OR BUSINESS MANAGEMENT CONFERENCE

February 11-13, 2014 | Hyatt French Quarter | New Orleans, LA

www.ormanager.com/managementconference

SPEAKERS

Michelle Jackson

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St Luke's Health System
Boise, ID

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The Competency and Credentialing Institute
Denver, CO

CCI
COMPETENCY & CREDENTIALING INSTITUTE

OBJECTIVES

1. Relate one source of peer-reviewed literature to support block time utilization decisions.

2. Describe the process for the initiation of a multidisciplinary block utilization committee.

3. Explain the strategies used to achieve and sustain a department level block utilization rate of 90%.

OR Block Time

How does a Block Committee fit into the governance structure of the facility?

Always remember these principles:

1. Block time belongs to the facility

2. Block time is an extremely valuable asset

3. You are the guardian of the block time

Angela Christensen

Takeaways

- **Thumb Drive for each participant**
  - **Policies**
  - **This presentation**
  - **Forms**
  - **Literature Review**

Block booking is essentially a reservation. Let's say you are going to dinner on Saturday night, and you don't want to wait for a table. You call ahead and reserve—block book—a table. Your evening is pretty well planned now. You don't have to worry about rushing around or getting to the restaurant early—you are taken care of.

Stephen W. Earnhart
OR Manager 2003

Block Scheduling Defined

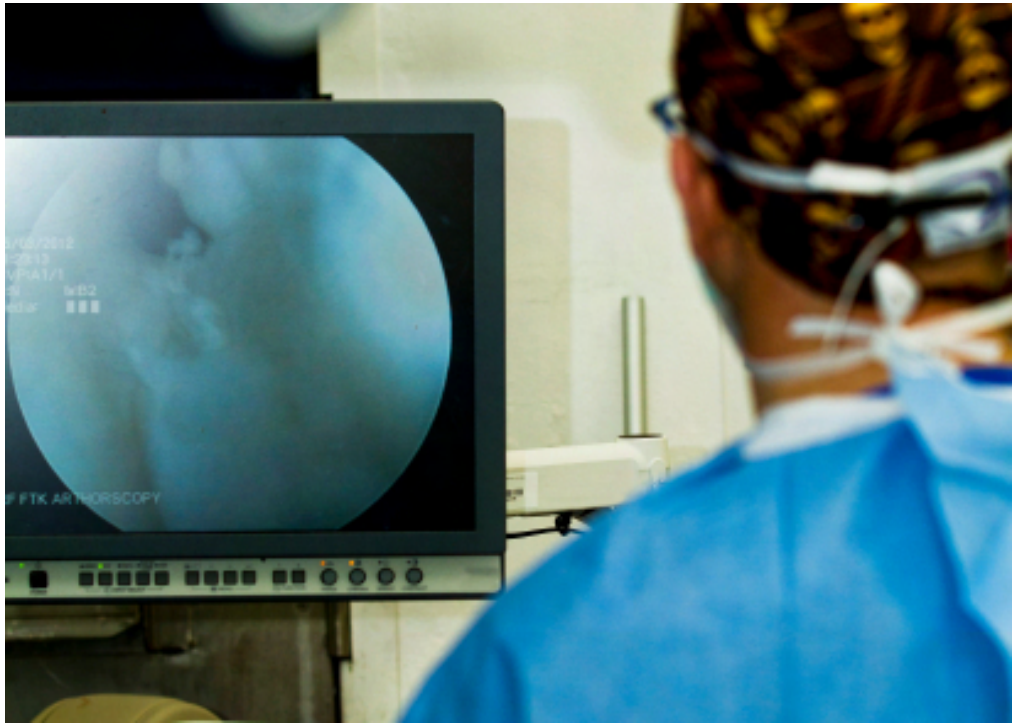
The institution assigns a specific room on a specific day to a surgeon or surgical group.

The surgeon or group may then schedule its cases for that room and day.

This arrangement permitted the development of specialized ORs (i.e., rooms with dedicated laparoscopic equipment).

Miller's Anesthesia (2007)
by Ronald D. Miller
7th edition published by Elsevier

Surgeon's Definition of Block Time?



Most Frequent Comment by a Surgeon Regarding Block Time?

Block Time vs Open Scheduling

- Not an either/or question
- More a question of balance between the two methods
- Allocating too much OR time to block scheduling (75 – 85%) decreases flexibility
- Sustained high utilization rate also decreases flexibility
- Consider your fixed costs

Definitions

Tactical Decisions – OR staffing will be increased - Who gets the addition hours that have become available?

Operational Decisions – The regular monitoring and revisions to the current block schedule.

Strategic Decisions - Should we build a new wing to the OR? Should we build more rooms?

