand is greatest. Monthly urgent care visits have nearly doubled during FY15, from 1,914 in August 2014 to 3,889 in August 2015. Increasing access to Urgent Care has translated into more new patients for the entire system. 25% of Urgent Care patients are first-time University of Utah patients, up from 17% at the beginning of the fiscal year.



Monthly Urgent Care Volumes
Visits from 08.2014 to 08.2015

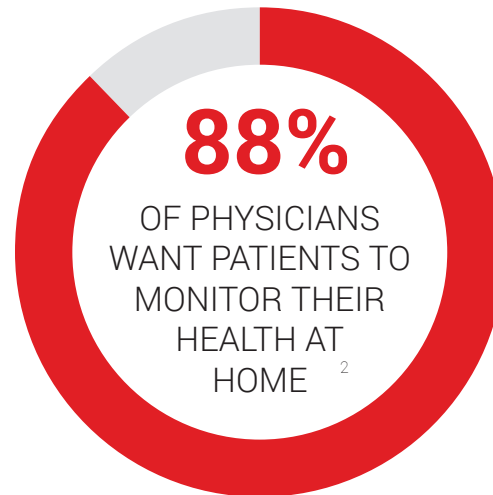
2. Enhance Patient Communication

90% of Providers will achieve a 50% patient enrollment in MyChart by the end of FY15

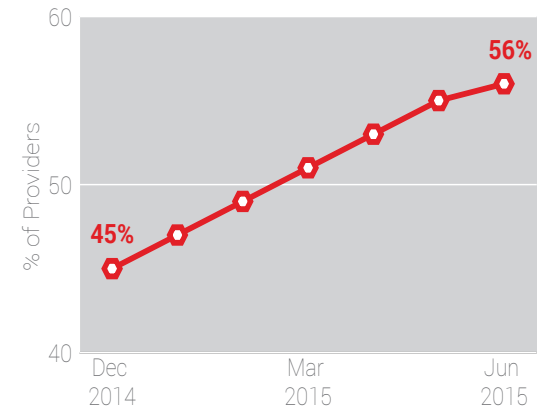


70%

OF PATIENTS FIND
A PORTAL IS A
CONVENIENT WAY TO
COMMUNICATE WITH
DOCTORS ¹



1. Medcitynews.com/2014/03/healthcare-are-dr-google-2014-digital-patient-journey
2. Alegohealth.com/mhealth-stats-mobile-apps-devices-solutions/



Reduce No-Show rates by 10% (text, email, etc)

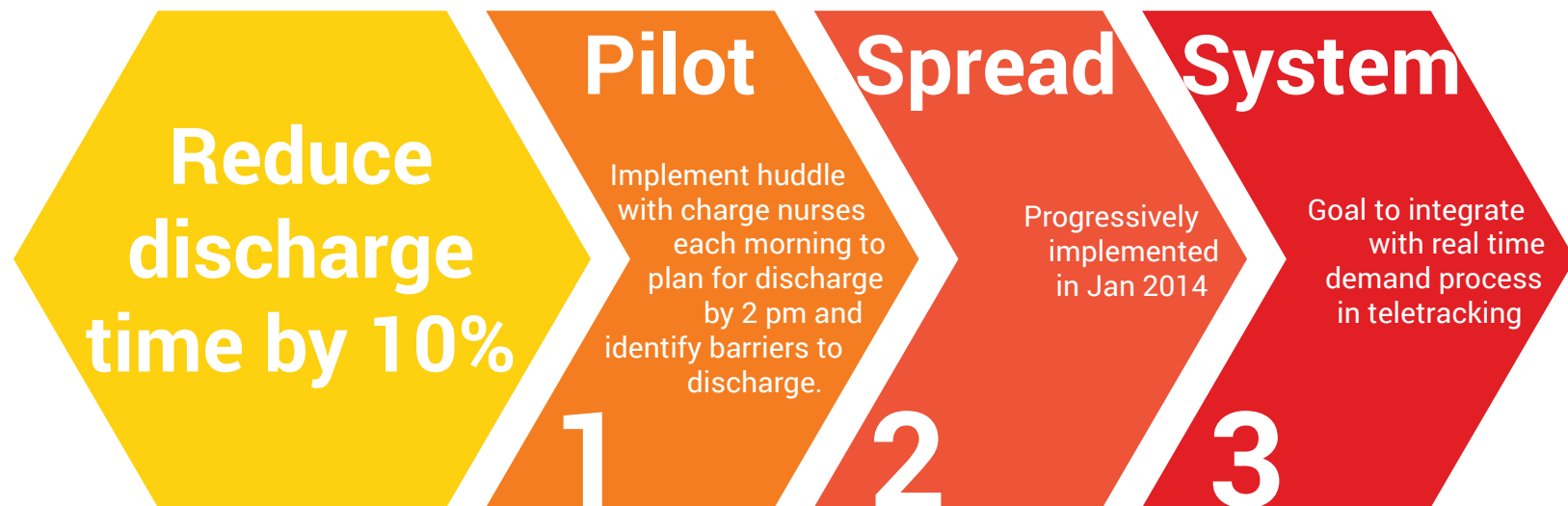
No change.

Current rate is 18% per UHC definition, including same day cancellation.

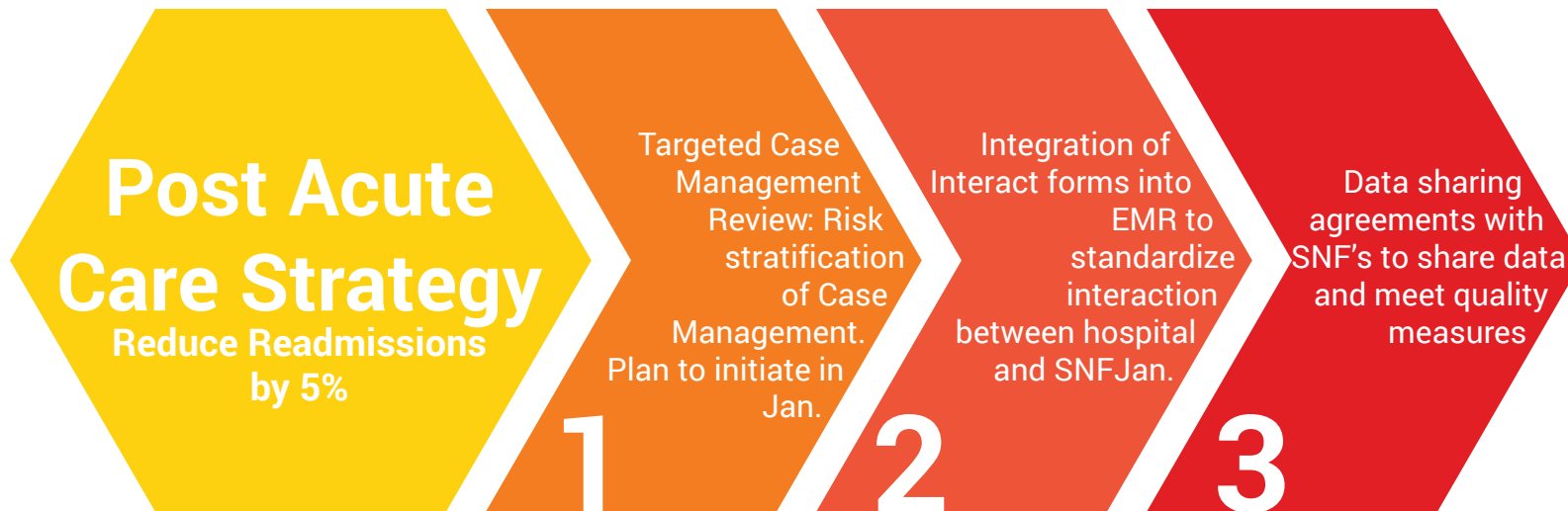
Project re-prioritized due to contingent projects on template optimization, guest communication center and online scheduling. New IBO committee and oversight created August 2015 will recommend coordinated institutional approach by December 2015.

3. Improve Transitions of Care

Reduce the average time to discharge by 10%

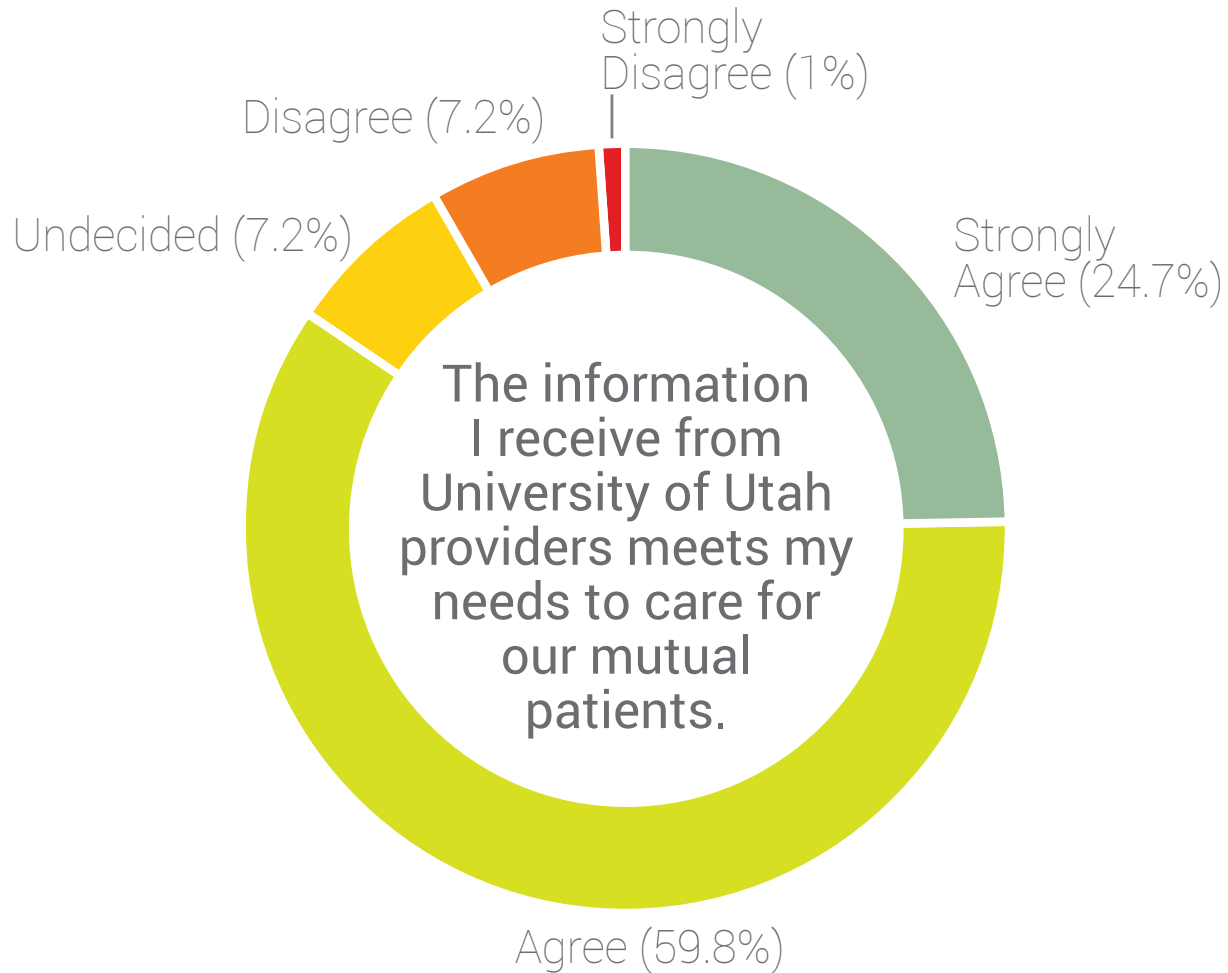


Develop a post-acute care strategy that meets our quality standards and reduce the number of readmissions by 5% by the fourth quarter of FY15



