
HTM ANALYTICS AND PERFORMANCE MEASUREMENTS FOR HOSPITALS IN 2018

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OVERVIEW

It is all too common for HTM Departments to fret over the condition of their CMMS database and the poor quality of the data they get from it.

Inaccurate databases, caused by years of uncontrolled input and poor data management have left hospitals with a reduced ability to effectively measure their performance – especially compared to external standards. Without this ability to compare internally & externally, there is no practical way to know how Clinical Engineering (HTM) Departments are performing, leaving them vulnerable to outside decision-makers, both internally (C-Suite) as well as externally (ISO).

There is little argument that accurate information would be helpful to HTM Departments in the 5,800 acute care hospitals throughout the US. The question

is how does one get it? After years of inaccurate input, the output is typically corrupted to a point that it is not only diminished in value, but can be detrimental in properly measuring performance. We have all heard the expression “GIGO” (garbage in – garbage out) and never has it been more accurate than in today’s typical HTM Department. In fact, over 78% of hospitals recently surveyed said they would not use their data to make sound decisions.

Just as executive management uses data to analyze surgical outcomes, occupancy levels, staffing, length of patient stays, financial performance and hundreds of other measurements, accurate CMMS data can reveal HTM Department shortfalls including low performing equipment as well as low performing personnel. The ability to clearly measure how PMs impact MTBF (they don’t), or provide actual “cost of ownership” on expensive-to-repair (or maintain) equipment can help management make better decisions in running their departments, as well as provide the necessary input to other departments tasked with equipment acquisition. Positive outcomes such as higher performing technicians as well as reduced PM costs and implementation of compliant AEM programs are potential outcomes of proper performance measurement.

STAFFING NEEDS

Never has the need been greater and the stakes higher for information than in the coming year. Reduced hospital reimbursements and smaller budgets mean HTM departments aren't filling open positions and – in some cases – even reducing headcount. Unfortunately, many of these departments need to increase, not decrease their staff, but they lack the tools to make defensible arguments to C-Suite managers who don't see the justification in increasing the costs of these departments, even when it may be the best financial option. A properly run department is a cost saver, not a bottomless pit of expense as many C-Suiters see it.

Through the use of analytics and benchmarks, you can use this valuable information to justify your department like never before.

HOW DO YOU GET INFORMATION IF YOUR SYSTEM IS CORRUPTED?

Superior Analytics, a division of Phoenix Data Systems, has created a process to get the information you need and restore your CMMS system to the required accuracy.

1. DATA CLEANSING

The first step to accurate performance measurement is ensuring that your data is correct. If you can't correct the decades of inaccurate data input, you will get out exactly what you put into it. That's why Superior Analytics designed software that is capable of "reading" your CMMS, regardless of vendor. We

compare your data to our proprietary MDX2 database, which contains over 3 million pieces of equipment, corrected to the level of Manufacturer, Model Name and Number. By comparing your data to ours, we correct – or "normalize" the equipment to ensure you have the appropriate information.

2. PERFORMANCE MEASUREMENT

We then create data spreadsheets which quickly identify areas where you can improve departmental performance such as PM completion, CM hours, Labor Efficiency, MTBF...over 100 metrics in all. By quickly identifying the “low hanging fruit” you can begin to manage your department

using analytics to point you in the direction of highest need and quickest ROI. It will help you identify unused equipment, instantly see anomalies in staff costs and better prepare you for Joint Commission (TJC) reviews by quickly pointing out where the problem areas are.

3. BENCHMARKING

Once your data is cleansed, your major problem areas are identified and you have the wheels in motion to correct overall performance, now you can compare your performance to the outside world ... other hospitals. Superior Analytics’ proprietary system readily allows you to see your overall performance compared to the mean as well as the “best in class”. This can be done at the highest level (overall departmental performance) or

drilled down by modality, equipment type, manufacturer, even specific hospital locations and/or personnel. By applying your average labor rate (including overhead) you can quickly identify where your performance is lacking or where it exceeds the mean level or “best in class”, projecting potential savings for you. Imagine being able to show your C-Suite managers how you are exceeding the “norms” and saving the organization money.

JUSTIFYING THE EXPENSE – WHEN IS THE RIGHT TIME TO DO THIS?

What is the real cost of delaying the implementation of a normalization and/or benchmarking solution? Here are some questions to ask yourself.

- Do you have a full time analyst now that can do the work?
- Is he/she stymied by the sheer volume of devices to be “cleansed” or normalized?
- Do you have accurate data available to you when you need it?
- Is the data problem getting worse as time goes on?

In most hospitals, the answers to these questions will lead you to the appropriate decision, even when talking to the C-Suite. **Having accurate data** on which to make decisions is no longer a luxury, it is **imperative in today's hospital**. Imagine the chaos if doctors didn't analyze the results of the medical procedures they perform? Should the analysis of the equipment they use be any less stringent?

DETERMINE WHAT YOU NEED TO KNOW

By clearly outlining the information you need to know, you can make a better, more informed decision on the project.

- What (positive) changes can you make and what data is required to support those changes?
- Can this knowledge improve your decision making and increase your credibility in management meetings?
- Will you be able to save the hospital money due to better management, more effective labor application, better training, and fewer service contracts?
- Can you support better acquisition efforts by supplying repair and maintenance costs to purchasing or materials management?
- How much effort will it take from you or your staff? Will the results justify the time?
- Can an outside vendor provide the solution you need?

EXPECTED RESULTS

The average hospital reviewed in 2017 saw a potential opportunity to save more than \$250,000 annually, simply by achieving the overall mean performance level of Superior Analytics users. Reaching 'best in class' distinction would allow for another potential \$250,000 to \$400,000 in savings. This is an average. Your departmental savings may be more or less depending on size, condition of your database and level of performance. However, generally we see that bigger organizations save even more, especially if you are trying to combine CMMS databases due to hospital acquisitions.

NEXT STEPS

You can wait until management calls you in to discuss reductions in staff (RIF) or outsourcing your department. Or, you can make sure you budget for Superior Analytics in 2018. We are so certain we can identify significant areas for improvement that we offer a simple guarantee: If we cannot identify potential savings of more than double the cost of the analysis, we will refund your money in full*, and it will cost you nothing.

** Guarantee applies only to the cost of the analysis and does not include the cost of data cleansing, which is billed separately.*

- Call your Superior Analytics representative today for a cost estimate tailored to your organization's needs.
- We will perform a no-cost look at your database and report back to you with our findings and recommendations.
- Pick a date to begin the process and we will schedule it. A typical 3-way process such as outlined above takes 30-60 days to complete.

So, the real question is what are the costs of NOT taking action? To begin to uncover your potential savings, please contact me for a professional, no cost review of your database. You'll be glad you did.

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