Tactical Increases in Operating Room Block Time for Capacity Planning Should Not Be Based on Utilization, Ruth E. Wachtel, PhD, MBA* and Franklin Dexter, MD, PhD†

Economic Credentialing

Neuro

90% Utilization
Heavy implant use
High margin
High Equipment Cost

versus

GYN

60% Utilization
Low implant use
Low margin
Low Equipment Cost

Elements of a Block Policy

- Block Times (defined by hour-of-day)
- Scheduling Block Time (process for booking into one's block time)
- Block Time Allocation (how blocks are requested and assigned)
- Required Utilization Target (for block holders to retain time)
- Measurement & Reporting Frequency (of block utilization)
- Measurement Formula (how is block utilization to be computed)

Surgery Management Improvement Group

Elements of a Block Policy (cont.)

Block Release (when should unused time be made available for others' use)

- Automatic
- Voluntary

Requesting Block (the process for new surgeons to gain guaranteed access to the schedule)

Key Points

- Block time must be continually monitored and re-evaluated in a systematic fashion
  - This will be resource-intensive
- To maximize the efficient use of your operating room you must have an ongoing process which is proactive in nature
- You must have good data
  - No matter how good your data – The surgeons will not believe it
- You must involve the surgeons

Key Points

- Block scheduling and allocation of resources is done within a context
- Must consider a large number of factors
- Overall financial health of the facility
  - The Operating Room is typically the largest revenue source for the facility
  - If the OR is doing poorly from a financial perspective – The facility is likely also doing poorly

Key Points

- Realize that your decisions will effect the entire facility
- Must clearly define how utilization rate will be calculated
  - With Turnover Time
  - Without Turnover Time
  - Clearly communicate this choice
- Use well-validated definitions that are accepted by the group
- Agree on the Blocked/Non-Blocked Ratio (85,80,75,70)
- Must also account for new surgeons coming on staff

Avoid These Errors

- Don’t over block your schedule on any given day. No more than 85% of the prime time schedule should be blocked.
- Don’t make your release times so late that you don’t have time to find another case for that slot.
- Don’t block too heavily in one specialty on any given day. Think about your limited resources and equipment.

Loyalty – The Ties That Bind

- Block scheduling can aid recruitment and retention of surgeons
- If the surgeon takes a large block and fills it
  - Steady source of income
  - Must maintain caseload (with your facility) to keep the block
  - Makes his/her life easier and more predictable

If You Do It Well

- Increased surgeon and staff satisfaction
- Sustained high utilization rates
- Effective use of resources
- Synchronization of resources – Both before and after surgery
- Contribute to the overall financial health of the facility
- Smooth patient flow through the system

OR Block Time

Is it a Right or a Privilege?

St. Luke's Health System 2013

St. Luke's Boise
Beds: 399
Employees: 6,414*

St. Luke's Meridian
Beds: 167
Employees: 1,449

St. Luke's Magic Valley
Beds: 228
Employees: 2,070

St. Luke's Wood River
Beds: 25
Employees: 392

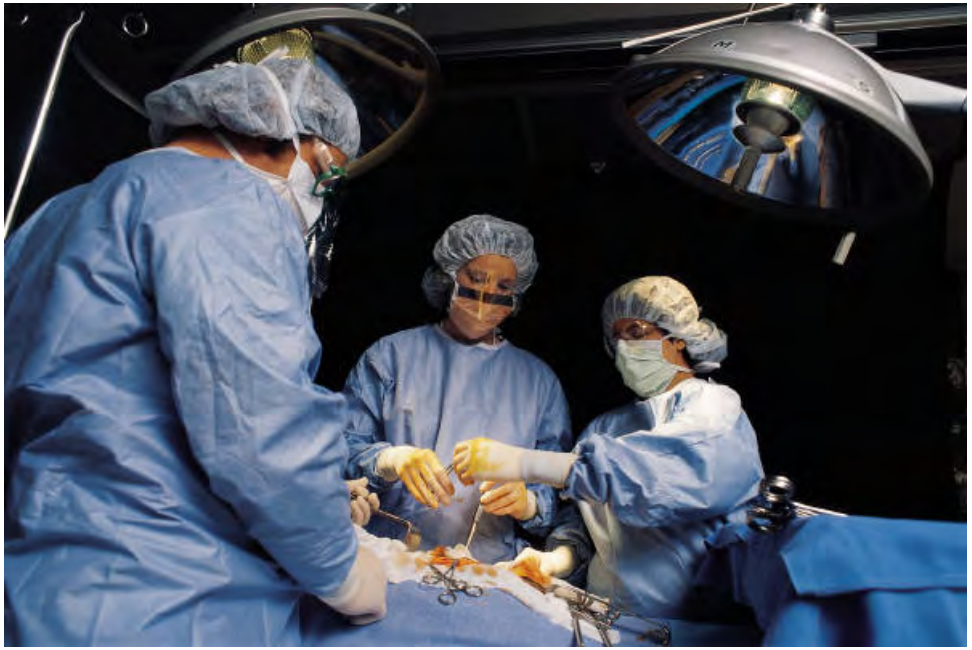
St. Luke's McCall
Beds: 15
Employees: 219

St. Luke's Jerome
Beds: 25
Employees: 181

St. Luke's Elmore
Beds: 25
Employees: 300

St Luke's Treasure Valley Surgery Scheduling

- Includes Boise, Meridian, and Wood River
- Totals 41 OR's in 6 areas/facilities with annual volume of over 27,000 cases
- Supports multiple ancillary departments



