



case study

PREFERENCE CARD OPTIMIZATION

Managing preference cards in healthcare facilities is a universal challenge. Inaccurate or outdated cards can lead to inefficiencies in the operating room, including delays in procedures, supply waste, increased cost, provider frustration, and even risks to patient safety.

This project focused on preference card management within the perioperative department of an integrated health system. By establishing governance, implementing process improvements, and facilitating better communication between clinical and supply chain teams, the hospital's collaborative staff achieved transformative results.

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Clinical, Supply Chain & IT Teams Collaborate in Periop

An integrated health system engaged Impact Advisors to support its perioperative operational improvement effort with specific focus on preference card optimization. The hospital had thousands of preference cards, a large portion of which were outdated or unused.

Impact Advisors' clinical, supply chain, and technology experts worked with a group of cross-functional client leadership and stakeholders to identify opportunities to optimize preference card standardization and management. A survey of stakeholders uncovered several common concerns:

- Increased scheduling rework with CPT codes, ensuring surgical case times are correct, and making sure the card is appropriate for scheduled cases.
- Frustration with changes in technology and incorrect preference cards.
- OR team leads discouraged by response to requests for changes to preference cards within Epic OpTime.
- Several items missing from cases due to stockouts or backorders, and clinical staff is not notified.
- Concerns about the Workday/Epic process flow.
- Concerns about risks to patient safety created when nurses have to leave the operating room to get different supplies or instruments.
- Disconnect or lack of communication between the supply chain and operating room teams.
- Supply items (over 600) going unused for two years.
- Need for improvement in supply chain return process.

Based on defined opportunities, the project was organized into four work streams: 1) Establishing Preference Card Governance, 2) Preference Card Clean-up, 3) Technology Integration, and 4) Improving Communication among Teams.

Establishing Preference Card Governance

Impact Advisors' experts collaborated with client leadership from IT, supply chain, and clinical areas to define an OR governance structure and a Preference Card Subcommittee. These structures aim to ensure collaborative decision-making, accountability across service lines, and alignment with organizational goals. The Preference Card Subcommittee, with governance approvals, made decisions regarding preference card template standardization, elimination of unused cards, and work plan prioritization.

Preference Card Clean-up

Incorrect preference cards (not having the correct supplies, instruments, and equipment in the room for the procedure) is one of the most common complaints among surgeons. The negative effects go well beyond clinical staff frustration. Cleaning up the hospital's preference cards held the potential for both cost avoidance and savings. Supply inventory is built based on the preference cards. When cards don't indicate the correct supplies, inventory for the right supplies might not be available when needed and procedures may be delayed. Supply cost per case is also driven by the preference card, and when the card is wrong, supplies and instruments are pulled and opened but not used by the doctors, increasing costs. The process of pulling, opening, laying out, and returning incorrect supplies also amounts to a lot of wasted time. Patients are put at risk when nurses are sent out of the operating room during procedures to retrieve the correct supplies. The hospital had several items in inventory that weren't being used and at risk of expiring, which equals more waste. From a revenue cycle standpoint, when the preference cards are wrong, charges associated with the procedure might also be wrong, resulting in increased payment denials.

The team inventoried the preference cards and worked with the subcommittee to evaluate them and identify those that could be eliminated. They created a standardized template for consistency between all service lines and developed a work plan and timeline for cleaning up the thousands of preference cards. The team utilized process mapping to engage clinical and supply chain teams to begin the optimization of high priority / high opportunity cards and workflows.

Technology Integration

The organization lacked a clear structure or path to improve the integration of IMO, its third-party software that aligns procedural names and CPT codes with Epic's OpTime scheduling software. Opportunities related to better integrating and aligning Epic and Workday to support preference card management and supply chain operations were also uncovered. Although tackling most of the technology issues was beyond the scope of the preference card optimization engagement, Impact Advisors leveraged internal technology experts to provide recommendations for improving integration to enable supply chain operations and preference card accuracy, positively impacting cost and efficiency.

Supply Chain and Clinical Team Communication

A significant communication gap between supply chain and clinical staff at the organization contributed to inefficiencies and potential safety risks. For example, when there is a change in vendor for a certain supply (perhaps because of a backorder), the clinical staff need to know in full detail what's changing and why. This wasn't happening, and the preference cards weren't being updated with the new item, resulting in inventory inaccuracies. The team discussed strategies for improving communication and collaboration between these groups, including setting up regular meetings and helping each team understand what information was needed by the other to perform their work effectively. Significant progress was made to break down communication barriers over the course of the engagement by involving staff from both teams in the optimization process. Observing, listening, and customizing the optimization approach to the existing culture of the client organization were essential to success.

Impact Delivered

Over 12 weeks, the team delivered several structures, tools, and process improvements that contributed to cost savings and revenue enhancement, including:

- Established a preference card governance structure and prioritized preference card cleanup based on high volume, high expense service lines
- Recommended preference card improvements including a standardized template and clearly defined process of preference card changes
- Increased staff knowledge of Workday functionality and linkage between supplies and preference card changes
- Corrected a system interface issue that was delaying supply inventory updates
- Recommended builds within Epic system and the IMO system for increased alignment and ongoing updates
- Educated teams on reports and dashboards for preference card builders
- Established measurable KPIs for ongoing preference card management

Although the organization made good progress, the volume of preference card cleanup was too large to complete within the timeframe of the engagement. Impact Advisors worked with the governance teams to define the potential benefit opportunity associated with finishing the work and laid out the specific steps and timeline to accomplish their optimization goals. This included an action registry they could use to track progress moving forward. ■

"Impact Advisors left us with a roadmap, tools, and guidance on how to maintain our optimization efforts. This does not always happen, and I appreciate that about them."

VP of Operations