

Two High-Performing Health Systems Share Their Service Line Analytics Experience

Connecting the Dots Between Cost and Quality are Keys to Success

Two high-performing health systems were able to successfully connect the dots between cost and quality. Using a cloud-based Service Line Analytics (SLA) solution, Henry Ford Health System and Baystate Medical Center were able to combine utilization, clinical outcomes and acquisition cost data to identify which drugs and surgical supplies deliver the best value. Both hospitals influenced clinical practice change with data, showcasing that organizations can generate savings by service line while maintaining or improving quality.

Henry Ford Health System identified savings opportunities, but perhaps more importantly, redesigned clinical change management processes across the system. The challenge HFHS faced was leveraging clinical data from a single site to support a full system implementation. Using SLA, they were able to compare utilization and outcomes data to balance internal and external benchmarking for optimal buy-in. Premier and Henry Ford began this journey toward advanced clinical standardization with an SLA pilot at one hospital, during which value was quickly manifested. Now, SLA will be used across all five of Henry Ford's facilities.

“We were able to save \$400,000 just by analyzing one drug at one location.”

-Ed Szandzik, Henry Ford Health System

Baystate Medical Center is anticipating an annual savings of \$70,000, which began with the identification that intravenous magnesium sulfate was being purchased at a surprisingly high rate. Using Service Line Analytics, they were able to use data to explain anomalies in magnesium usage and create a new strategy based on usage across departments and service lines. The ability to put a story behind utilization patterns and compare significant amounts of data provided Baystate with confidence in the ability to assess their own data and implement changes to reduce costs.

What's unique is that Service Line Analytics utilizes group purchasing organization (GPO) data that is exclusive to Premier. It allows facilities to reduce pharmacy spend while improving quality by:

- Identifying high-spend and high-utilization drugs with drill-down to the provider level.
- Benchmarking to internal and external peers.
- Evaluating pharmaceutical marketing claims of value.
- Comparing utilization against risk-adjusted outcomes.
- Monitoring variation and spend.

Service Line Analytics cloud-based application allows facilities to leverage data they already have and make it more valuable. The pair-matching methodology, combining quality data with GPO data, makes comparisons based on the same types of patients, unique to each scenario modeled. This goes beyond risk-adjustment in assuring accurate apples-to-apples analysis - a true case control study. With Service Line Analytics, organizations can pinpoint what populations to focus on so that savings can occur quickly, as well as enable meaningful, data-driven conversations with providers so that they are more likely to change their prescribing patterns.

For more information, email qualitysolutions@premierinc.com or visit www.premierinc.com/service-line-analytics.