The Problems

- No clear expectations or consequences regarding block utilization
- Questionable data integrity
- No vested interest from surgeons
- More requests for block time than available time
- Inefficiently run rooms, empty rooms in the middle of the day (staffing issues)

The Plan

- Create a multi-disciplinary committee
- Create administrative position
- Communicate and educate

Nov 2010	Step # 1 – Held first Block Committee meeting
Aug 2011	Step # 2 – Established administrative position
Nov 2011	Step # 3 – Finalized new policies and procedures
Jan 2012	Step # 4 – Held open houses to educate surgeons on changes
Mar 2012	Step # 5 – Sent first quarterly utilization reports to all block-holding doctors
May 2013	Step # 6 – Placed first blocks on observation for not meeting utilization expectations.
Oct 2013	Step # 7 – Formalized committee reporting structure

Step #1 – Establish Committee and Goals

- Establish committee
- Research literature for best practices
- Establish Goals
  - Establish and enforce guidelines for block scheduling and utilization, utilizing surgeon input in these decisions.
  - Perform more cases without increasing OR capacity or personnel
  - More closely align block allocation with each surgeon/group's needs
  - Increase surgeon and staff satisfaction due to better OR availability and consistency

Step #2 – Establish Administrative Position

DUTIES

- Educate and communicate with surgeons and their offices
- Communicate current block utilization data to surgeons, block committee, and OR management quarterly
- Monitor block usage and ensure accurate reporting of utilization
- Establish relationships with surgeons and their offices
- Supervise scheduling staff

Example: Monthly Block Report

ST LUKE'S SURGICAL SERVICES
SURGICAL UTILIZATION DECEMBER 2013
BOISE MAIN OR

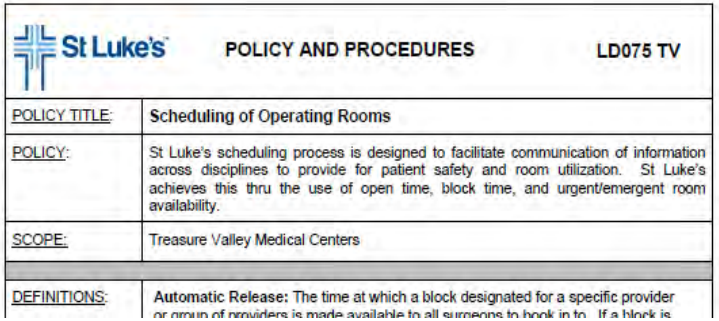
Greater than 85%
75-84%
60-74%
50-59%
<50%

Block Name (Alphabetical)	Day of week	% block used (F divided by E)	Actual Usage of block (releases not factored)	% available time released
Names hidden to protect the innocent	MONDAY	100%	110%	0%
	WEDNESDAY	97%	97%	0%
	THURSDAY	19%	19%	0%
	MONDAY	97%	75%	23%
	MONDAY	100%	110%	4%
	FRIDAY	100%	97%	5%
	TUESDAY	27%	27%	0%
	FRIDAY	55%	55%	0%
	TUESDAY	43%	17%	60%
	FRIDAY	74%	55%	25%
	MONDAY	96%	96%	0%

Step #3 – Establish Changes

Establish New Policies & Procedures, Set expectations & consequences

- Staggered Block Release Times
- Block Utilization Reviews
- Expectations
  - Releasing block time
  - Utilization and consequences
  - Observation



St Luke's POLICY AND PROCEDURES LD075 TV

POLICY TITLE:	Scheduling of Operating Rooms
POLICY:	St Luke's scheduling process is designed to facilitate communication of information across disciplines to provide for patient safety and room utilization. St Luke's achieves this thru the use of open time, block time, and urgent/emergent room availability.
SCOPE:	Treasure Valley Medical Centers
DEFINITIONS:	**Automatic Release:** The time at which a block designated for a specific provider or group of providers is made available to all surgeons to book in to. If a block is

Step #4 - Education

- Held multiple open houses
- Communicated how things were done in the past as well as new expectations and policies
- Educated block holders on current allocations, how to release their block, etc