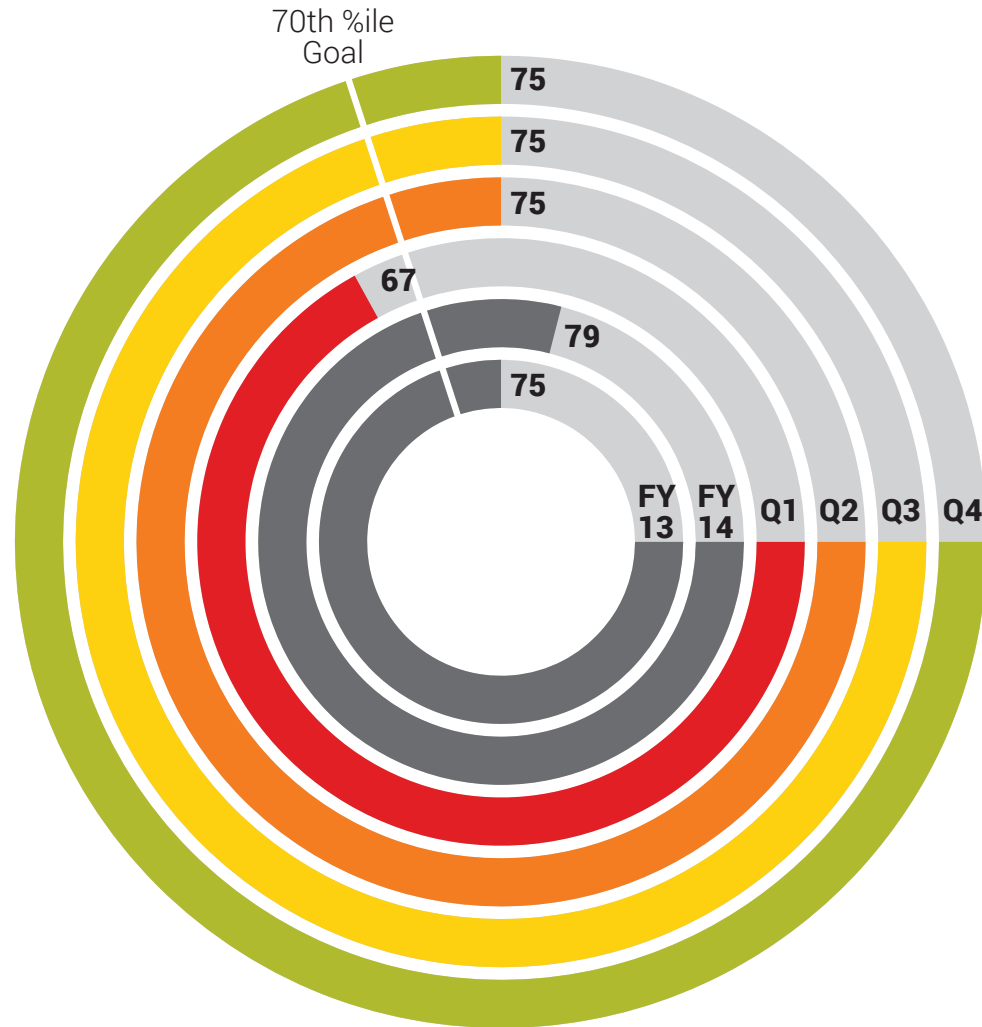
Establish uniform standards and expectations for providing feedback to referring physicians by January 2015

Step 1: Surveyed Referring Physicians

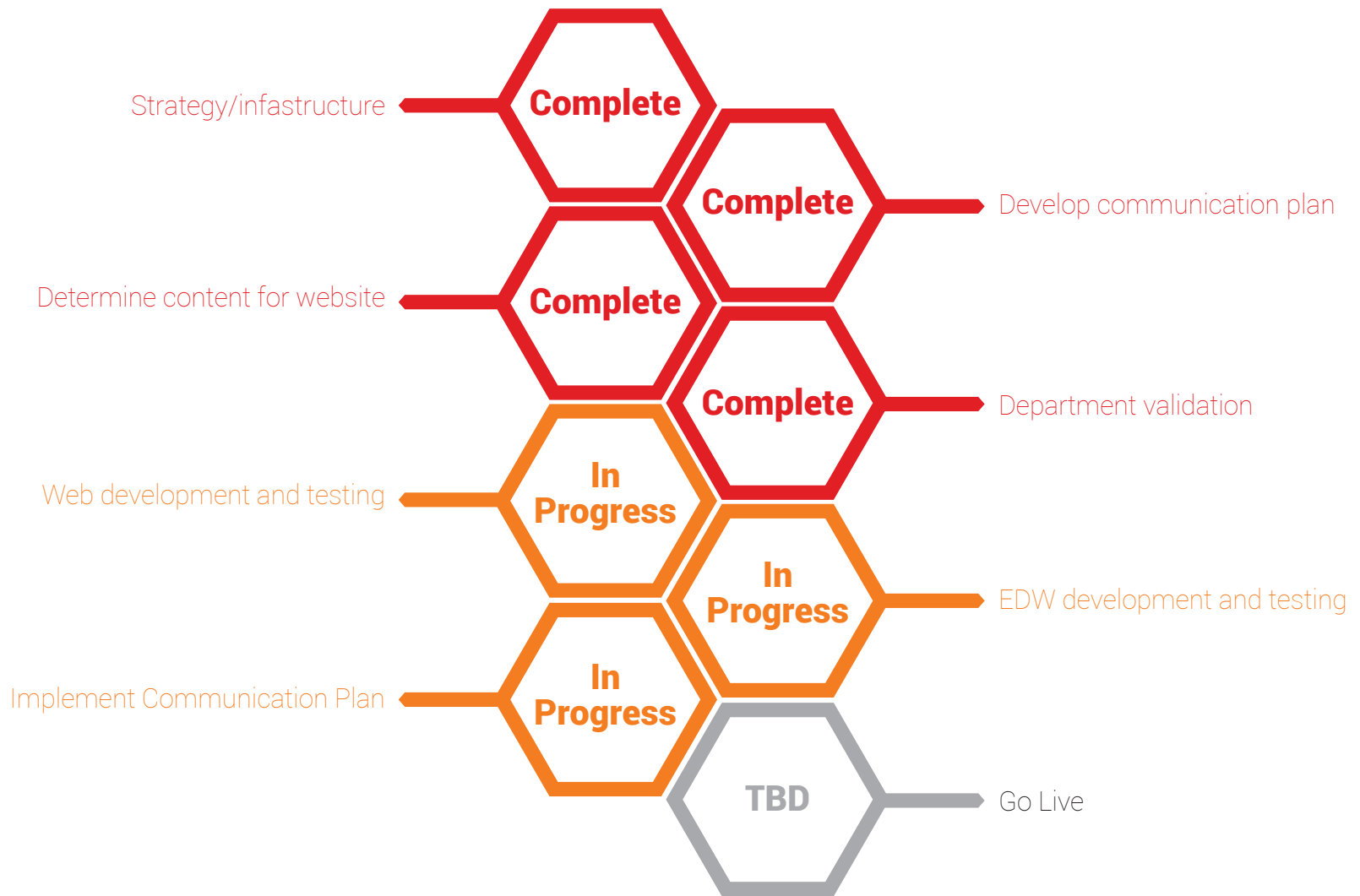


4. Improve the Clinic Visit Experience

Achieve overall 70th percentile for wait time in clinic for 2 quarters.

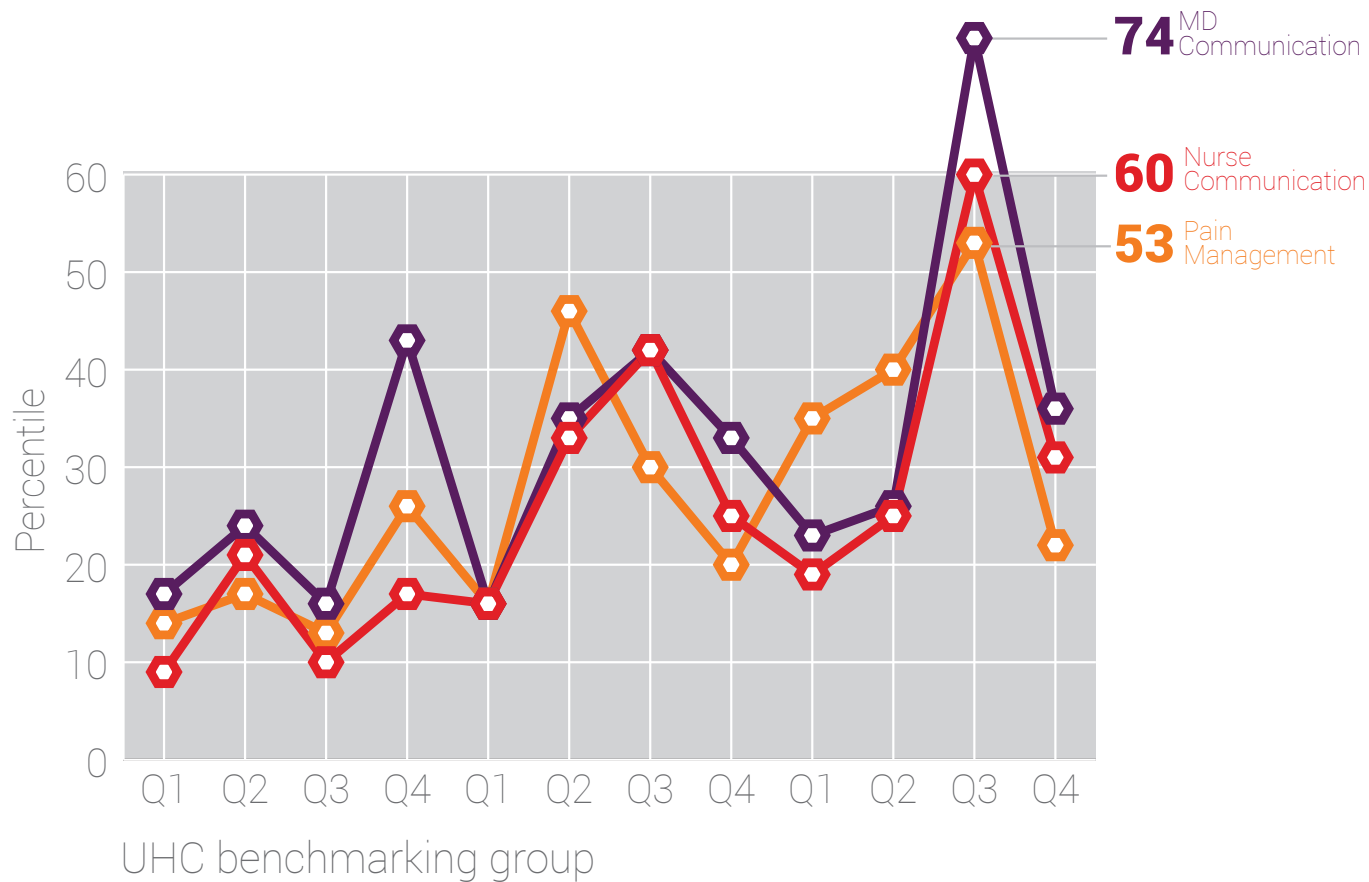


Develop a patient friendly process to share pricing (professional and technical) for imaging services and ambulatory procedures by the third quarter FY15

