



#### highlights

Reduced length of stay for sepsis, C-sections, and vaginal delivery

Identified more than \$5 million in potential savings opportunities

Increased communication and shared vision across team

To learn more about how to impact cost reduction at your organization, visit our website at [www.stratadecision.com](http://www.stratadecision.com).

## impact story

# Internal Cost Savings Process Pays Off with \$5M in Identified Opportunities

### problem

#### Difficult to Maintain Energy and Cross-Functional Participation for Cost Reduction Targets

Many healthcare organizations rely on outsourced consultants to help them identify cost savings initiatives. During and especially following those engagements these organizations often struggle to maintain the internal, cross-functional participation and energy required to achieve cost reduction targets.

After several years of successful engagements with seven of the top 10 firms, this non-profit health system began experiencing "consultant fatigue." As a result of working closely with these outside consultants, internal teams lacked the governance and capacity to drive those cost savings goals on their own. The organization instead needed to create structure and accountability processes to ensure success of cost improvement projects driven by their teams.

### play

#### Establish a Centralized Process with Governance to Drive Accountability (CI 105)

As part of an organizational transformation, this provider made the switch from relying on consultants to using StrataJazz® Continuous Improvement. They began by working with teams to establish a centralized process for initiative tracking, to drive accountability for their results. Tackling this work internally, the health system could advance and centralize their process of reviewing opportunities and tracking progress.

The driving factor of this renewed energy and process

came from clinical leaders. This organization saw an immediate benefit from involving frontline staff in identifying broken processes and discussing internal pain points. To establish this new governance structure, the organization established strict, firmly communicated deliverables, identifying managers, directors, and top-level leaders from across the organization to participate in an internal Lean program to improve efficiency and effectiveness by eliminating waste.

### impact

#### A Sustainable Process That Leads to Cost Savings and Growth Goals

Through their partnership with Strata and empowered by StrataJazz Continuous Improvement, the health system has evaluated over \$5 million in potential savings opportunities and is pursuing initiatives for reducing length of stay at the DRG level for sepsis, C-sections, and vaginal delivery. Other targets include reduction of pregnancy- and birth-associated hemorrhages, and adverse reactions to glucocorticoids, opioids, and diagnostic imaging agents.

Using StrataJazz Continuous Improvement has helped to drive trust and comradery among teams and across the organization. This health system is confident that their front-line staff are empowered to continuously identify new opportunities for improvement. Clinical leaders and now more actively engaged in uncovering these opportunities on their own and can play a meaningful role in the process of making and tracking improvements. Staff at all levels feel they are working toward the same financial and quality goals, ensuring overall success in achieving cost savings and growth goals.