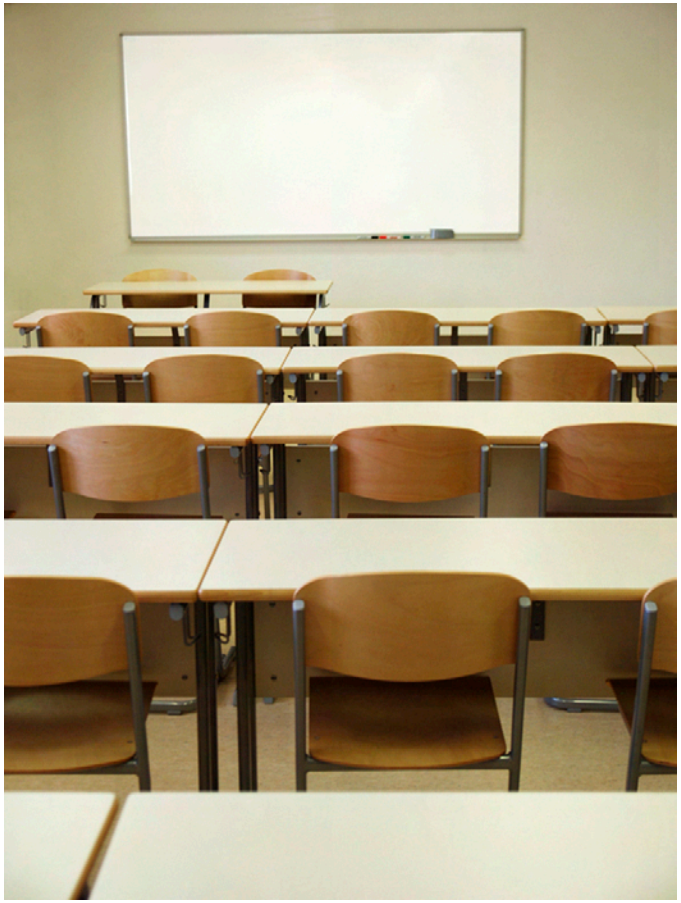
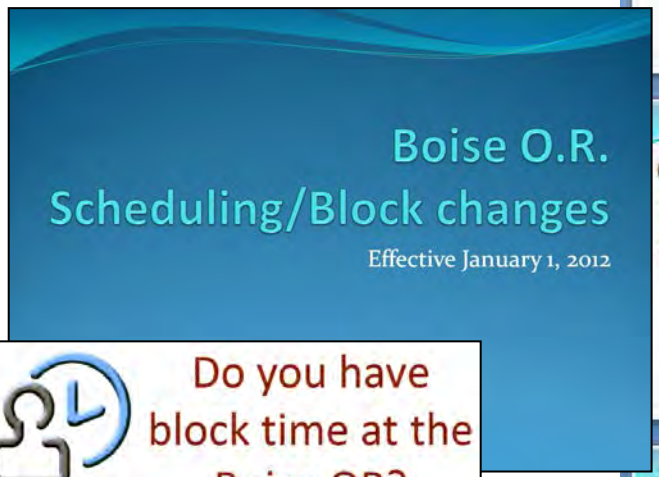
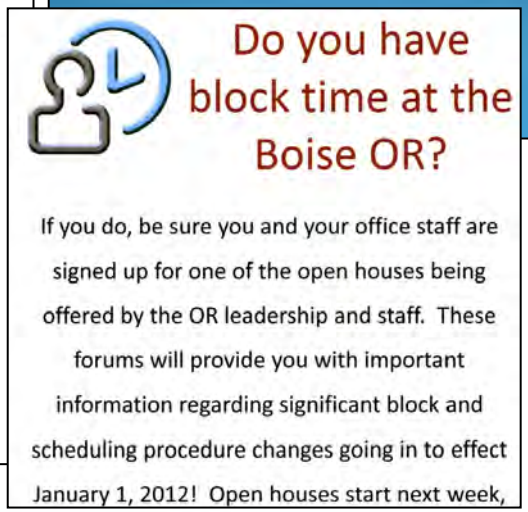
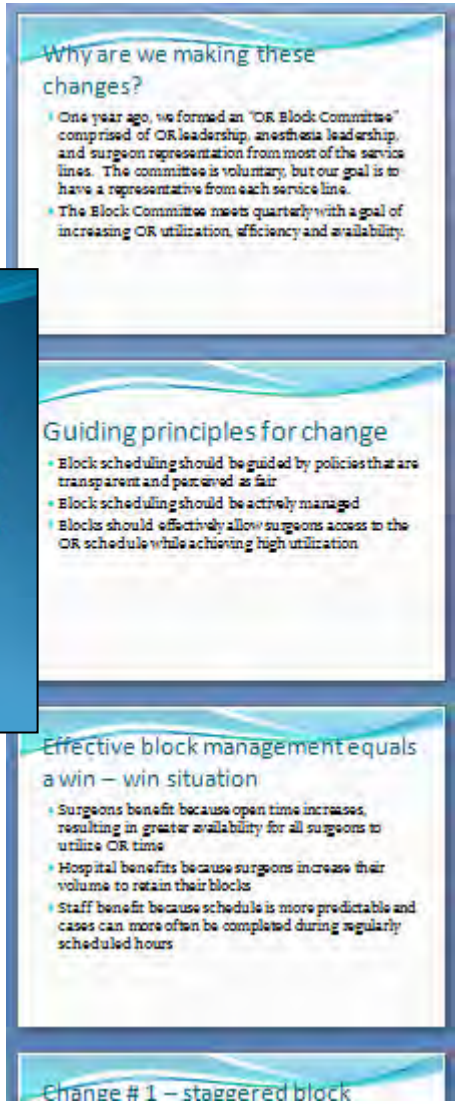


Photo purchased from Istock Photos

Example – Open House







Example – Open House Follow Up

St Luke's Boise

Letter to Attendees
Thank you
Review of information

January 31, 2012

Dear Dr_____ & Staff,

On behalf of the Boise OR leadership, scheduling department, and Block Committee, I want to thank you for taking the time to attend one of the scheduling and block change open houses held at the beginning of January. We hope you found this information useful in your practice and realize the potential benefits of an efficiently run block system.