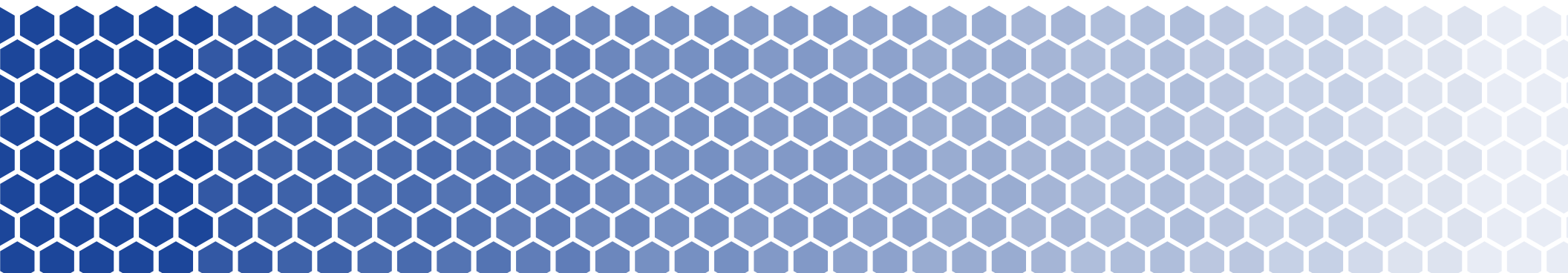


5. Improve HCAHPS Performance

Goals: 60th percentile pain management
 60th percentile MD Communication
 60th percentile nurse communication

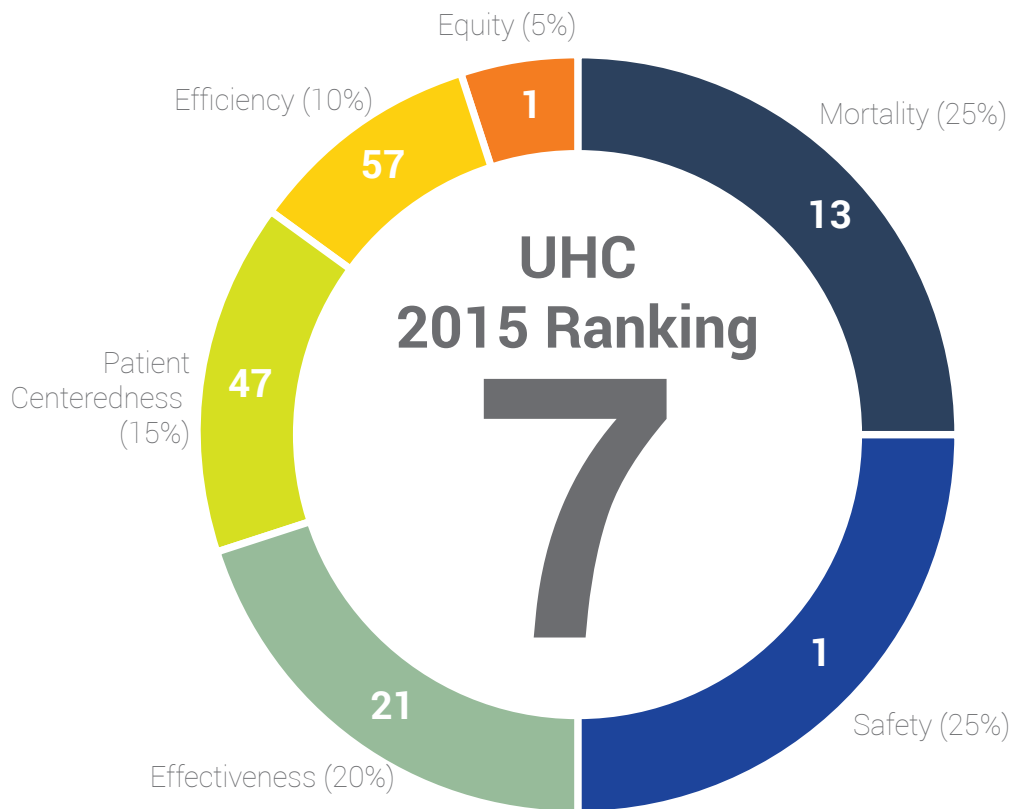


QUALITY



1. Improve Quality Care

Improve the UHC inpatient composite quality measure performance and maintain for 2 quarters

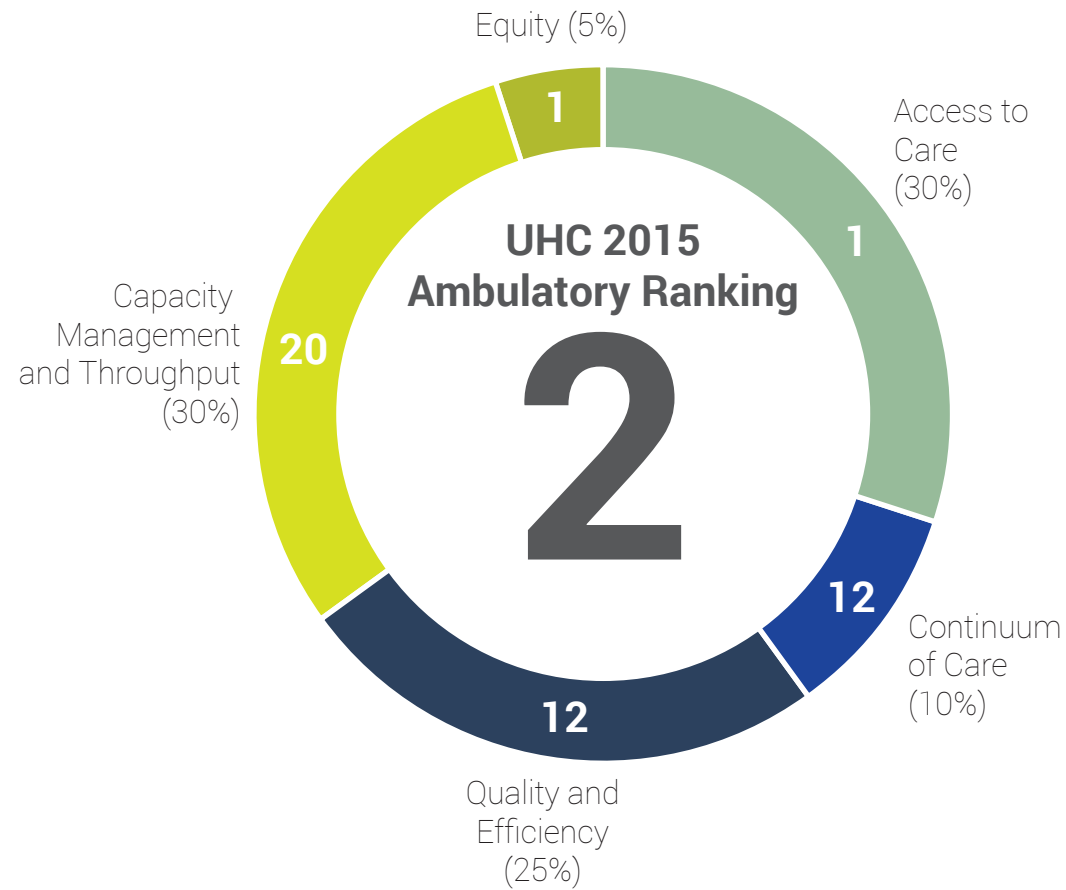


The Quality and Accountability Study identifies high-performing principal member organizations in the areas of quality and safety and provides tools as a catalyst for organizational improvement. The program stems from a 2005 UHC study that identified five key characteristics of top-performing organizations:

- A shared sense of purpose
- Hands-on leadership style
- Vertical and horizontal accountability
- A focus on results
- Collaboration

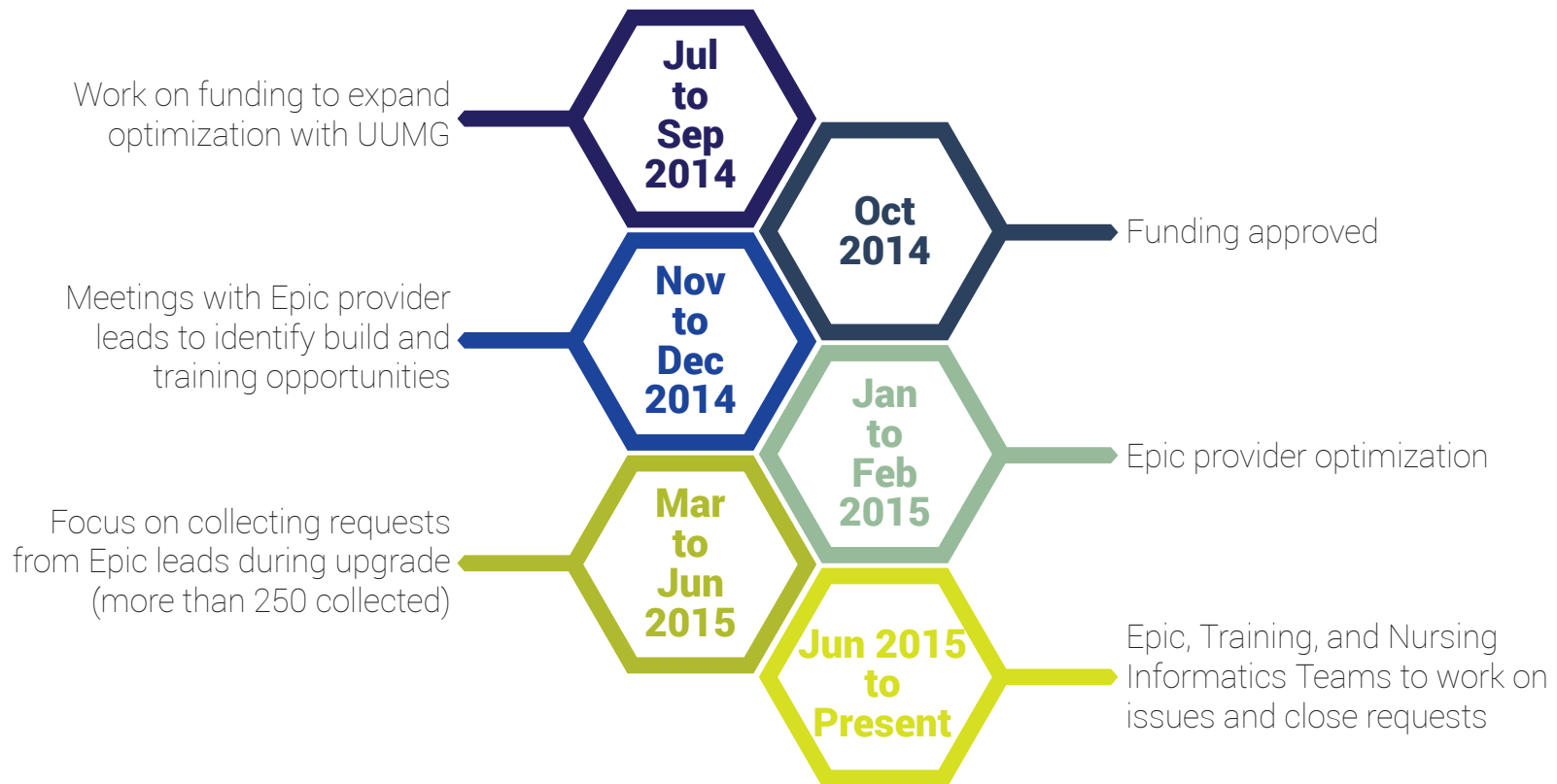
uhc.edu/membership/quality-accountability-study

