

Service Excellence:

Delivering on the ED Service Guarantee

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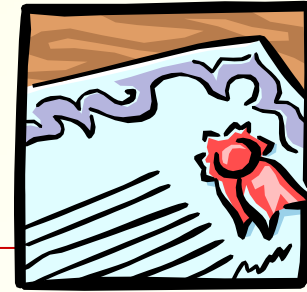
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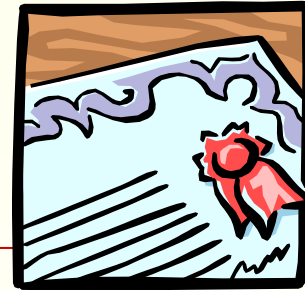


What is a Service Guarantee?



- An explicit & unconditional promise to provide a level of service performance
- A declaration of commitment

Examples of Service Guarantees



Examples:

- Package delivery: *absolutely, positively by 10:30 the next day*
- Auto Service: *10 minute oil change – while you wait – or it's free*
- ED: *Care will be initiated by a physician within 30 minutes of your arrival – regardless of extent of illness or injury*

Case Study: Hospital ED



- *Full-service teaching hospital serving community since 1953*
- *Within first decade of operation, doubled bed capacity to current 615*
- *Over 4,000 employees and 900 affiliated medical staff*

Emergency Department Stats

- ✓ State-of-the-art facility
- ✓ Level 2 trauma center
- ✓ 53 treatment bed, all private rooms, bedside computerization
- ✓ 24-hour pediatric ED
- ✓ Observation unit
- ✓ All Board certified Physicians – ABEM or AOBEM

Case Study:

State of Emergency Care (1998 – 1999)



- New facility
- LOS remains abysmal
- Staff morale at all-time low
- Attending Physicians reluctant to refer
- ED Physicians resistant to change
- CEO very unhappy
- Hospital profitability plummeting
- Only constant: Quality of Care

Case Study:

State of Emergency Care

Scoreboard Stats	1998
Visits	53,260
Status A (% of time without ambulance diversions)	76.43%
AMA Patients	627
LBE Patients	1,460
Admissions	13,660
LOS Average: Discharged patients	6 hrs 4 min
LOS Average: Admitted patients	8 hrs 8 min
Patient Satisfaction	71%
ED Self-Evaluation	2/60

Case Study:

Why We Considered a Service Guarantee

- Operational Leverage
 - A BHAG for operational improvement
 - Marketing Leverage
 - A powerful way to communicate LOS improvements to stakeholders
 - A means to reassure users
 - Build loyalty through service recovery
 - Culture Leverage
 - A way to declare commitment
 - A way to say that things have changed
 - Financial Leverage
 - A way to generate more admissions
-

Case Study:

The ED was a Good Candidate for a Service Guarantee

- Level of customer control of the service was low
- Negative consequences of service failure were high
- Customers' perception of ED service levels was low

Case Study:

What We Wanted

- Patient Satisfaction: High scores for ED
- Market Share: Better than fair share
- Physician Loyalty: Stop losing physicians
- Operational Effectiveness: Dramatically shorter LOS
- Caregiver Satisfaction: Feel good about their work & outcomes
- Financial Performance: Capture revenue opportunities lost at ED; replace cost cutting with growth

Case Study:

What it Would Take to Deliver on an ED Service Guarantee

1. Huge operational improvements
2. A well-designed service guarantee
3. A marketing communication effort

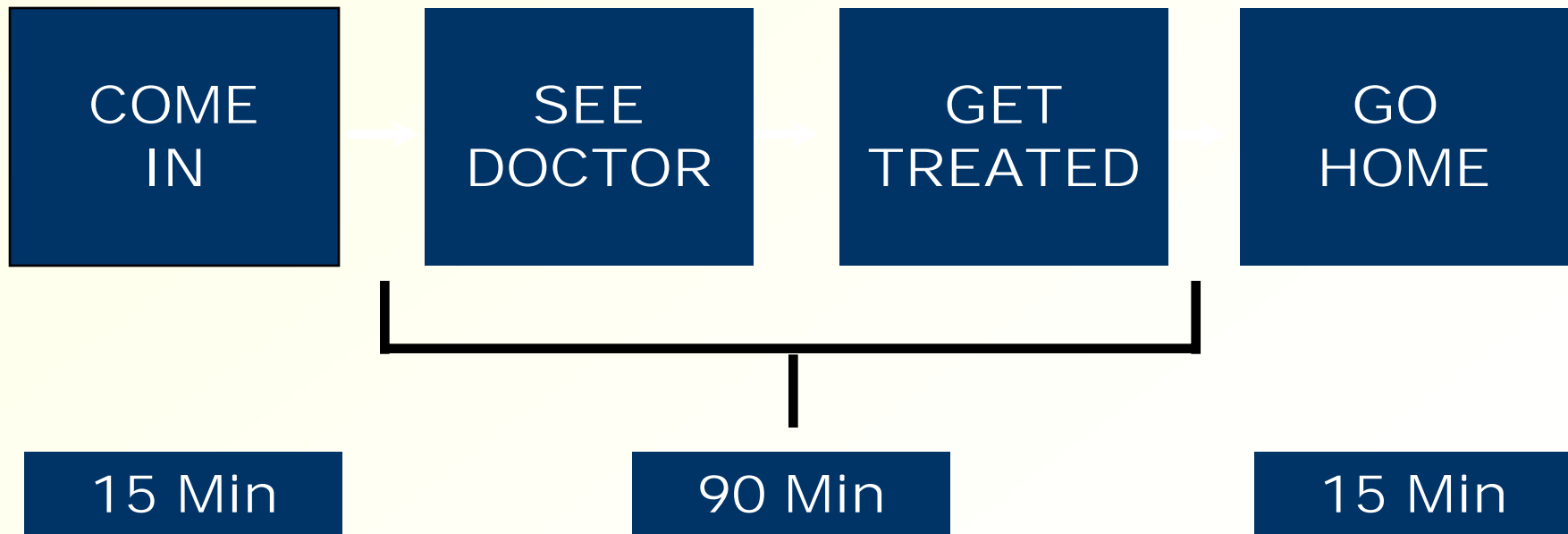
Operational Improvements:

Operational Improvement Objectives

A new way to deliver care that results in:

- LOS 50% shorter than community average
- 95% patients checking top 2 satisfaction scores
- A 20% increase in patient visits
- 95% no-divert status
- Zero LBEs due to long waits
- No reduction in direct-patient-care-time
- Higher quality care

Operational Improvements: The New Process



Operational Improvements:

Emergency Care Services Re-design

- *Change in Physician Group*
- *Discarding “traditional triage” – implemented “modern team approach”*
- *Redesign registration converting space to exam rooms*
- *Brought Physicians to patients*
- *Implemented mini-registration (collected financial info on way out the door)*
- *Team leaders in treatment area*
- *Hand-held communication devices between Quick Care & treatment area*
- *All charts in one location*
- *Increased secretarial & technical support*
- *Streamlined paper flow process*

Service Guarantee:

Designing the Service Guarantee

Issue	Considerations
What to guarantee?	<ul style="list-style-type: none">▪ Throughput time?✓ Time to physician evaluation?
Reward?	<ul style="list-style-type: none">▪ No-charge visit?✓ Movie tickets?
How to monitor?	<ul style="list-style-type: none">▪ Check time stamp?✓ Self-monitor?
How to report failure?	<ul style="list-style-type: none">▪ To caregiver?✓ To front desk?
How to handle gaming?	<ul style="list-style-type: none">✓ Ignore?▪ Deny reward?
How to pay out?	<ul style="list-style-type: none">✓ Immediate?▪ Via mail?
How to handle service recovery?	<ul style="list-style-type: none">▪ System in place?