Many of you asked for a recap of your current block situation, so below you will find the specifics of your block day/time, as well as your December utilization percentage. However, remember that December was prior to the changes we have implemented, which will likely increase your utilization percentage going forward.

Surgeon/block name	Cherny/Jutzy	Cherny/Jutzy
Block day/time	Monday 0730-1700	Wednesday every other 0730-1700
December utilization	79%	80%
Automatic block release day	3 days	3 days

You will start receiving quarterly utilization reports from me in April (the first report will cover January-March 2012). If you would like reports more often, please feel free to email me with your request and I am happy to send you a monthly report.

Again, thank you for your continued business at the Boise OR. We look forward to the opportunities forthcoming with the improved policies and procedures implemented.

Sincerely,

Michelle Jackson
St. Luke's Surgical Scheduling Systems Supervisor

St Luke's Boise

Letter to Non-attendees
Sorry you missed it
Review of information
What now?

January 24, 2012

Dear Dr _____,

During the first two weeks of January, several open houses were offered to block surgeons and their staff regarding scheduling and block changes in the Boise OR. Our records indicate that your office was not represented during those sessions. We hope you have had the opportunity to receive the information thru the other forums offered, but wanted to assure that you received it. Therefore, the information distributed at those sessions is enclosed for your review. I would encourage you to take some time to look at the information and contact Heather LaBour or myself if you have any questions. We hope you find this information useful in your practice and realize the potential benefits of an efficiently run block system.

Many of you asked for a recap of your current block situation, so below you will find the specifics of your block day/time, as well as your December utilization percentage. However, remember that December was prior to the changes we have implemented, which will likely increase your utilization percentage going forward.

Surgeon/block name	Griffiths	
Block day/time	3rd Monday 0730-1500	1, 3, 4 Thursday 0730-1700
December utilization	0%	97%
Automatic block release day	14 days	14 days

You will start receiving quarterly utilization reports from me in April (the first report will cover January-March 2012). If you would like reports more often, please feel free to email me with your request and I am happy to send you a monthly report.

Again, thank you for your continued business at the Boise OR. We look forward to the opportunities forthcoming with the improved policies and procedures implemented.

Sincerely,

Michelle Jackson
St. Luke's Surgical Scheduling Systems Supervisor

Step #5 – Continued Education and Communication

- Continued education regarding block allocation and expectations
- Initiated quarterly utilization reports to surgeons
- Worked one on one with surgeons with significant mis-match between allocated block time and needed block time. Made block modifications where agreed.
- Gradually changed focus from block “management” to usage – started looking at block time released.

Example – Quarterly Utilization Letter

St Luke's Meridian

Re: Block Utilization Quarterly Report January 7, 2014

Dear Dr. _____,

Below is block utilization data for your Wednesday block. This information allows you to compare the most recent quarter's data to the previous quarter.

Quarter	Utilization*	Block released**
Feb-Apr 2013	93%	25%
May-Jul 2013	100%	44%

* Total minutes used within block ÷ adjusted minutes available (total minutes available less minutes released prior to deadline)
** Total minutes released prior to deadline ÷ Total minutes available

Target Utilization is ≥ 75% with ≤ 25% of Block Released

Blocks with utilization of ≥ 85% with ≤ 25% of block released are eligible for no automatic release of unused block time. Automatic release will return to service line release guidelines after two quarters of not meeting this target.

We encourage you to review your utilization data. Blocks that are consistently under-utilized will be reviewed by OR leadership and the OR Block Committee. Our goal is to match your blocks to your needs. We appreciate your diligence in utilizing your block time and/or releasing it when you are unable to use it. If you have any questions about utilization information, or need further clarification on block usage guidelines, please do not hesitate to contact me at 381-7720.

Thank you for your continued business with St Luke's Surgical Services and the Meridian surgery team. Please contact me with any questions or concerns regarding this information.

Sincerely,

Michelle Jackson
Surgical Services Scheduling Systems Supervisor
jacksonm@slhs.org
381-7720

Sent on behalf of the OR Block Committee

Step #6 – Observation Status

- Blocks not meeting utilization requirements are reviewed by the block committee and blocks are recommended for observation status
- Letter is sent to surgeons notifying them that their block has been placed on observation
- Letters are sent each month with updated utilization information
- Observation blocks are reviewed by the block committee again at the end of the quarter

Example – Observation Status Letters

St Luke's Boise

Initial Letter

January 7, 2014

Dear Dr. _____,

Last month, you received a letter informing you of your block utilization for the past two quarters. The block committee recently met to review block utilization data. Utilization criteria has been determined by the committee and distributed to all surgeons holding block.