Establish baseline performance and improve outpatient quality measures (to include HEDIS measures) by 15%



2. Optimize Epic Care

Expand optimal pilot Epic Care work flows to all clinics in FY15



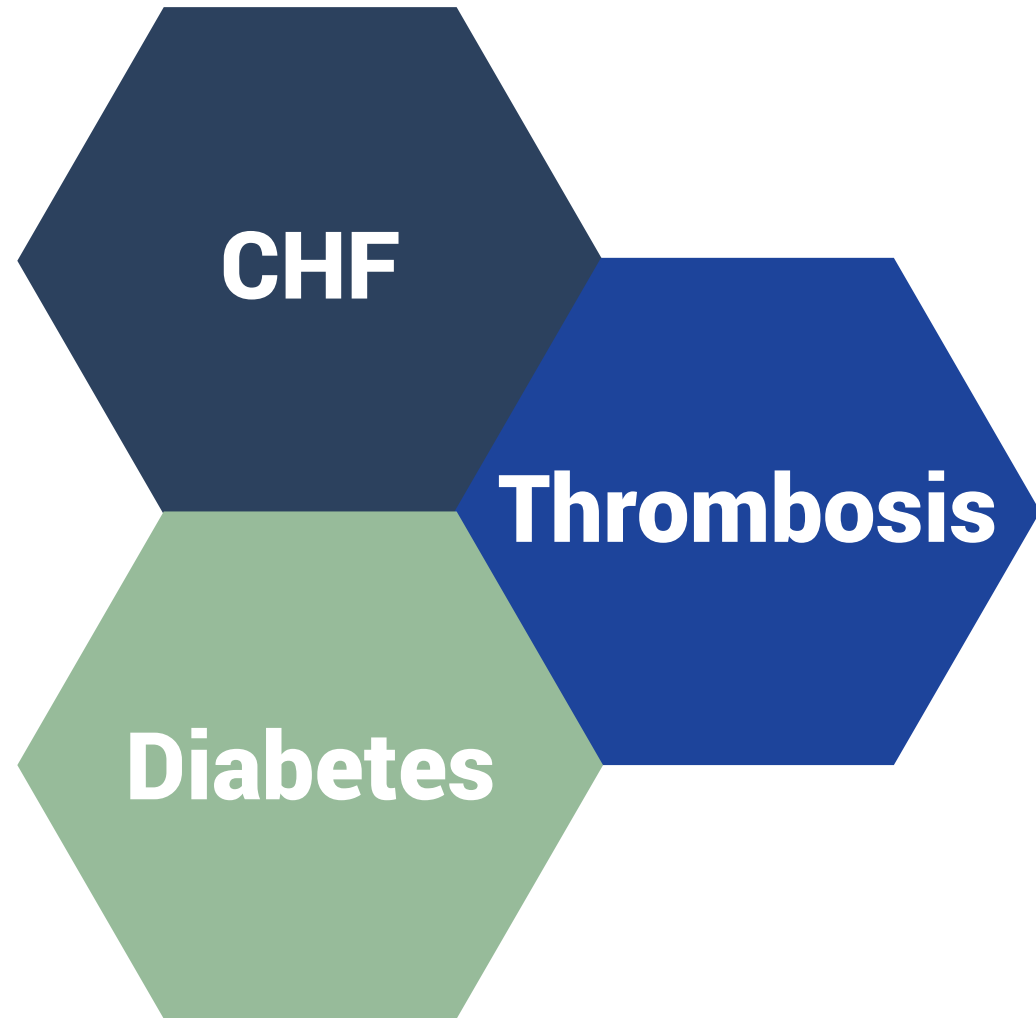
Implement Healthy Planet Epic tools

Healthy Planet, Epic's population health module, helps healthcare organizations define, understand, engage, and track patient populations, as well as measure and improve care processes and outcomes over time.

Using Epic's integrated clinical, reporting, and patient engagement functionality as its foundation, Healthy Planet will help us:

- Define patient cohorts using registries.
- Understand populations through risk stratification and benchmarking.
- Engage populations through population outreach, high-risk care management, longitudinal care planning, and interactive patient engagement tools.
- Track populations and evaluate the success of clinical programs with patient outreach tracking and analytics.

3 Healthy Planet Registries as of January 2015

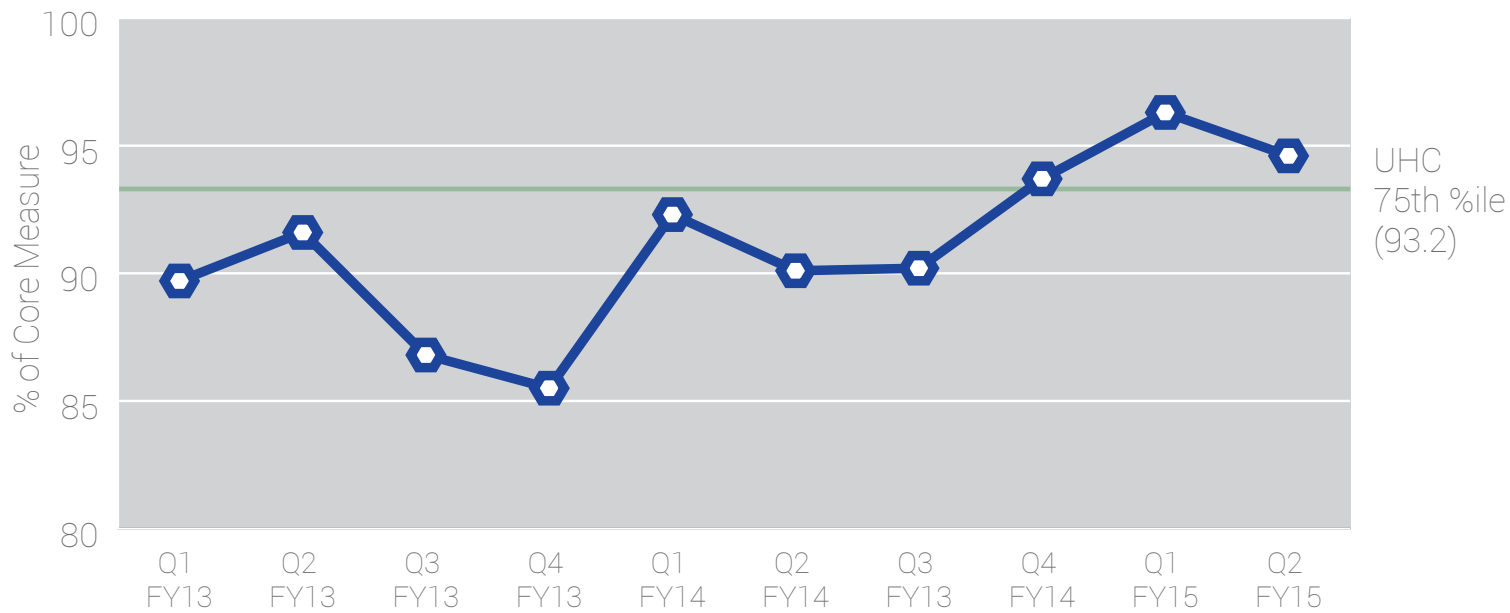


Capture 10% of key quality metrics in real time



- Immunization
- Stroke
- ED
- VTE

Venous Thromboembolism (VTE) Composite



3. Improve Patient Safety

Successfully implement new patient safety event reporting and feedback system, and train 100% of users to new system by January 2015



On June 30th, 2015, the new patient safety event reporting system, RL (Report & Learn), debuted. Accessible from Pulse, EPIC, the clinical desktop, and from a mobile device, RL makes it easier and faster

to report events. RL's mobile application and customization of workflows better support patient safety work, value enhancement activities, and process improvement initiatives. RL also provides expansive reporting

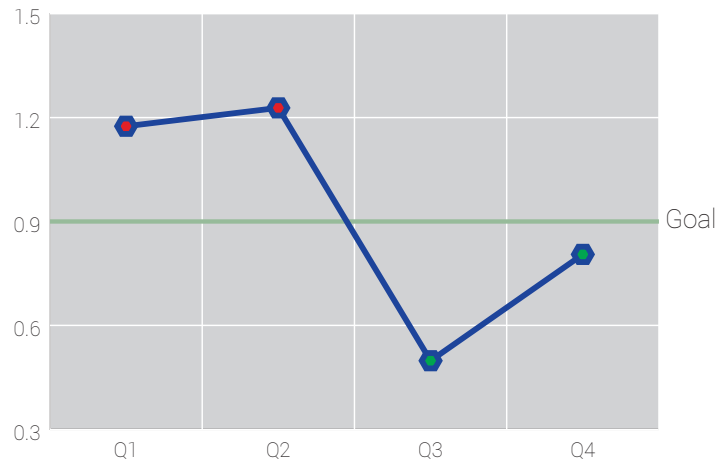
options, which enhances our ability to learn and improve as a result of information gathered through use of this system.

“ At UUHC, we are committed to providing excellent care in every regard. That includes doing everything possible to prevent patient harm. Patient safety event reporting helps us achieve this very important goal. ”

Pam Proctor
Director, Patient Safety

Reduce hospital acquired infections (CLABSI, CAUTI, and SSI) from FY14 baseline to a Standardized Infection Rate (SIR) of ≤ 0.5 CLABSI, ≤ 1.0 CAUTI and ≤ 1.0 SSI by January 2015 and maintain for 2 quarters

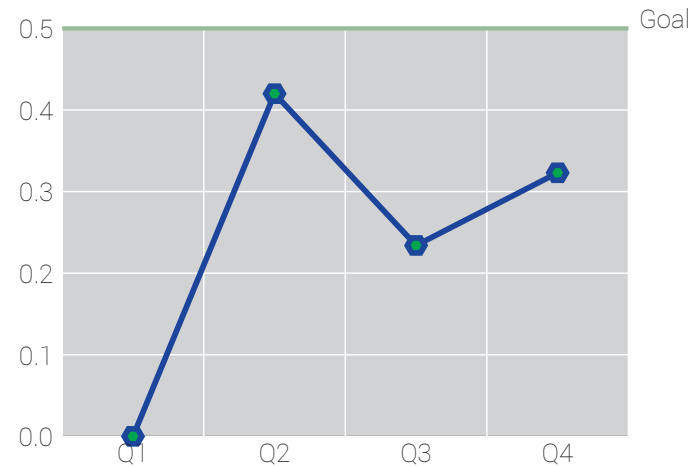
CAUTI



CAUTI

An interdisciplinary team developed a comprehensive protocol of standardized best practices for management of urinary catheters (2,535 views on Pulse as of 9/7/15). They also developed standardized clinical skills and created a nurse-driven catheter removal process. The team updated EPIC to document standardized care and sustained improvement through in-service, new employee orientation, newsletters and an info-graphic of our CAUTI prevention bundle.

CLABSI



SSI

Unfortunately, we did not meet our 2015 goal for reducing surgical site infections relating to colon and abdominal hysterectomies for two quarters. A team worked to reduce SSIs during FY15 without observable improvement. Internal audits revealed opportunities for improvement, and more work is needed. The team will expand to include specialty providers, with continued support from Nursing leadership, Quality and Infection Prevention and Control.