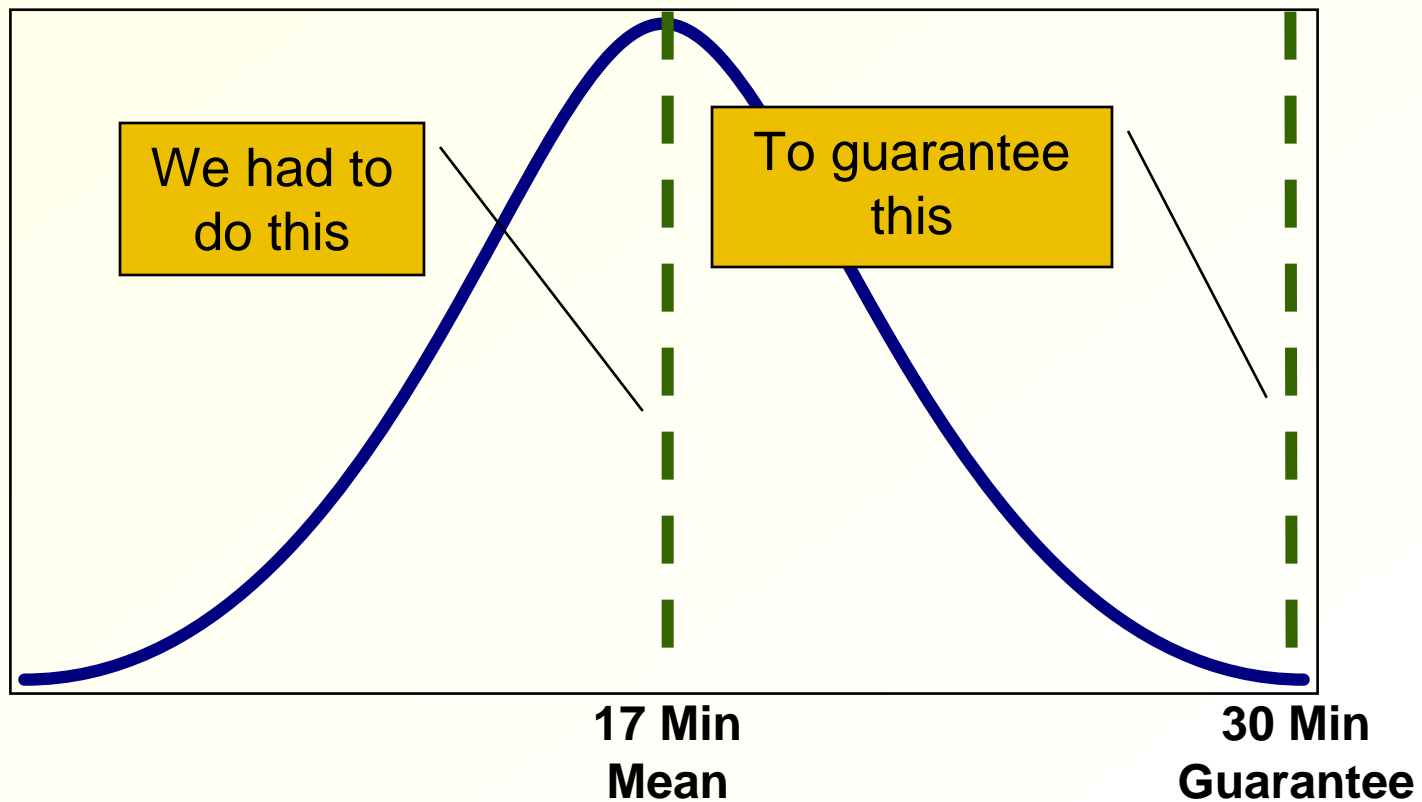
Service Guarantee:

The Service Guarantee had to be ...