The purpose of this letter is to:

- Educate you on the expectations set forth by the committee.
  - To remain in good standing, block utilization must be greater than 75% with less than 25% of the available time released. Our goal is to match OR time with your needs, ensuring you have enough block to meet the demand of your caseload.
- Inform you that you did not meet the criteria set forth and are now in a 3 month observation period.
  - *Block specific data here*
- Remind you of your current block allocation and guidelines.
  - Your block is every____ from ____ to ____
  - Your block automatically releases to open booking time if you have not booked a case by ___ days prior to the block. For unused time to not count against you, the time should be released prior to the automatic release. However, if more than 25% of your time is released, it may be counted into utilization.
- Educate you regarding your options during your observation period.
  - You may be expecting increased utilization during the next quarter, and may not need to change anything about your block.
  - You may want to consider reducing the length of your block day, having fewer block days each month, or sharing your block with another surgeon.
  - You may request a temporary modification to your block if you foresee an increase in utilization in the future.
- Educate you regarding what could happen to your block if utilization does not meet criteria at the end of your observation period.
  - 60-74% utilization will result in a reduction of ¼ current block time
  - 50-59% utilization will result in a reduction of ½ of current block time
  - <50% lose block

Michelle Jackson is available to meet with you to reevaluate your needs and make modifications to your block as needed. Additional data and detail of your block utilization is also available upon request. If you have any questions or concerns, please contact Michelle. Contact information is below.

Thank you for your prompt attention to this matter.

Sent on behalf of the Boise OR Block Committee

Month #1

This letter is a follow up to last month's letter. I am reaching out to you to remind you that I am available to answer any questions you might have, and brainstorm possible solutions that will more closely align your allotted OR time with your case volume needs.

July was month #1 of your 3 month probation. Utilization data is below for your reference.

Month #2

This letter is a follow up to the block utilization information you have received over the last couple of months. I am reaching out to you to remind you that I am available to answer any questions you might have, and brainstorm possible solutions that will more closely align your allotted OR time with your case volume needs. If your utilization is still not meeting the minimum utilization criteria, I would strongly urge you to contact me. If your utilization has improved or we have talked and have a plan in place, I'd like to thank you for your commitment to effectively managing your block time.

July was month #2 of your 3 month probation. Utilization data is below for your reference.

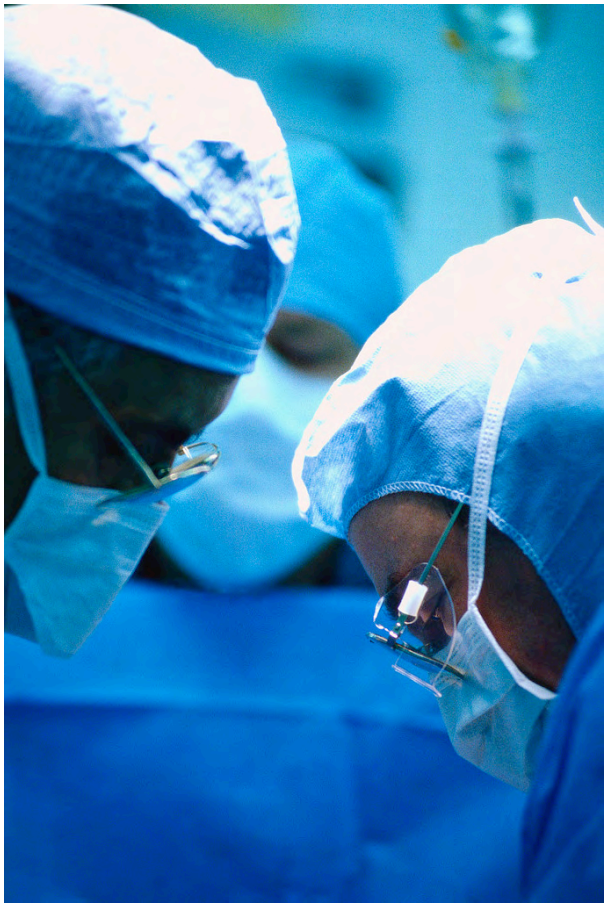
Month #3

September was the final month of your 3 month observation period. Utilization data is below for your reference.