4. Fully Implement the Value Management System in Order to Meet Accreditation Requirements of Being ISO-9001 Compliant

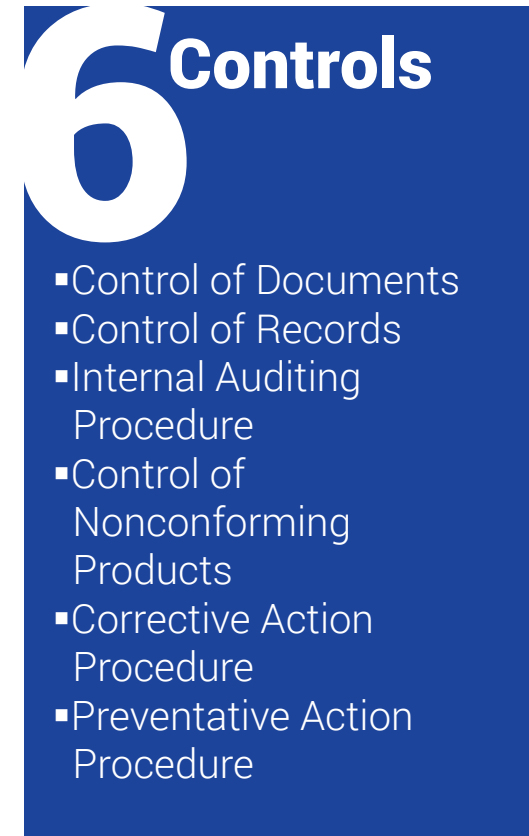
Successfully train 100% of all executives, directors, and managers



In FY15, we successfully trained 100% of all executives, directors and managers on ISO 9001. 360 were trained during a live, four-hour Leadership Development Institute (LDI) in fall 2014. 45 were trained using a recording of the live session. The Accreditation department held five



additional training sessions for new managers and supervisors. Education for new managers and directors is ongoing. Every UUHC staff member received a brochure on ISO 9001. Our certification survey for ISO 9001 will take place in FY16.



Successfully implement processes for control of documents and records

Document Control is one of the core components of ISO 9001 and is one of the required procedures needed to obtain certification. ISO requires that documents must be controlled and follow a procedure. We created a process that allowed us to control documents and policies by systematically identifying, reviewing, approving, and/or

archiving all documents. We utilized our intranet, Pulse, to control our system-level documents. The initial document libraries focused on policies and procedures, and an expanded library for forms, student job descriptions and patient education launched in early 2015.

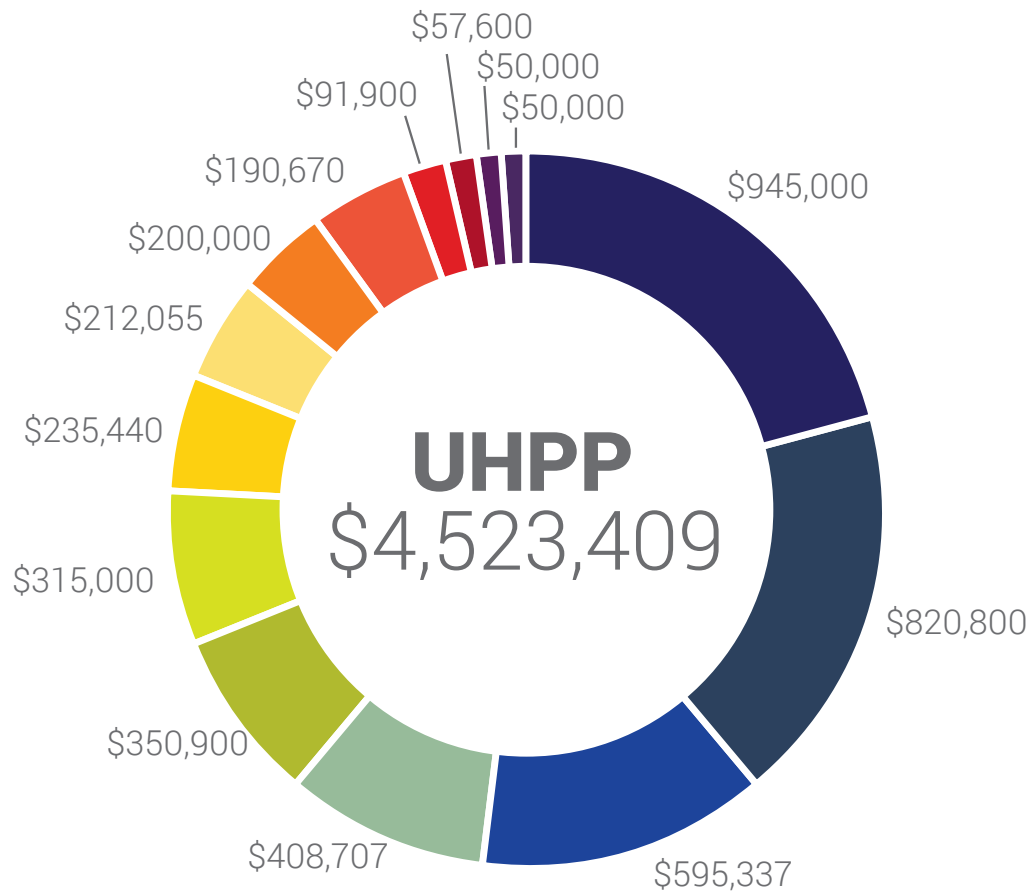
Implement an effective internal audit, nonconformity, and corrective actions processes

ISO 9001 accreditation focuses on process and document standardization, which is validated using external and internal auditing. During FY15, Accreditation developed an internal audit process and trained 30 auditors, who completed over 250 audits throughout the organization. These auditors represented every level and service line of our organization.

UUHC has an effective corrective action process that allows us to respond when non-conformities are found. Non-conformities found through an internal audit require a manager to respond with a corrective action plan within a month of the audit date. Non-conformities found by an external agency are overseen by Value Council, which appoints a person responsible for corrective action.

5. Continued Implementation of Exceptional Value Initiative

Implement 10 value-driven care processes with a goal impact of measurably improved quality and \$5M cost savings



Development and Implementation of a Multidisciplinary Oral Chemotherapy Safety Initiative

Dr. Michael Deininger

- Establish standardized joint physician/pharmacist review of all medications lists of patients on OC to minimize medication reconciliation errors
- Eliminate all errors associated with OC
- Improve OC capture rate at HCH

Projected Impact: \$945,000

Reduction in Close Supervision (1 on 1) Orders

Dr. Steven Edgley

- Reduce number of close supervision (1 on 1) order for Physical Medication and Rehab

Projected Savings: \$820,800

Palliative Care Consult Triggers in MICU

Dr. Nathan Wanner

- Screening tool developed to identify patients for palliative care consultation
- Palliative care consult is at discretion of MICU attending
- Develop subjective triggers for consideration of palliative care consultation

Projected Savings: \$595,337

Eliminating Unnecessary Time in the ICU for Kidney Transplant Recipients & Changes in Immunosuppression

Dr. Jeffrey Campsen

- Reduce non-essential time in the intensive care unit (ICU) for kidney transplant recipients
- Transplant specific training for SSTU and PACU nurses

Projected Savings: \$408,707

Implementation of Prophylactic Platelet Transfusion Guidelines in Acute Leukemia Patients

Dr. Tibor Kovacs

- Implement prophylactic platelet transfusion guidelines with a threshold of 10,000/cubic millimeter in patients with hematological malignancies
- Develop standardized transfusion orders
- Incorporate into Epic admission orders
- Standardized bleeding scales to use across the institution

Projected Savings: \$350,900

Early Mobility, SICU & CVICU

Dr. Joseph Tonna

- Get patients moving earlier for faster recovery and increased independence measures
- Decrease ICU and overall LOS

Projected Savings: \$315,000

Appropriate Telemetry Utilization

Dr. Steven Edgley

- Align telemetry ordering and utilization with AHA guidelines
- Reduce overall telemetry utilization in non-ICU setting by 30%

Projected Savings: \$235,440

Ambulatory Flow Redesign & Prescription Capture

Dr. Barry Stults

- New access with 500 RPVs
- Improve quality of medication reconciliation
- Improve quality of patient follow-up
- Move closer to patient-centered medical home model within Department of Internal Medicine related clinics

Projected Impact: \$212,055

Utah Recovery After Surgery

Dr. Courtney Scaife

- Reduce patient length of stay post-op
- Develop internal protocols and patient education to guide patients to adopt healthy behavior

Projected Savings: \$200,000

Hospitalist Laboratory Utilization Project, Phase II

Dr. Peter Yarbrough

- Reduce average direct cost per discharge for hospitalist labs by 10%

Projected Savings: \$190,670

Cardiac Cath Lab Price Reductions on Drug Eluting Stents and Balloons

Dr. Fred Welt

- Neutralized price differential on price of DES purchased from Boston Scientific and Medtronic
- Negotiated price reduction on balloons used in Cath Lab

Projected Savings: \$91,900

Urgent Care Dermatology

Dr. Stephanie Klein

- Identify patients who would benefit most from same day dermatology clinic care
- Decrease ED dermatology visits, improving ED access and dermatology patient care

Projected Savings: \$57,600

Outpatient Mastectomy

Dr. Regina Rosenthal

- Same day discharge for mastectomy procedures
- Enhanced patient education
- Better continuity of care
- Enhanced attention to perioperative pain and nausea control

Projected Savings: \$50,000

Mentor Corp Implant Cost Reduction

Dr. Jayant Agarwal

- Save on implant costs for breast reconstruction at HCH
- Establish a Mentor Corp committed arrangement

Projected Savings: \$50,000

Standardization and Consolidation of Purchased Services

MAXIMIZING USE OF NOVATION'S STANDARDIZATION PROGRAMS

Annual Savings - \$475,000

As new opportunities emerge, clinicians evaluate alternatives and agree on products from suppliers participating in UHC/Novation's heavily discounted standardization programs. Nursing and Purchasing are to be commended for qualifying for FY15 rebates in excess of \$475,000 annually.

CAPITAL EQUIPMENT BENCHMARKING

6 Month Savings - \$87,000

A new benchmarking tool purchased from ECRI Institute provides national price points for required capital equipment.

da Vinci ROBOT PURCHASE

Project Cost Reduction - \$118,000

In a matter of hours after receiving the order request for the new daVinci robotic surgical equipment, \$118,000 in cost avoidance was negotiated to reduce the equipment price and the cost of delivery charges. The use of the ECRI tool and quick discussions with the supplier were the key to this success at the 11th hour.

