

Finding Cost Savings

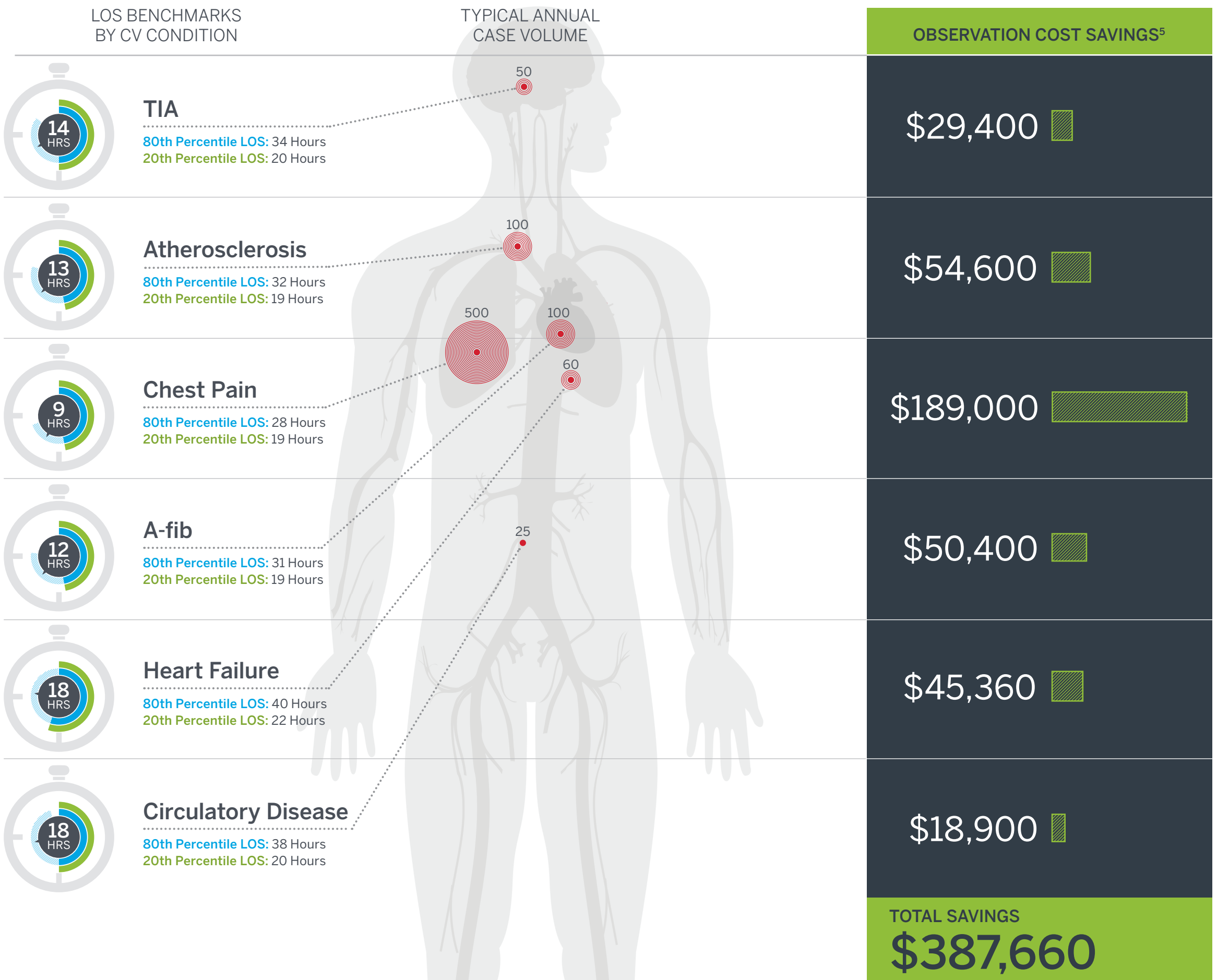
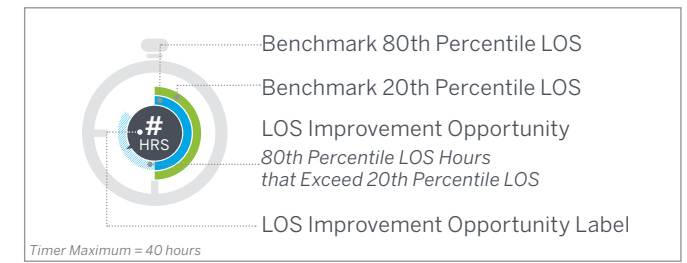
WITH Improved Patient Observation

Improving Observation LOS Generates Quantifiable Cost Savings¹

Observation use has become increasingly common, growing over 96% since 2006.² A large portion of those stays are CV related which presents CV service lines with an excellent opportunity for savings.

The Cardiovascular Roundtable used proprietary all-payer benchmark data from the Advisory Board's Crimson technology platform³ to quantify how much an average hospital⁴ could save by improving observation LOS. In our analysis we defined the savings opportunity as the LOS difference between the **20th percentile** and **80th percentile** institutions. Multiplying that figure by typical annual case volume gives us the expected annual savings for common CV conditions.

Key to Understanding



Five Practices to Streamline Observation Care Operations

1 Rightsize Observation Services

- Benchmark unit type, staffing models, and bed size

2 Hardwire Responsibility for Observation Patients

- Delineate roles and decision making responsibilities for physicians
- Outline critical handoff points and expectations for patient LOS

3 Ensure Timely Rounding

- Leverage case managers to assist with rounding, patient disposition
- Create principles for efficient rounding and documentation

4 Practice Principled Management of Observation Unit Resources

- Understand when and how to flex observation beds for non-observation patients
- Create flexible staffing guidelines to adapt to fluctuating unit volumes

5 Measure Observation Unit Performance

- Develop meaningful dashboard metrics to monitor unit efficiency and throughput
- Hardwire oversight of unit performance to troubleshoot problems and implement best practices