Health system finance executives around the country are increasingly focused on controlling costs and holding their organizations accountable for financial performance. These stories show how six leading providers are approaching margin management efforts at their organizations.

### Embedding Financial Discipline in the Line

**Prescriptive Productivity Targets**

- **Mandating Top-Quartile Performance**
- **Performance Target**
  - Unit 1: Performance
  - Unit 2: Performance
  - Unit 3: Performance
  - Unit 4: Performance
  - Unit 5: Performance

Underperforming units required to create action plans to avoid a hiring freeze.

**100 Departments benchmarked**

### Collaborating with Clinicians in Margin Management

**Clinical-Finance Partnerships**

- Embedding Finance Expertise in Clinical Operations
  - Educate physicians on finance goals
  - Identify opportunity for improved financial performance

- **7% Improvement on Medicare margins over four years**

### Financial Impact Tracking

**Holding Staff Accountable for Projected Savings**

- **410 Projects monitored for financial impact**
- **$60M 2013 savings opportunity**

### Operational Effectiveness Teams

**Investing in Experts to Support Productivity Initiatives**

- **FIND**
  - WHO: Labor Management Engineers (LMEs)
  - WHAT: Analyze data and identify underperforming departments

- **FIX**
  - Clinical Operations Consultants (COCs)
  - Uncover root problem and work with managers to address issues

- **5% Medicare margin opportunity**

### Next-Generation Supply Cost Management

**Empowering Supply Cost Management**

- **Supplier Bids**
- **$2.7M Savings since launch**
  - Tool pinpoints areas with high savings opportunity

### Financially Informed Pathway Development

**Prioritizing the Care Redesign Efforts with High-Impact Potential**

- **Continuous Care Redesign Process**
  - Gather Data
  - Review Performance
  - Harbire Process
  - Share Standards

- **Performance**
  - 1
  - 2
  - 3
  - 4

- **5% Savings**
  - Share Standards

**Denver Health Medical Center**

**Mountain States Health Alliance**

**Banner Health System**

**Bray* Health System**

**Alegent Health System**

* Pseudonym.