LANDSCAPING and SNOW REMOVAL SERVICES

Annual Savings - \$16,000

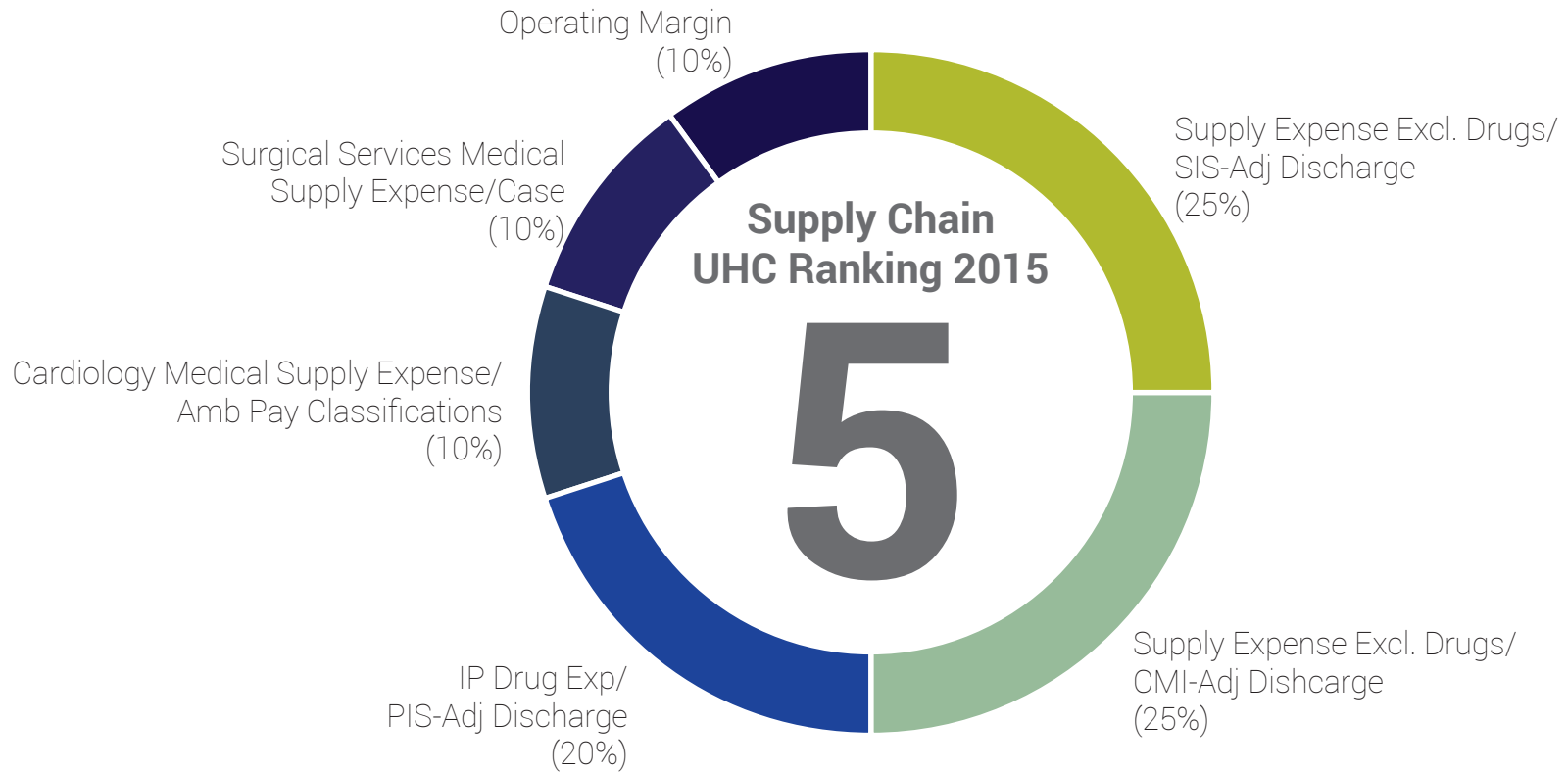
Consolidating all buildings under one primary service provider for landscaping and snow removal has created substantial savings.

PEST CONTROL SERVICES

Annual Savings - \$33,000

A Request for Proposal (RFP) process was conducted to identify a single provider across our organization for Pest Control services. Coordination between Facilities and Engineering, Support Services, Environmental Services and Purchasing Buyers drove economies of scale. Improving the environment of care while reducing costs adds value for our patients.

Supply Chain UHC Ranking



Supply Chain Cost Savings

TLSO BRACES

Annual Savings: \$274,000

Medicor has supplied custom braces to the University of Utah for over 25 years. Products include TLSO, LSO, Cranial Helmets, AFO, Cervical Collars, Post-Op Boots, etc. This year, we successfully negotiated a new 30% pricing reduction on all Medicor durable medical equipment. We created a Value Summary with case managers, HIM team and Value Analysts to refine protocols for acquiring custom DME items in the future.

Cardiac Rhythm Management (CRM)

Annual Savings: \$224,075

The Electrophysiology (EP) Value Analysis Team (VAT) utilized extensive benchmark data and comparison analytics to refine pricing among the four primary suppliers of ICD's, pacemakers and leads. Physicians Nassir Marrouche and Roger Freedman led the team in establishing new pricing categories. Participating suppliers agreed to the new prices which resulted in \$224,075 savings in FY15.

Breast Implants and Sizers

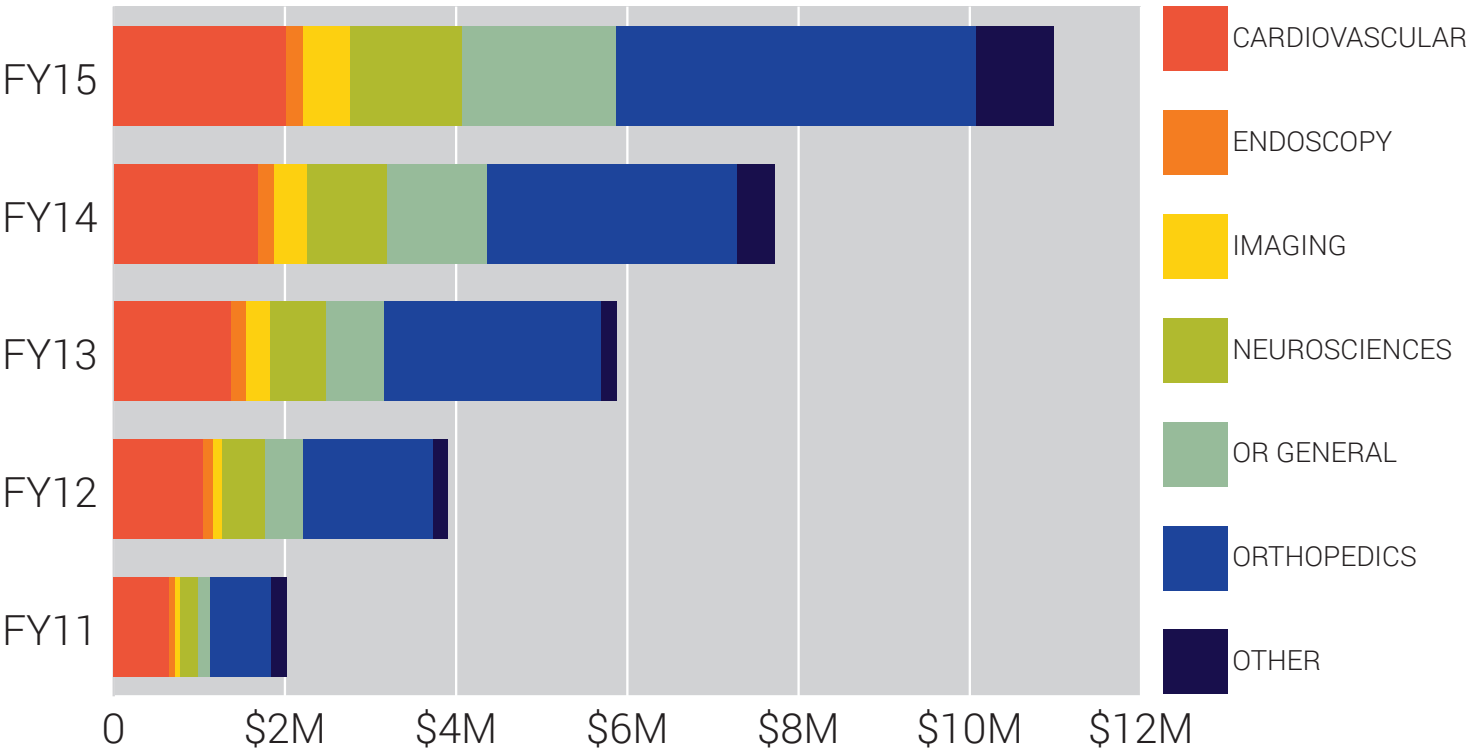
Annual Savings: \$78,000

The Huntsman Cancer Institute spends approximately \$400,000 per year on the purchase of breast implants and accessories in performing breast reconstructive surgery. After obtaining the support from our physicians, we negotiated a 20% reduction in supply costs with both vendors totaling \$78,000 in the first year.

New Hospital Bed Project

After nearly 14 years of hard use, we made a major investment in replacing the acute and critical care bed fleet at University Hospital with new bed frames and mattresses. The team ultimately selected the Hill-Rom Progressa 555 Therapy Bed. This bed features a therapy powered air surface to protect skin integrity, promotes patient comfort and optimizes early mobility. Patients have been very pleased with the bed for its comfort, heat and moisture control and ease of getting out of bed. We expect to see further positive outcomes related to pressure ulcers, fall prevention, and patient satisfaction over the next year. Upgrading beds has saved \$18,000 per month in specialty bed rentals and \$200,000 per year in maintenance fees.

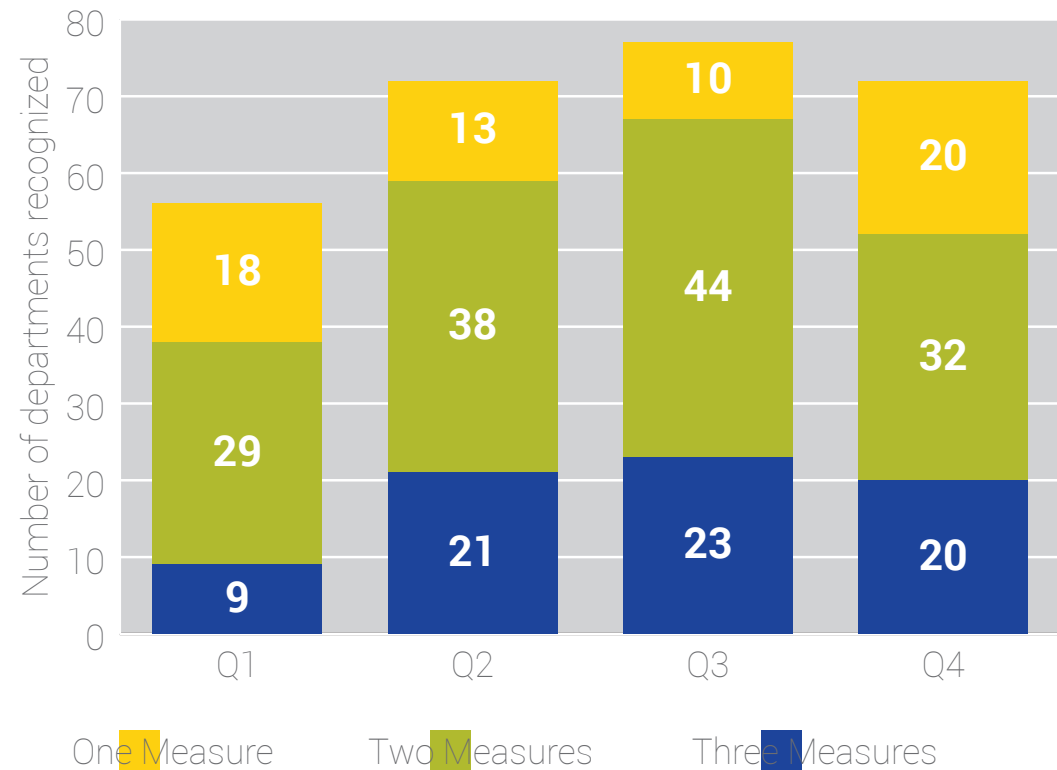
Supply Chain Annual Savings



Fully implement unit-based value dashboards and value recognition program

“Real transformation takes time, and efforts risk losing momentum if there are no **short-term goals to meet and celebrate.**”

John Kotter



Identify and develop Value Driven outcomes (VDO) dashboards for 15 top clinical conditions

What gets measured gets managed.

