



Improved Efficiencies = Restored Profitability

California Orthopaedic Association
Annual Meeting
April, 2015
Indian Wells, CA



“There is nothing noble in being superior to your fellow man; true nobility is being superior to your former self.”

- Ernest Hemingway



A bit of Background.....Mid 2013

Leadership change following a year of organizational turmoil

Financial challenges including near default on debt

Operational failures at multiple points along the service continuum

Partners with divergent goals and unreasonable expectations

Cash flow challenges

Referral sources moving business to another practice

*******Benchmarking**





Assessment

Root cause of the problem.....not what you might think.

Availability

Access

If patients cannot get an appointment, it will not take long before your business dries up!

But how do you know if availability and access is a challenge?

- Secret shopper
- Personal visits to referral sources
- Data, data, data....third party surveys
- Process improvement (Kaizen event)



Our Strategy

People • **Process** • **Technology**

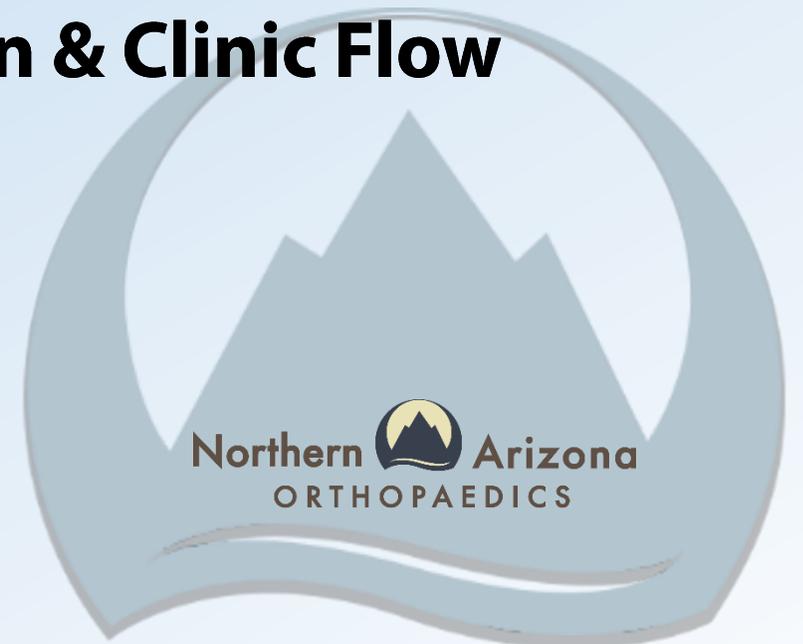
PEOPLE: Invest in the skills most needed for this time in the company's lifecycle (marketing, customer service, training, financial analysis)