- The First!
- An unconditional promise
- Meaningful & reassuring
- A clear standard for performance
- Simple & unequivocal
- Easy to invoke & collect
- Credible
- A tool to collect data
- A trigger for service recovery

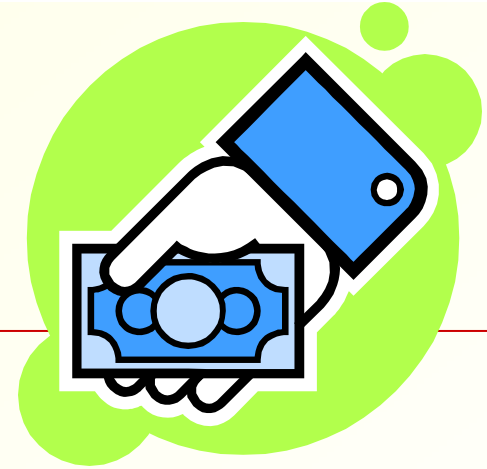
Service Guarantee:

The Guaranteed Time Could Not be the Average!



Service Guarantee:

Failing the Service Guarantee



- Pay out guarantee
- Data collected at almost no cost
- Opportunity to remedy otherwise undetected problems
- Chance to initiate service recovery
- Opportunity to *improve* loyalty

Marketing:

Marketing the Service Guarantee

- A guarantee statement: “Be evaluated by a physician in 30 minutes or less”
- A marketing slogan: “We’re an emergency room, not a waiting room – 30 minute guarantee”
- Communication: Freeway billboards, signs in ED
- Publicity: Over 80 news spots

Case Study:

Improvements in Emergency Care

Scoreboard Stats	1998	2001
<i>Visits</i>	53,260	84,929
<i>Status "A"</i>	79.37%	76.37%
<i>AMA Patients</i>	627	702
<i>LBE Patients</i>	1,460	801
<i>Admissions</i>	13,660	16,460
<i>LOS Average: Discharges</i>	6 hrs.	2 hrs.
<i>LOS Average: Admissions</i>	8 hrs.	3 hrs.
<i>Patient Satisfaction</i>	71%	93%
<i>ED Self-Evaluation</i>	2/60	57/60
<i>Service Guarantee Met</i>	-	99.7%

Case Study:

ED Self-Evaluation

- Before: 3%
(2/60 points)
- After: 95%
(57/60 points)

Question	Score
1. Admitted Patients	
2. Discharged Patients	
3. Percent Status A	
4. Left before exam (LBE)	
5. Left against medical advice (AMA)	
6. Maximum waiting time for triage	
7. Maximum waiting time for registration	
8. Maximum waiting time for MD evaluation	
9. Maximum waiting time for bed assignment	
10. Maximum waiting times for transport to hospital	
11. Average waiting time for X-ray	
12. Average waiting time for labs	
13. Waiting room filled	
14. All ED beds filled	
15. Hospital beds available within 1 hour	
16. Caregiver time	
17. Discharge interview	
18. Turnover	
19. Staff Friction	
20. General change in performance	
	Total

Case Study:

Economics of the Service Guarantee

Advantage	Economic Impact
Drove reduction in throughput time	Reduced cost per visit
Increased non-urgent visits	Increased ED costs
Increased emergent visits	Increased profitable admissions
Expanded geographic market	Increased market size (for all services)
Improved patient satisfaction	Increased patient/physician retention & mkt share

Case Study:

Economics – What We Observed

- Same or lower cost per visit
 - 50% LOS reduction – with available ED beds – dramatically reduces facility cost per visit
- Major shift in patient satisfaction & loyalty
- \$8M + new ED revenue first year
- \$20M + new hospital revenue first year