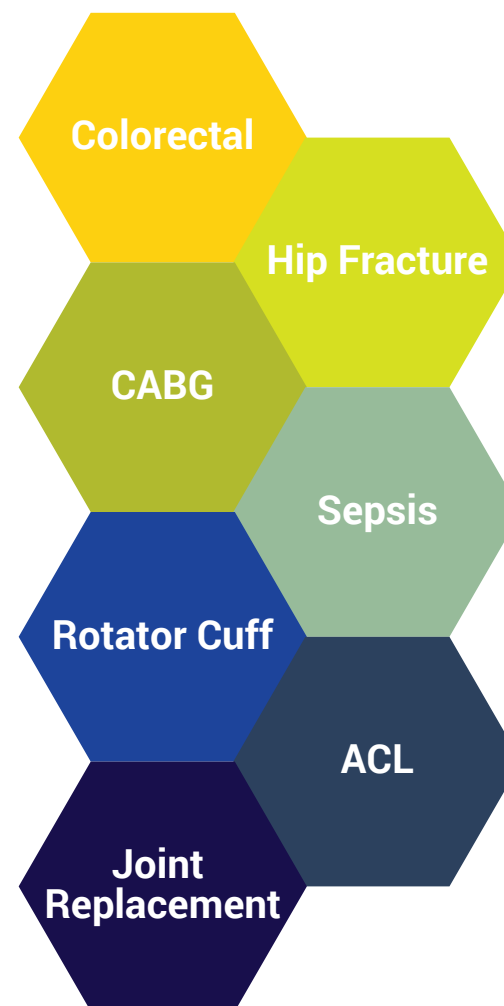
Scorecards are a critical part of any value transformation strategy because of the power of measurement: simply putting data in the right hands will often improve process and outcomes. To harness this power, measures must be:

- Easily understood by the reader
- Relevant to the reader
- Actionable by the reader

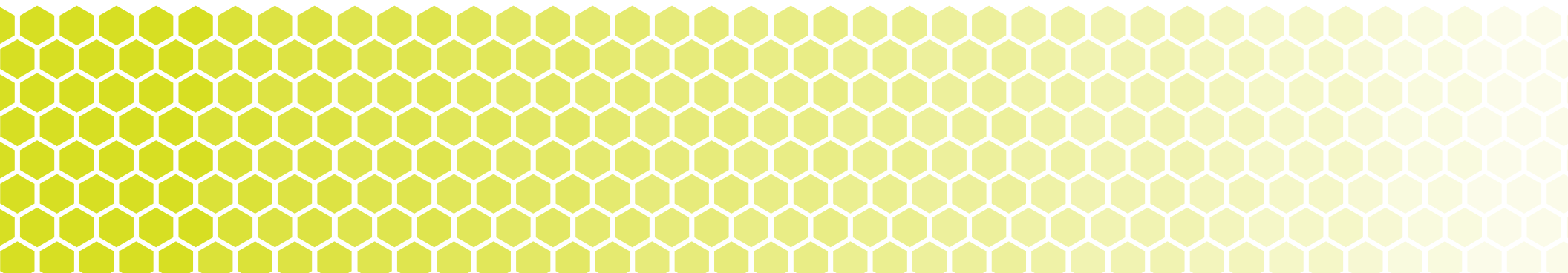
The measures on a scorecard should show stakeholders the recent history of key measures within the families of quality, service, and cost and should include:

- Present process measures that ask, "Did we follow the process as we designed it?"
- Outcome measures that ask, "Did the process produce the results we want?"
- Balance measures: "Is our new process affecting other aspects of the business?"
- Trends: "Are we getting better, getting worse, or remaining stable?"

At the end of FY15 we had seven active scorecards for the top 50 medical conditions (T50MC). In FY16 we plan to ask Decision Support to develop 6-10 more. In addition to these, Decision Support produces scorecards for other areas of our healthcare enterprise.



FINANCIAL STRENGTH



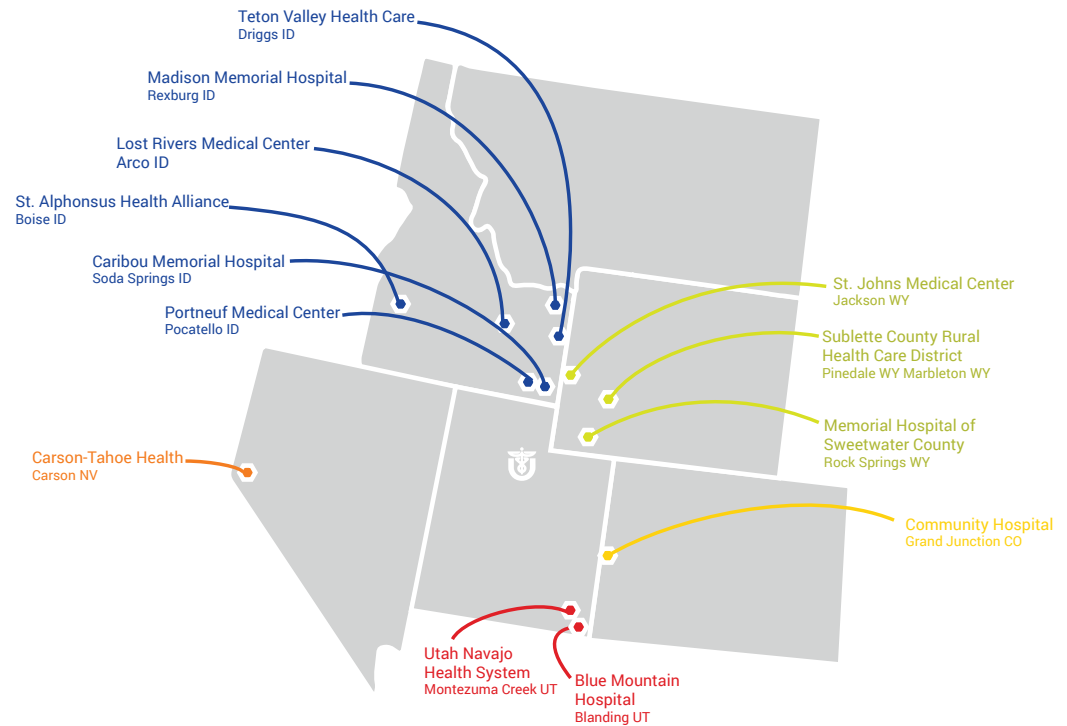
1. Grow Clinical Services

Establish and implement a strategic physician recruitment plan in concert with all clinical departments prior to the FY16 budgeting process



Increase outreach clinical services outside the Wasatch Front by 5 sites, which could include virtual TeleHealth

Outreach clinical services experienced robust growth in FY15. Five new on-site clinical services expanded UUHC's reach into the intermountain region. Fourteen new TeleHealth sites opened this year. TeleStroke doubled its sites from twelve to twenty four. TeleHealth expanded its Project ECHO Education Offerings to over 10 different specialties. In FY15, TeleHealth also launched TeleICU, TeleCrisis, Transplant and Dermatology.



Increase inpatient referrals from targeted regions by 5% over prior two year baseline

We provide the highest quality, compassionate care across our region by receiving cases within our own walls and by helping our clinical partners (hospitals and providers) expand and enhance services within their specific markets. In FY15, UUHC's average case volume grew by 5% and dollar margin increased by 13%.

Targeted regions included the entire state of Utah, 3 target counties in Arizona, 8 in Colorado, 8 in Idaho, 9 in Montana, 8 in Nevada, 2 in Oregon and 8 in Wyoming.

These cases are usually higher in acuity than UUHC's average CMI.



2. Increase Capture Rate of Internal Referrals

Increase pharmacy prescription capture rate by 25% from the UUHC clinics FY14 baseline.

Prescriptions from patient visits in UUHC clinics represent a significant reservoir of revenue. A prescription filled in a UUHC pharmacy generates \$85 to \$230 in revenue. Capturing the initial fill of a prescription from a visit to a UUHC clinic is critical to tapping this revenue stream.

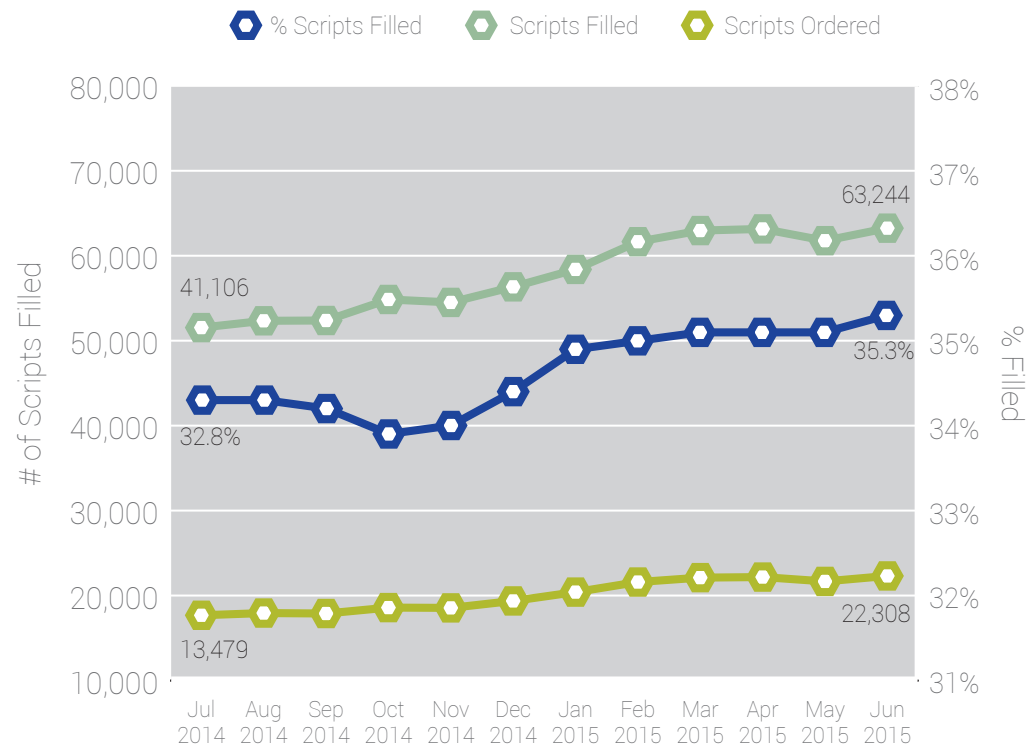
In FY15, the Pharmacy team tackled this goal with several initiatives:

1. Embedding pharmacists in select clinic locations
2. Centralized prior authorizations for selected specialty clinics
3. Retail pharmacy advertising campaign including flyers, mail order options, posters
4. Meetings with clinic teams to provide scripting and education

These efforts have increased the prescription capture rate from 32.8% to 35.3%. This modest growth has

increased revenue by approximately \$4M. Significant opportunity still exists, and work will continue in FY16

to increase the script capture rate to 41%.



Reduce the number of CT/MRI imaging studies referred outside the organization by 10% from FY14 baseline.

