

Enhancing Operational Efficiency: A Case Study in Process Improvement



SimiTree was asked to assist a post-acute care agency dedicated to providing high-quality patient care. In 2022, the agency's leadership team identified a number of areas where they could improve their processes in order to better serve their patients and achieve their business goals.

HOME HEALTH

Before SimiTree's consultants were brought on board, this agency was struggling with a high LUPA rate, low productivity, an inefficient staffing model, and a negative net margin. The agency's LUPA rate was 14%, which meant it were losing out on a

considerable amount of revenue. Its productivity was also low, with an average of 4 visits per day per clinician. This was due in part to the inefficient staffing model, which was not aligned with the agency's patient volume.

SimiTree's consultants worked with the agency's leadership team to identify and implement several process improvement initiatives. These initiatives included:

- **Improving the case management process.** This led to better financial outcomes and processes, as well as improved communication and collaboration across all areas of the agency. For example, SimiTree's consultants worked with the agency to develop a new case management workflow. This workflow helped to ensure patients were managed more efficiently and effectively, and that communication between the clinical team and the financial team was improved.
- **Streamlining the staffing process.** This resulted in improved efficiency and cost savings. For example, SimiTree's consultants worked with the agency to maximize its current staffing productivity. This improvement helped to ensure the agency was only staffing the number of visits it could actually bill for, which resulted in significant cost savings and allowed current staff to focus on meeting productivity levels needed.

“When driving quality of care and agency goals, it is essential that staff know what is expected of them and have the tools and support to do their job.”
— Melissa Gordon, Senior Manager

- **Reporting metrics.** SimiTree was able to work with operational leadership to develop key performance indicators which allowed leadership to understand both daily operational metrics and financial metrics. Using these key metrics allowed this agency to know and understand its core business line and how to adapt day-to-day operations.

As a result of these initiatives, this agency was able to achieve significant improvements in its home health operations. The agency's LUPA rate was reduced from 14% to 7.7%, its productivity increased by 25% (average of 5.1 visits per day), and it was able to streamline its staffing model, resulting in considerable cost savings.

HOSPICE

In addition to the home health initiatives, SimiTree's consultants also worked with the agency to improve its hospice operations. Before SimiTree's involvement, the agency was not maximizing its revenue from Service Intensity Add-ons (SIAs). SIAs are additional services that can be provided to hospice patients, SIAs promote increased patient and family experience and satisfaction, improve quality outcomes (including Hospice Visits in the Last Days of Life, or HVLDDL), and generate substantial revenue for the agency.

SimiTree's consultants worked with the agency to identify and implement several initiatives to improve its SIA revenue. These initiatives included:

- **Clarifying the roles and responsibilities of clinical leaders and IDG.** This helped to ensure all team members had a clear understanding of the practice, and how to tie those opportunities to the plan of care. With education, coaching, and an increased awareness, the agency maximized its opportunities to generate SIA revenue. For example, SimiTree's consultants worked with the agency to create a new SIA revenue goal and an accurate data collection process. This goal provided a team incentive and performance improvement approach supporting the Clinical Director's strategy to generate SIA revenue, improve quality outcomes, and effectively delegate responsibilities to their team to achieve this goal.

- **Improving the social work metrics.** This led to better communication and collaboration across all areas of the agency. This in turn facilitated an increase in SIA revenue and quality of care. For example, SimiTree's consultants worked with the agency to develop a new social work metric and provided training outlining the multiple social work interventions which could be provided to support caregivers and patients in the last days of life. This metric helped to measure the effectiveness of the social work team in providing care, generating SIA revenue, identifying gaps, and measuring success.
- **Streamlining the intake process.** This led to faster and more accurate processing of referrals. For example, SimiTree's consultants worked with the agency to develop a new intake process to bolster same-day admissions for hospice and expedite timely home health admissions. This process helped to ensure these referrals were processed more efficiently and accurately.

As a result of these initiatives, the agency was able to increase its SIA revenue by \$80,000. This was a significant improvement, and it helped the agency to achieve its financial goals.

CONCLUSION

This home health and hospice agency is an example of an organization that has successfully implemented process improvement initiatives to enhance its services and achieve its business goals. The agency's leadership team was committed to the improvement process and worked closely with SimiTree's consultants to identify and implement the right initiatives. The results of these initiatives have been substantial, and the agency is well positioned to continue to improve its services and achieve its business goals.

“Helping an agency understand and build operational metrics to track and follow makes a huge impact to both financials and overall patient care.”

**— Jonathan Dickinson,
Senior Manager**

RECOMMENDATIONS

If your organization is facing similar challenges, consider the following recommendations.

- **Be committed to the process.** Process improvement is a journey, not a destination. It takes time, effort, and commitment to see results.
- **Work with a SimiTree consultant.** A qualified consultant can help you identify the right improvement initiatives for your organization and implement them effectively.
- **Measure your results.** Tracking the outcomes of your process improvement initiatives helps you monitor progress and make necessary adjustments.

By following these recommendations, you can increase your chances of success in implementing process improvement initiatives in your organization.

At SimiTree, every solution is a strength. Clinical, financial, and operational expertise creates an unsurpassed foundation for your organization's efficiency and growth. SimiTree's consultants can help you achieve measurable improvements in your operations and patient care.