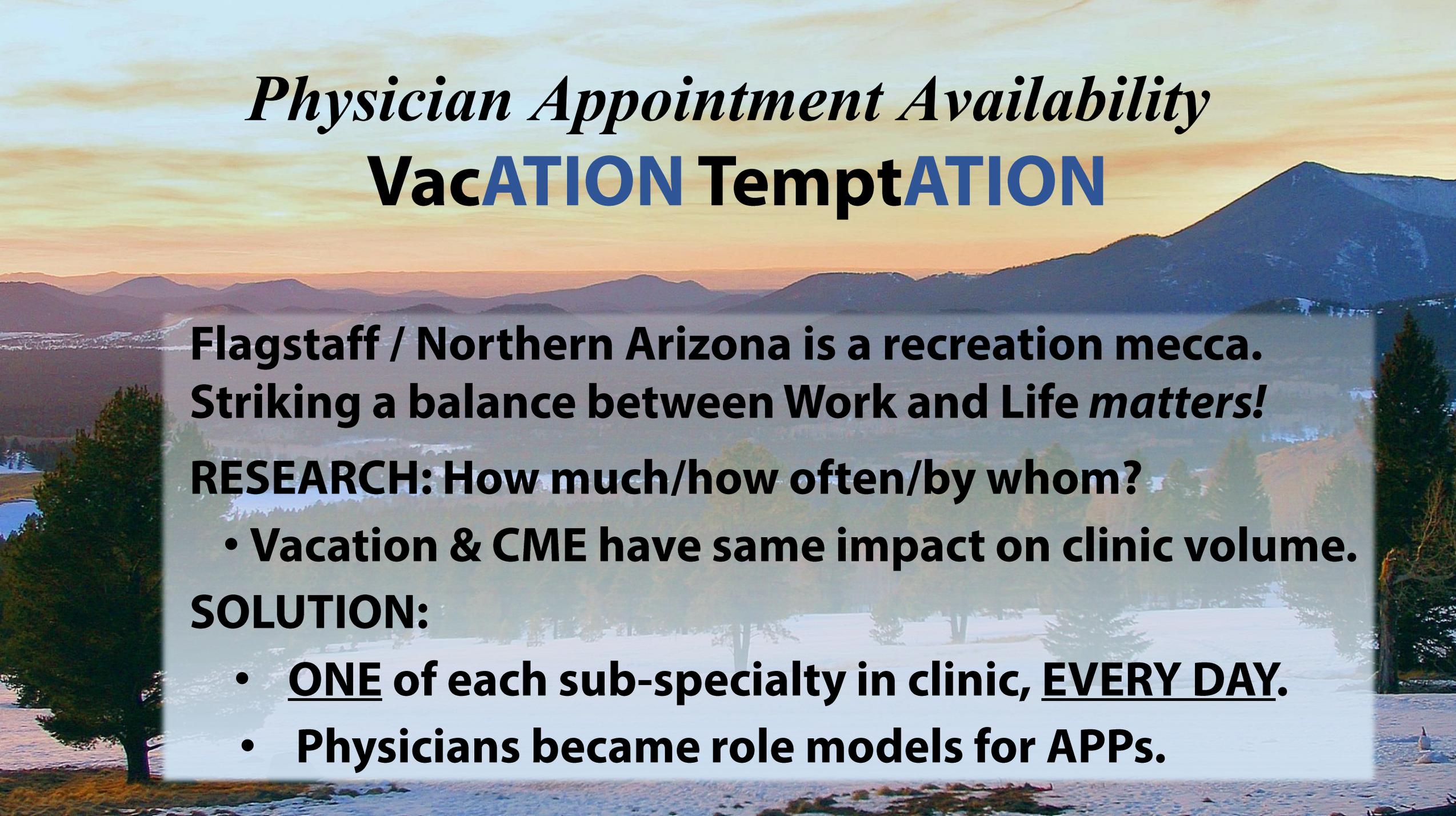
PROCESS: Kaizen Event

- Redesign of Patient Registration & Clinic Flow
- Remodel of Registration Lobby

TECHNOLOGY:

- Overhaul of the Phone Tree
- Back-up phone answering
- Portal redesign





Physician Appointment Availability **VacATION TemptATION**

**Flagstaff / Northern Arizona is a recreation mecca.
Striking a balance between Work and Life *matters!***

RESEARCH: How much/how often/by whom?

- **Vacation & CME have same impact on clinic volume.**

SOLUTION:

- **ONE of each sub-specialty in clinic, EVERY DAY.**
- **Physicians became role models for APPs.**

APP Appointment Availability

APP's follow their doc's work habits (good or bad)