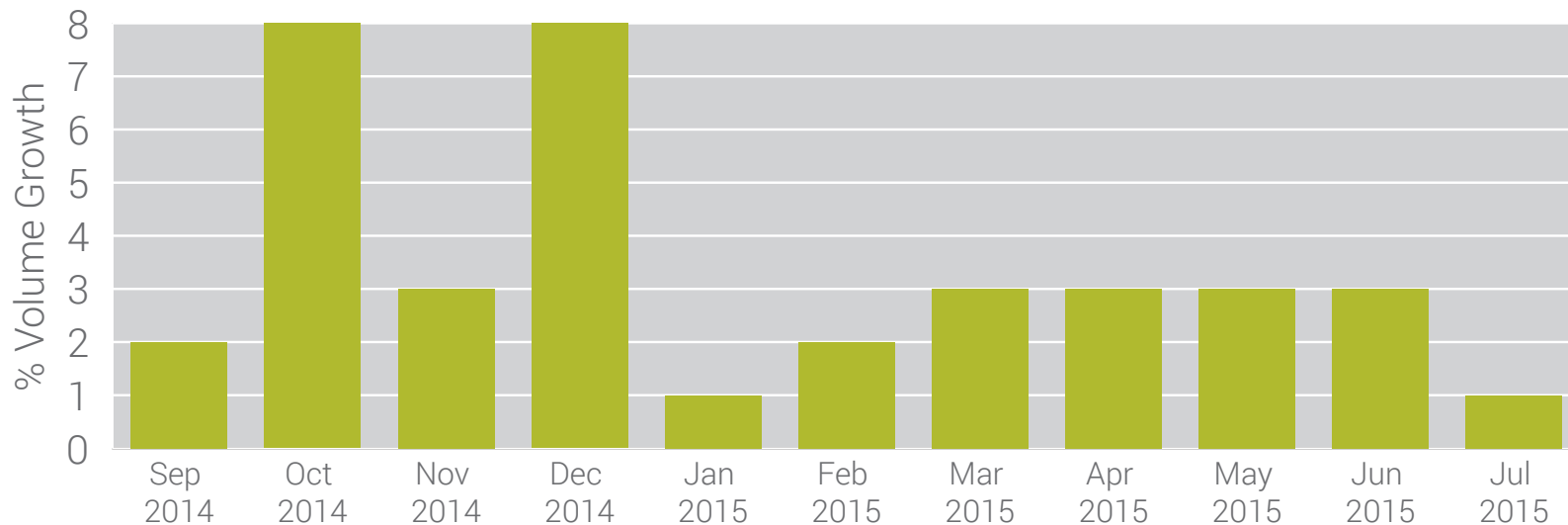


Increased hours at several MRI locations



More staff to schedule appointments

As a result of these efforts, external referrals from neuro-oncologists have declined. This decline in external referrals has occurred during an 8% overall volume growth in MRI.



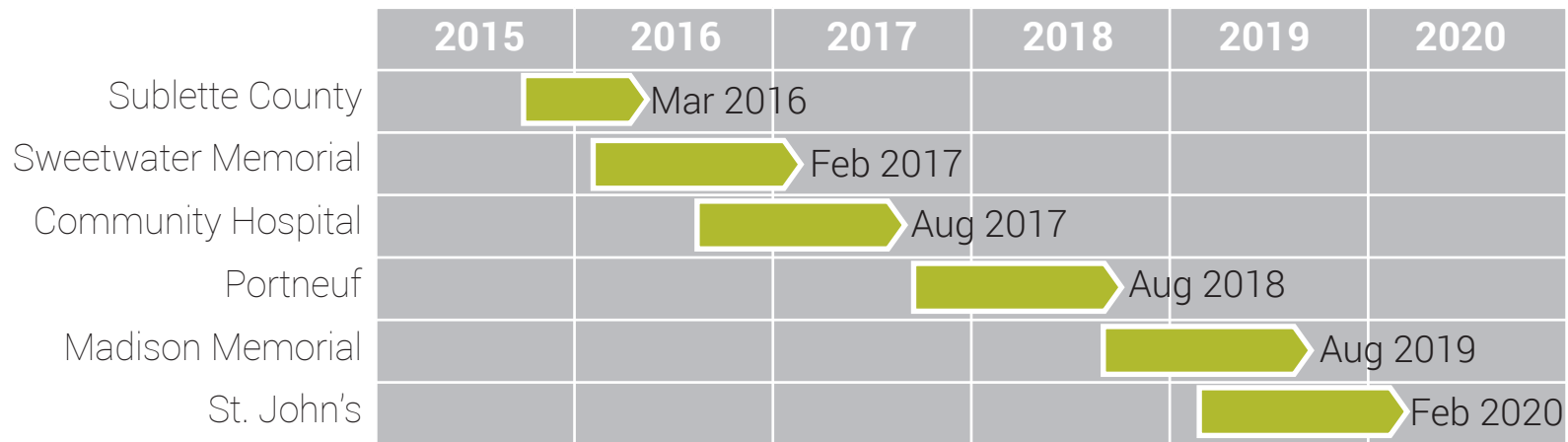
Update and standardize 100% of provider templates

Template optimization helps everyone. Effective templates support efficient providers, decrease wait times for patients, and helps schedulers. In FY15, the Template Management Office was created to provide long-term support to clinics and IT and produces template utilization data across the system. The TMO refines scheduling workflows to make it easier for patients, providers and staff to schedule an appointment.



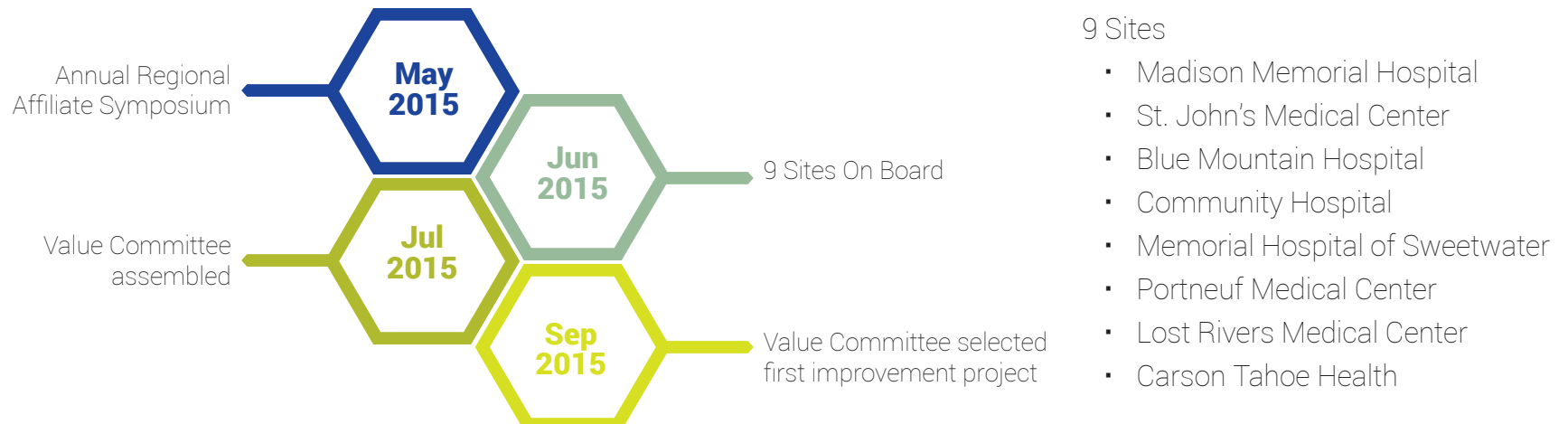
3. Expand and Strengthen Network Affiliations

Implement Epic Connect with 2 entities



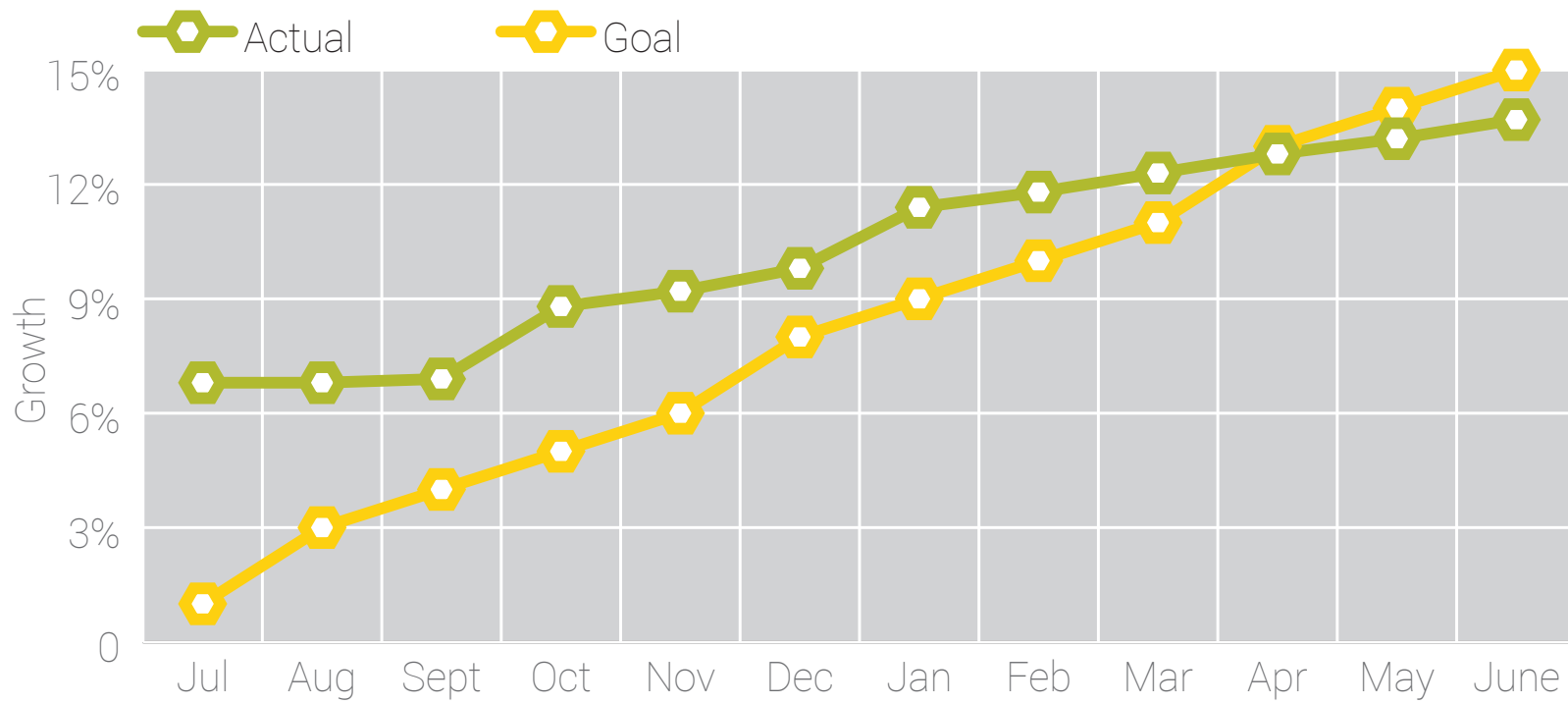
Establish 2 quality collaboratives with affiliates in the region

As a growing network of facilities and providers, we have a unique opportunity to work together to improve the value for patients in our communities. The University of Utah & Affiliate Partners Commitment to Value Program is focused around fostering collaboration and increasing transparency to deliver high quality, coordinated, patient-centered care to the region.



4. Improve Health Plan Steerage/Efficiency

New business membership growth by 15% (excluding Medicaid)





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