



MPPM-600 Communication & Collaboration for Project Managers

Mercy County Memorial Hospital – Background

Mercy County Memorial Hospital launched a series of efficiency studies to improve productivity and address insurance-driven procedural cost cuts. Recently, the board of directors instituted a Medical Management Office (MMO) to gather performance statistics and assure a smooth operational flow for all of the various medical departments. The surgical division has refused to address requests for procedural review arguing the long-established procedures to maintain the highest quality of patient care would be compromised.

The MMO hired a respected consulting firm to observe the surgical teams and make recommendations to help decrease costs and increase revenues. The consultants came back with a proposal which incorporated a technology solution to increase the speed of the surgeons and a procedural recommendation to increase the productivity of the supporting medical staff. The surgeons, nurses, and anesthesiologists would now be measured by the number of procedures performed.

The technology solution recommended an investment in a new line of digital scalpels and other surgical tools which would minimize the time for surgical procedures. The second recommendation suggested a “just-in-time” resource allocation approach that would eliminate long periods of staff down time by assigning people in 15 minute increments to specific surgeries.

The Players:

Hospital Board of Directors

Surgeons (all maintain private practice with direct paid fees by patients/insurance)

Nursing Staff (salaried professional paid by hospital)

Anesthesiologist Team (salaried professional paid by hospital)

Consultants

Patients/Families

Administrative Staff

Floor Nursing Staff

ER Staff -- Outpatient Triage

Shared Resources:

Pre-Op Beds

Operating Suites

Recovery Room Beds

The Consequences:

- The staff agreed to try the “just-in-time” schedule concept and an increased surgical schedule. Although the number of surgeries increased, the time per surgery did not decrease and sometimes increased when medical resources were delayed with another patient.
- The pre-op and post-op wards found it difficult to manage the patient load when the increased patient load flow was interrupted by unforeseen difficulties which crop up during surgery. A minor change to a single surgery now affects resources simultaneously assigned to other surgeries.
- The scheduling staff began to notice an increase in the number of “rework” surgeries due to infection or procedural mistakes.
- Doctors found themselves involved in the scheduling process to balance their patient load. Often they made changes to the administrative scheduler’s original plan which adversely affected other surgeon’s schedules. These surgeons would “correct” the change causing resource allocation to spiral out of control.
- Although revenues did increase, costs rose slightly to cover repeat procedures, duplicate monitoring actions, and increased legal fees. The MMO has now stepped in to prioritize surgeries so that the most lucrative financial procedures are given schedule priority.
- Nursing and anesthesiology staff began to complain that there was not enough time allocated for patient turnover. They had no time to share informal information which is not normally part of the official patient record, but can help to enhance post-operative recovery care.
- The surgeons, nurses, and anesthesiologists who once were a strong team began to argue and lay blame.
- The medical staff is demanding bonuses which were promised based on the number of surgery metrics which were set to decrease the time per procedure and increase the number of procedures. The Chief Finance Officer does not want to pay bonuses since the surgical department has shown a profit loss based on the increased costs. The nurses’ union is threatening to strike.
- Surgeons would not be compensated for “rework” surgery which was performed within a 48 hour post-surgery period. Patients who returned to

surgery from the hospital wards would count against the surgeon. For the patients who returned home immediately after surgery, the surgical staff deployed the standard operating procedure (SOP) which directed emergency patient calls to return to the emergency room nearest to them. Many of these patients were transferred back to Mercy Memorial; however, these were logged as “transfer patients” and not “rework” patients.

Mercy County Memorial Hospital – The Exercise Challenge

The consulting group was unceremoniously kicked off of the project and the surgical department reinstated their original procedures of operation. Relationships and communications among the medical professionals on the surgical team have not recovered. The staff continues to snipe at each other.

You are a consultant who has been brought in to work with the surgical department to achieve the original goals of increased staff productivity bolstered by increased revenue opportunities and stable, if not lower costs.

The surgical staff believes they have already given an outside consultant and “reorg” a try and see no reason to make any changes to their long established procedures which are working just fine.

How would you approach them to become part of the consulting process? What strategies might you use to help them rebuild their communications and professional relationships? What suggestions do you have for the various members of the Mercy County Memorial Hospital surgical department to help them address the board’s concern for the need to increase revenues and better manage the costs attached to limited resources?