Productivity is proportional to Appointment Availability

Operations took control of PA templates

We redefined "Admin Day" – it is not a DAY OFF

Moved from Collections-Based Bonus to Production-Based

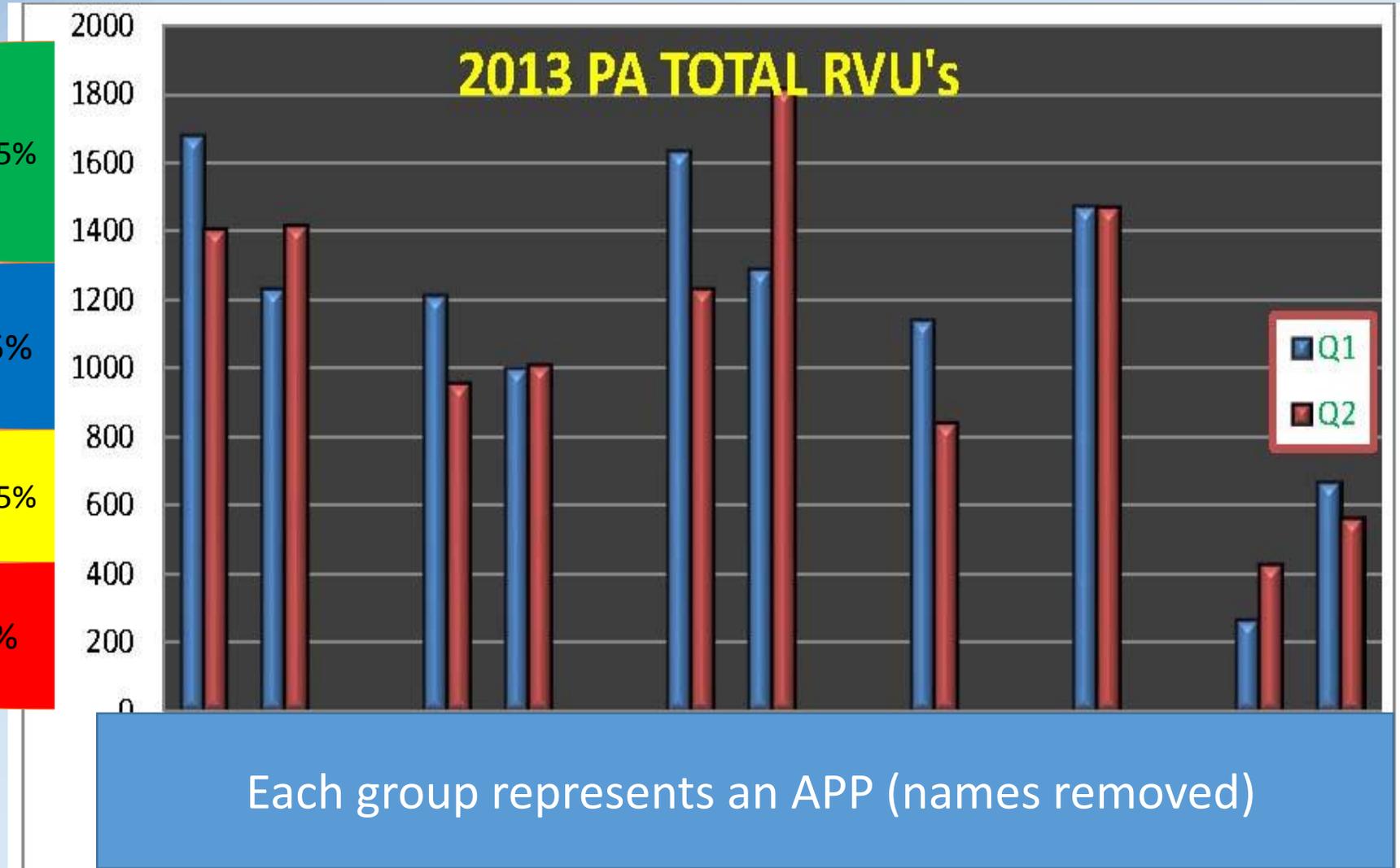
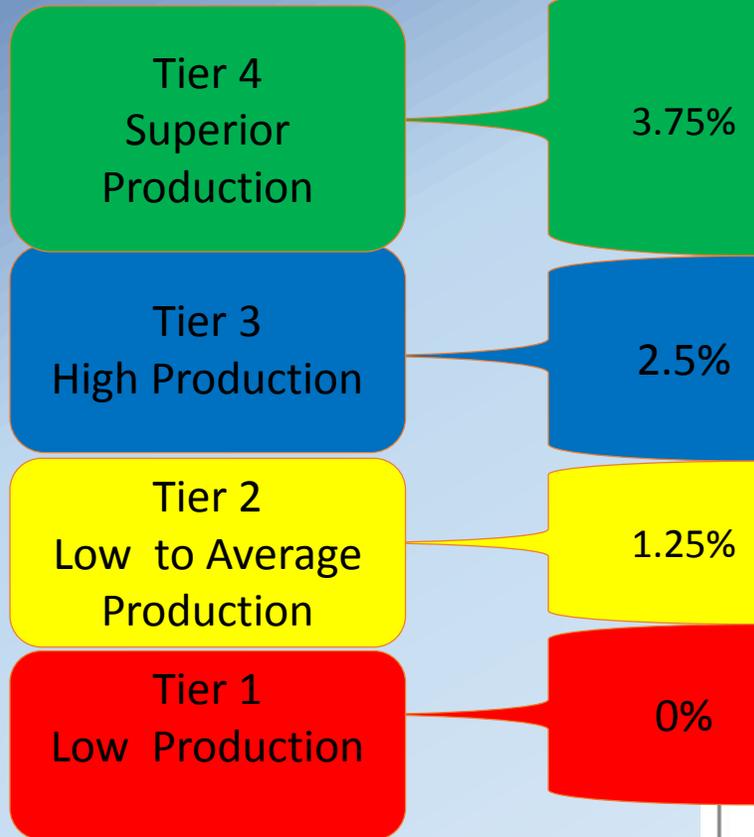
Collected & published production results to all APPs