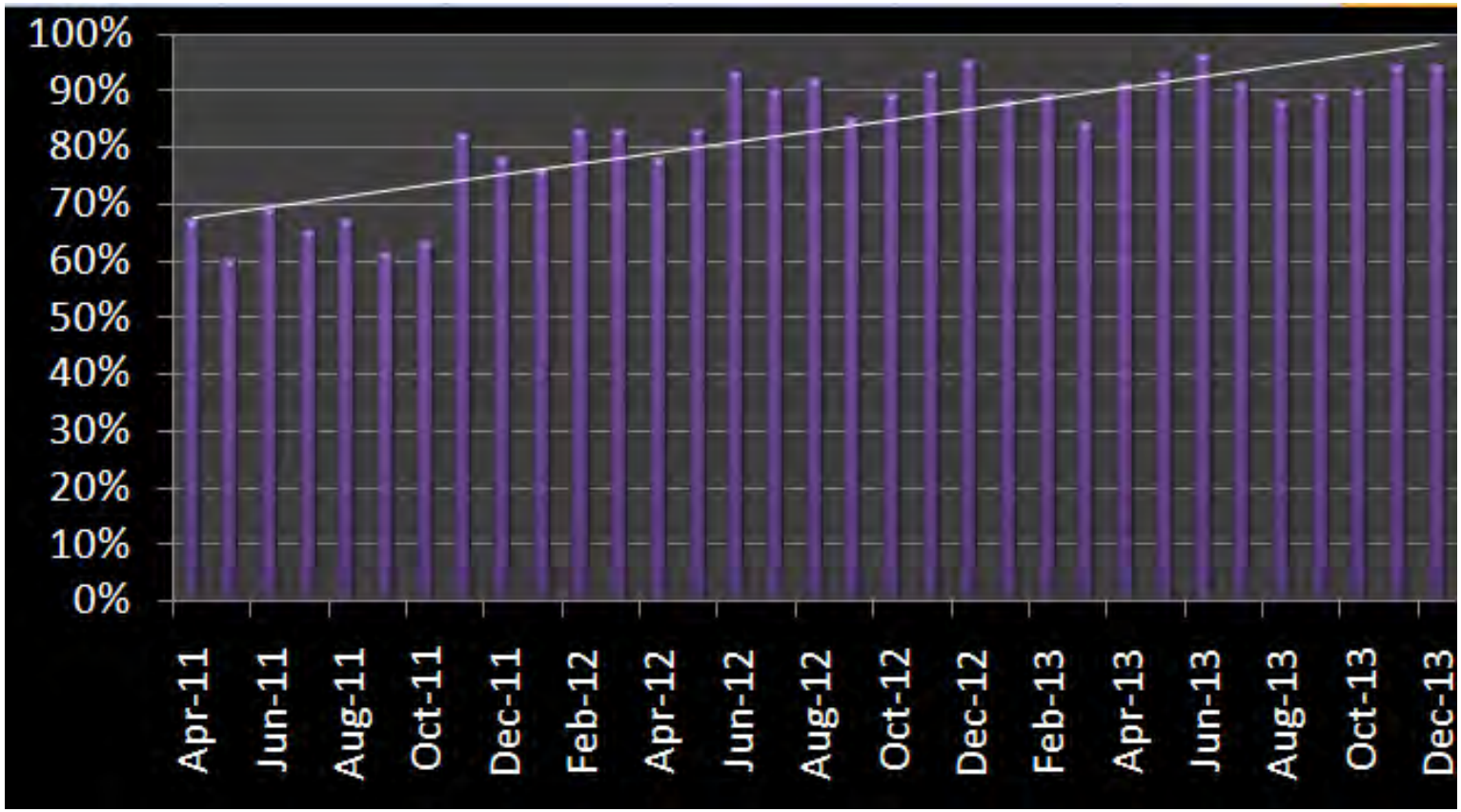
Your block will be reviewed and discussed at the next block committee meeting on October 16. The meeting is open for you to attend if you wish.

Step #7 – Formalize Committee

- Established role of committee – Advisory versus Enforcing
- Formalized committee reporting structure and enforcement responsibilities



Results


100%
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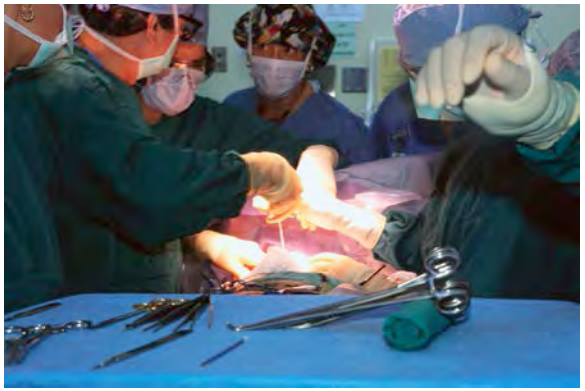
Common Block Modification Options

- Reduction of block
  - End at 1500 rather than 1700 (try to avoid ½ day blocks)
  - Block every other week rather than every week
- Create a group block where other surgeons in the same service line are allowed to book into the block



Questions & Comments from Surgeons

- If your goal is for me to release time I'm not going to use, why do you limit me to releasing only 25%?
- If I tell you months in advance, the time I release should not be held against me.
- I had to release my block because the hospital made me go to a meeting. This shouldn't count toward my 25%.