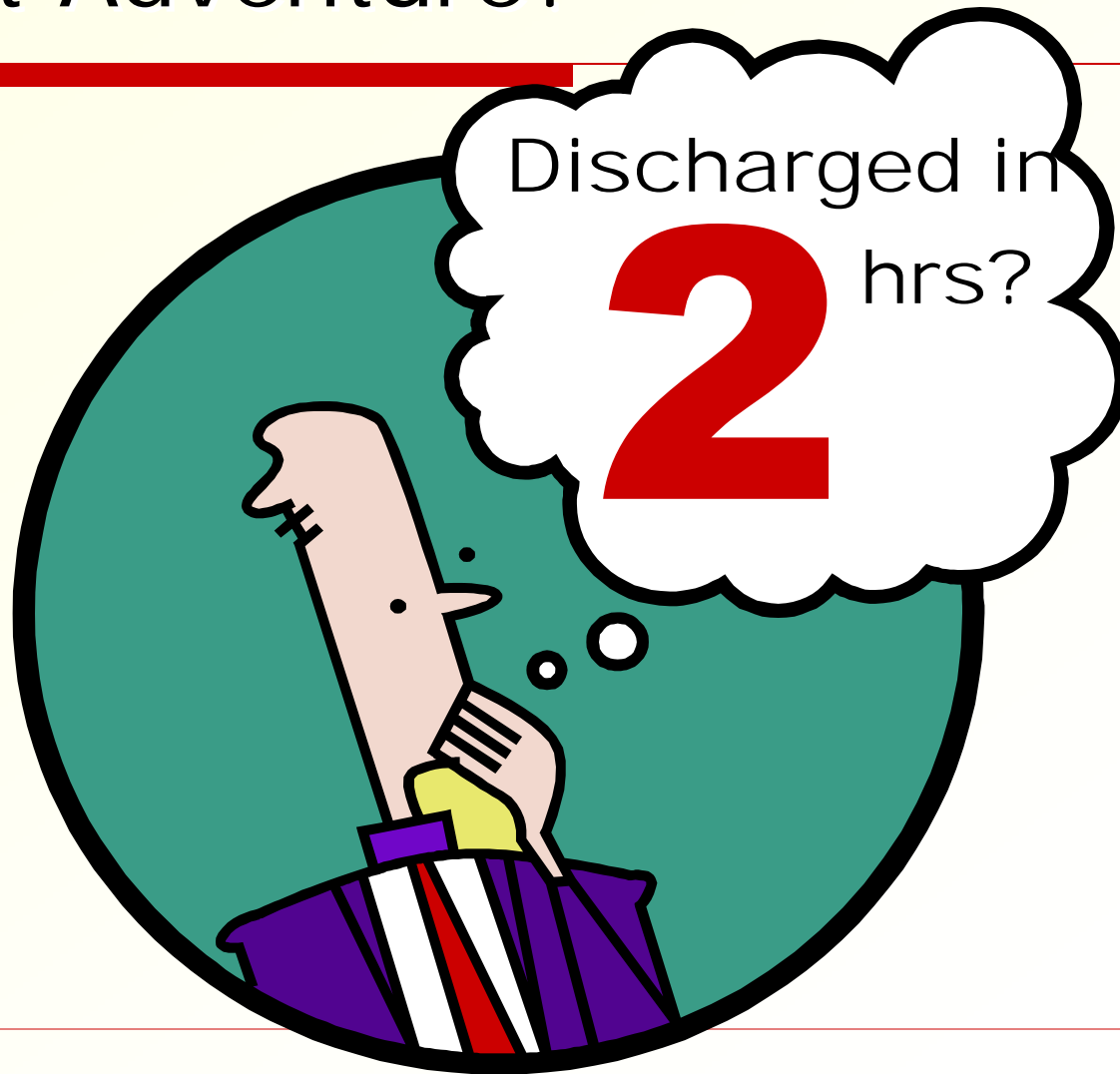
Since the Case Study

- Successfully implemented 30 minute guarantee in 6 other hospitals
- Helped other EDs create *implicit* LOS guarantee ("you can expect ...")



Case Study:

The Next Adventure?



Questions