Result: Peer competition began to drive production!

Pride in results (along with bigger bonuses)

APP Bonus Compensation Model

Max bonus annually is 15% of base salary



Access to Clinic Appointments

What We Found (thru secret shoppers and reports):

Impossible phone tree

Phone calls ended in Black Holes (patients and referral providers alike)

Training gaps in appointment staff

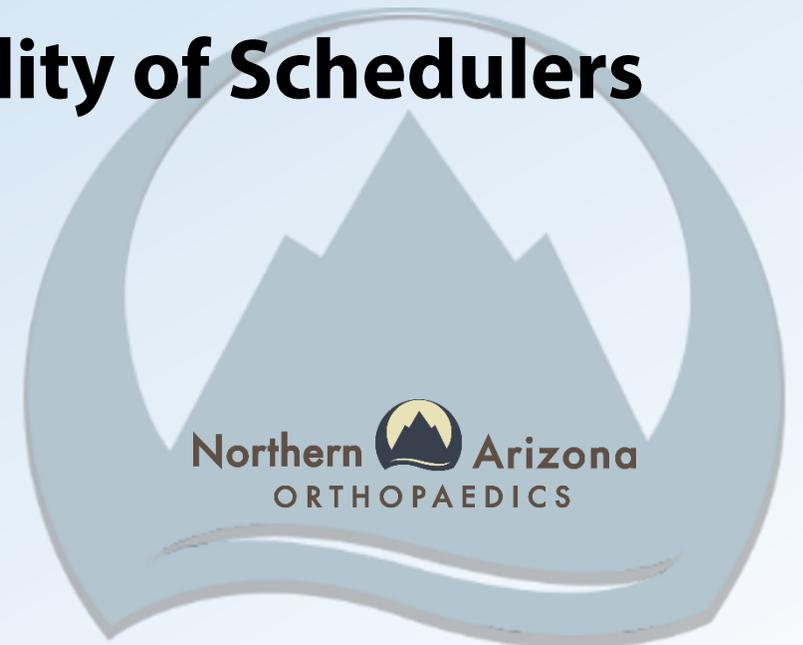
Misinformation & unacceptable variability of Schedulers

What We Did.....

Kaizen Event revealed multiple issues

Implemented GOOD CHANGE

Two PA's to one MD





Results – A pathway for access into NAO

- Moved from random availability to dedicated staff (MD, PA)
- Became the “Just say YES service”
- Direct Marketing-to-Consumer strategy
- Referral Sources LOVE IT
- Decompresses elective clinics
- Strong growth in volume and surgery referrals
- Continued improvement with *extended hours* and *designated location*



Other Improvements Tied to Recovery



Marketing and Physician Relations

- **Developed new website; grow social media encounters**
- **Implemented Referring Provider Alignment plan**
- **Direct-to-consumer marketing for Urgent Ortho**
- **Community outreach/special events**



Service Excellence

A seagull stands on a sandy beach, facing left. The background shows gentle waves washing onto the shore. The overall scene is calm and natural.

New Mission, Purpose, Values and Guiding Principles
Internal recognitions for Role Models “Making a Difference”
“Elevate Excellence” customer service training program
Shifting culture to a patient-centric care model
Moving toward specialty driven centers of excellence

Other Improvements Tied to Recovery

Financial:

Adjusted Physician Salaries

\$50K “Salary Holdback” in each Physician’s Column

Budget for Retirement Plan Funding and other Annual Expenses

Pay off Lines of Credit and Debt

Established a much more solid Business Footing

Result- \$1. Million positive swing in one year!



Northern **Arizona**
ORTHOPAEDICS

Questions

