

INDUSTRY INSIGHTS

Sure, Technology Investments Can Be Costly But What's the Cost of Doing Nothing?

By Angie Franks, CEO, Central Logic

When looking to improve a health system's financial performance, health system leaders need to focus on growth strategies, which can often be enabled by technology.

Sure, investments in technology aren't cheap, but what's the cost of doing nothing? Quite a lot, actually. Moody's Investors Service [reports](#) that not-for-profit hospital operating margins remained flat in 2018 after two years of declines. Flat or declining margins, however, may force cost-cutting, terminating services and closing facilities. For not-for-profit health systems, these business decisions affect their most vulnerable populations and may conflict with their charitable or community-focused mission.

Most large not-for-profit health systems have specialty centers, such as those focused on orthopedics, neurology and heart and vascular, that drive higher-margin reimbursements and attract privately insured patients. Attracting a greater share of a health system's privately insured patient volume to these service-lines means also growing primarily on referrals and transfers from community hospitals.

Only **13 to 18%** of a health system's specialty center referrals come from its own emergency department, which means transfers are essential to any specialty center growth strategy.

One way to drive service-line growth is to focus on making it as easy as possible for referring physicians to transfer their patients with a single phone call. Quick and efficient transfers not only save time and hassles for referring physicians, they also have the potential to improve outcomes when specialty care is needed emergently.

Improving ease of access for referring physicians enables healthcare organizations to evolve their transfer processes beyond mere traffic management to a strategic advantage that drives top- and bottom-line revenue growth while helping the system operate more efficiently.

Here are five tips for improving your organization's transfer process and service:

1. Make it Quick and Simple

To become top-of-mind for any referring clinician in your region, the first priority is to make transfers quick and simple. In fact, a [study of three community hospitals](#) that included qualitative interviews with physicians, nurses and other care providers found that "arranging a patient transfer placed a significant burden on the staff," and the process was often cumbersome, lacking a focus on optimizing patient outcomes.

Part of eliminating the transfer burden on referring hospitals should include offering a single phone number to arrange an admission to any of your facilities. This alleviates staff

from having to call different departments within the health system, only to wait on hold or to get transferred multiple times.

2. Staff with Experienced Clinicians

Another way specialty centers can simplify the process for referrers and evolve their health system's transfer center is to staff it with skilled and experienced clinicians, such as registered nurses. A higher level of expertise can drive swift and appropriate clinical decision-making based on the transfer patient's acuity and/or comorbid conditions. A skilled, qualified clinician will know which department to contact to approve an admission and/or emergent procedure while concurrently contacting the appropriate specialists to manage that patient's care.

For example, if a patient with a traumatic injury requires numerous providers such as a surgeon and subspecialist to ensure a more successful outcome, an experienced clinician would arrange consults with the right physicians and ensure they are prepared for the patient's arrival.

3. Eliminate Data Silos

Likewise, physicians at the receiving facility should always have thorough and accurate documentation of the transferring patient. **One study of interhospital transfers**, however, found that only 32% of transfer centers delivered needed documentation to accepting providers before the transfer. **Another study** found discordance in diagnoses occurred in 85.5% of transferred patients. Seventy-three percent of patients gained a new diagnosis following transfer, while 47% of patients lost a diagnosis. Worse yet, diagnostic discordance was associated with increased adjusted inpatient mortality.

Technology needs to eliminate this discordance by prompting staff to capture relevant data to ensure a comprehensive care and consult record from the referring hospital. Then, accepting providers have ample and accurate information to support their decisions and do not



need to repeat clinical testing unnecessarily. To significantly speed time to care delivery, software needs to be fully integrated with local ambulance and medical transportation vendors to ensure a more rapid response.

The skilled and experienced agents within the transfer center would also have a 360-degree view of bed and physician availability. Confirming availability for transfers, including direct admits, would take place in a few minutes, greatly improving the experience of the referring provider. That kind of speed, efficiency and access are memorable to referring providers, improving the chances that they will refer patients to the large medical center in the future and recommend its specialty centers to colleagues.

4. Spread the Word

After investing in optimizing the transfer center process, one of the ways to maximize return on investment (ROI) is to reach out to referring clinicians in the area to share the news. Marketing the transfer center launch could also consist of tactics such as:

- A press release distributed to local media and referring hospitals
- Publishing a newsletter article or blog post and emailing it to referring clinicians
- Holding "lunch and learn" or dinner events where referring clinicians and potential referral sources can learn more about the access center's capabilities and ask questions
- Advertising in local publications, including regional physicians' or nurses' association newsletters or billboards
- Creating "swag" such as magnets, pens or clipboards that include the new access center name and phone number and distributing them to referring clinicians for quick reference

The primary message to referring clinicians should be that one phone call aligns their patient with the right level of care at your health system without delay. Aided by seamless integration of information systems and advanced software, staff will have quantifiable, easy-to-analyze insights that allow for swift, accurate admission decisions based on individual patient needs, physician availability and the ability to accommodate new patients.

5. Measure and Improve

Once you have optimized the transfer process as well as transfer center operations and technology infrastructure, measuring the ROI is an essential step on the journey to ensuring transfer process efficiency and improving referrer service experience. There is very little research concerning this important aspect of health system operations, however, the University of Utah conducted a study based on client data as well as other available data sources on transfer centers. Researchers found each transfer yielded an average \$8,000 to \$10,800 contribution margin per patient.

Focusing on transfers and care access could yield an **additional \$9.6 million to \$13 million in revenue per year.**

Using that figure combined with the broad benchmark that a 100-bed hospital should receive 100 transfers a month, or 1,200 per year, a high-performance organization focused on increasing transfers and care access could yield an additional \$9.6 million to \$13 million in revenue per year.

Numerous factors will influence that ROI, including the size of the health system, competition in the area and specialty offerings, not to mention the type of insurance coverage the patient has. A complete assessment would deliver a more precise idea on the kind of growth impact an optimized transfer process would offer. Such an assessment would include comparing your performance against specific benchmarks of comparable health systems.

One commonality, however, is that improving the efficiency of processes via centralized technology that offers an enterprise-wide overview of the system could help accelerate improvements for any health system.

From Transfers to Continuum-Wide Access

In the near future, transfer centers will become much more than moving patients emergently to the appropriate hospital or specialty center. They will evolve into the first line of patient access, so health systems can deliver care and provide services to patients across the continuum. Transfer centers will evolve into access centers and be the heart of patient care orchestration, integral to every type of care from the hospital, to post-acute, to telemedicine to home.

In short, rapid, safe and efficient transfer processes will help ensure that the first phone call leads to many more calls in the future from established and new referring clinicians from across your market.

About the Author:

Angie Franks is the CEO of [Central Logic](#), a company that partners with leading health systems to deliver an enterprise-level view of every point of access within their system, and the tools needed to accelerate access to care, increase revenue, and become the health system of choice in their market.



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About Central Logic

Managing patient transfers is a life-saving endeavor. Central Logic is a pioneer in the space and was founded to support this mission. Our flexible, purpose-built solutions provide superior real-time visibility and unmatched business intelligence to optimize the operations of health system transfer centers. Clients count on Central Logic to deliver strong growth, find new ways to improve patient outcomes and make their operations more effective, today and into the future. Based in Utah, Central Logic is an industry leader with a 95% customer retention rate. The company has been named a “fastest growing private company” by both Inc. 500 and Utah Business Magazine. For more information, visit www.centrallogic.com.

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