Questions & Comments from Surgeons

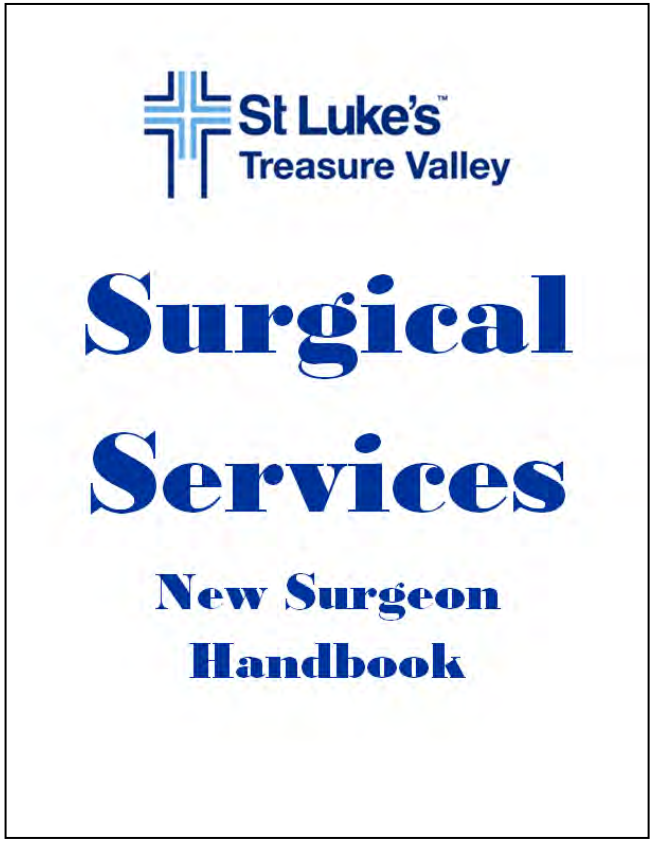
- My case got cancelled because my patient was sick. This shouldn't affect my utilization.
- The expectation of 75% utilization is unrealistic.
- I get penalized because I'm faster than the other doctors – guess I just shouldn't be this efficient.

Things We Learned/Identified Along the Way

- Block time = Surgeon pride
- Gain trust
- Catch the new ones on their way in the door
  (New Physician Orientation)
- Establish the role of the committee & reporting and enforcement structure
- Be prepared for monthly and seasonal variations

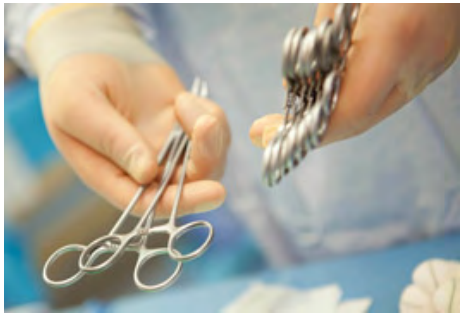
New Physician Orientation and Welcome Manual

- Outlines scheduling processes and procedures
- Gets them in touch with the right people
- Establishes relationships – Sets the framework for long term relationships



Things We Are Still Working To Address

- The aging workforce
- Everything can somehow be tied back to block utilization
- How lenient can/should you be after setting expectations?
- Balancing block time vs. open time and leveling servicelines



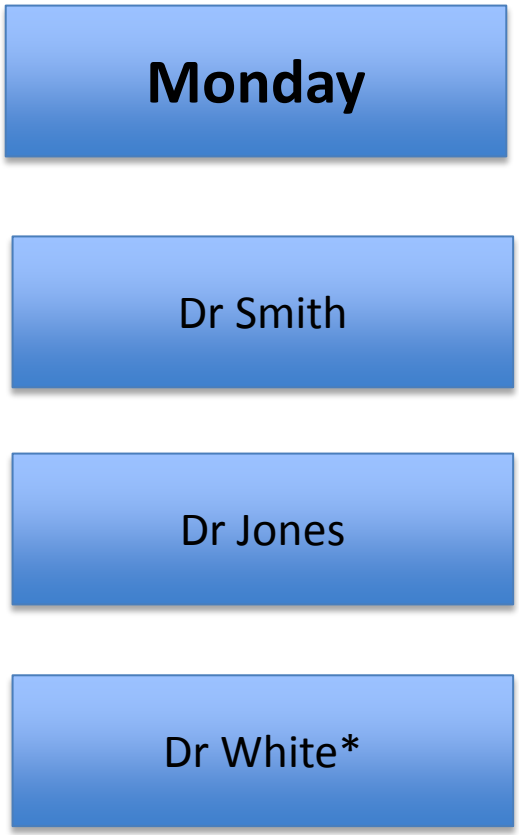
Future State

Operational decisions (block allocation decisions) for the OR are made within the larger context of facility and system needs

- May require radical, disruptive change
- LEAN consultants, heavy use of statistics
- Alter the workflow and staffing for the entire facility

An example…

Future State



Future State

Monday

Dr Smith

Dr Jones

Thursday

Dr White

Future State

Incentivize surgeons:

- On Time Starts
- Utilization rates
- You Name It

Priority for additional block time
Priority for “Better” block day

Future State

Incentivize the surgical team

- On Time Starts
- Case completion at end of day
- You Name It

Home with pay at end of cases

- More easily done in surgeon-owned facilities
- May not be possible in a union environment

For This To Work…

- Surgeons must be involved
- Must back up your people
- Must have the support of the C-Suite
- Entire facility must be aligned
- Must enforce your policies
  - Consistently
  - With all surgeons

From one of our docs…

"I feel the OR block committee has given the surgeons a very important voice in helping to create the most efficiently running OR that is possible. Hearing from your peers that you are not meeting standards is far more effective than hearing it from management. I also feel this committee helps to build better relationships between the different surgical specialties as we are all working together on a common goal."

Suzanne Rice, MD

OR Block Committee Member

References

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Surgery Management Improvement Group

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