
the craneware group®
Transforming the Business of Healthcare™
Unlock It: Controlling Healthcare Costs with Labor Productivity and Operational Intelligence
Kelly Randza

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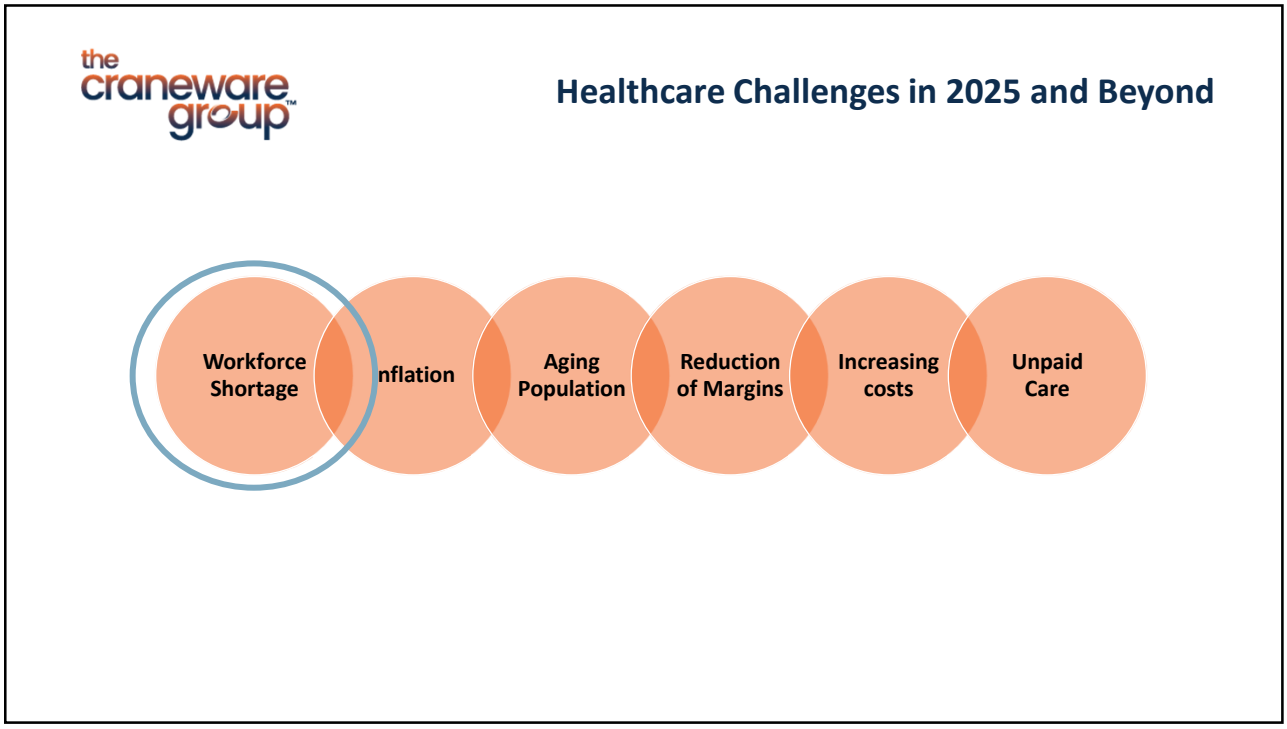
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Healthcare Challenges in 2025 and Beyond
Workforce Shortage
nflation
Aging Population
Reduction of Margins
Increasing costs
Unpaid Care

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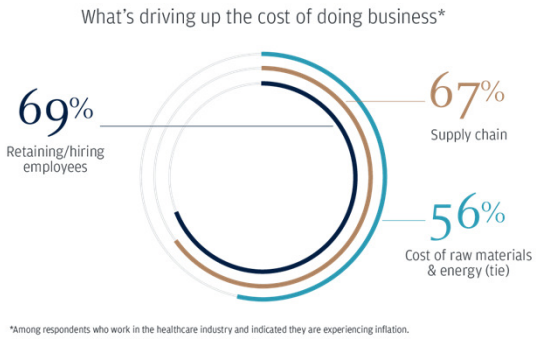
Healthcare Labor Crisis

Labor represents the largest and fastest growing cost for healthcare organizations today with an average growth of 258% over the last three years.

Issues in labor shortages, staff burnout and an aging population exacerbate an industry that saw a 6.4% increase in turnover rates over the past year and has seen 100% staff turnover in the past 5 years.

The cost of turnover, increasing wages and increased strain on our healthcare system requires new technology to help manage these complex issues.



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What is Operational Intelligence?

Operational Intelligence - The purpose of OI is to monitor business activities and identify and detect situations relating to inefficiencies, opportunities, and threats and provide operational solutions.

Disparate data systems create reporting and insights that are siloed to the data available within that system. With OI, these systems can be connected to provide greater insights and understanding that can change the way decisions are made.

Traditional Analytic Insights
IP Healthcare Acquired Infection (HAI) Rate 2022 is 4%

Operational Intelligence
IP Healthcare Acquired Infection(HAI) Rate 2022 is 4%
The average cost for these patients are $20,000 greater than comparable patients
The units with the highest HAI rates were understaffed by 15% but had 10% higher labor costs than other units due to use of agency staff

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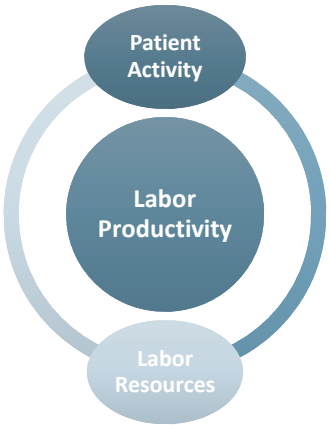
What is Labor Productivity?



Simple Definition: The labor output per healthcare worker.

Complex Definition: Measuring how efficiently a hospital, service, or department utilized labor resources to care for all patient activity compared to standards.

The right people, in the right place, at the right time, performing the right care

To take these measurements and make meaningful changes, more information and insights are required for both patient activity and employee resources.

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Balancing Labor Productivity

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Data Is The Key

Standard Labor Productivity Data Sources
• Patient Billing • Payroll

The current standard of reporting and analysis of labor productivity is limited by the data sources used. When only looking at billing and payroll information you lose the detail required to understand the cause or solution to a staffing issue.

Operational Intelligence Labor Productivity Data Sources
• Electronic Health Record (EHR) • Patient Billing • Employee Clock In/Clock Out • Payroll

Operational intelligence can connect electronic health record (EHR) data, general ledger, patient billing, employee clock in/clock out feed and payroll data. This allows for almost unlimited analytic possibilities.

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Unlocking Labor Productivity with OI

Current Standard Labor Productivity Assets
• Bi-Weekly/Monthly Reporting • Static Dashboards • Charge Based Models • High Level Statistics • Averaged Patient Activity Indicators

OI Labor Productivity Reporting Assets
• Real-Time Daily Reporting • Dynamic Dashboards and Visualizations • ADT Feed Based Models • Detailed Statistics Tailored to Services • Patient Activity Indicators Tracked by Hour • Employee Resource Utilization Detail • Cost Impact of Staffing Outcomes

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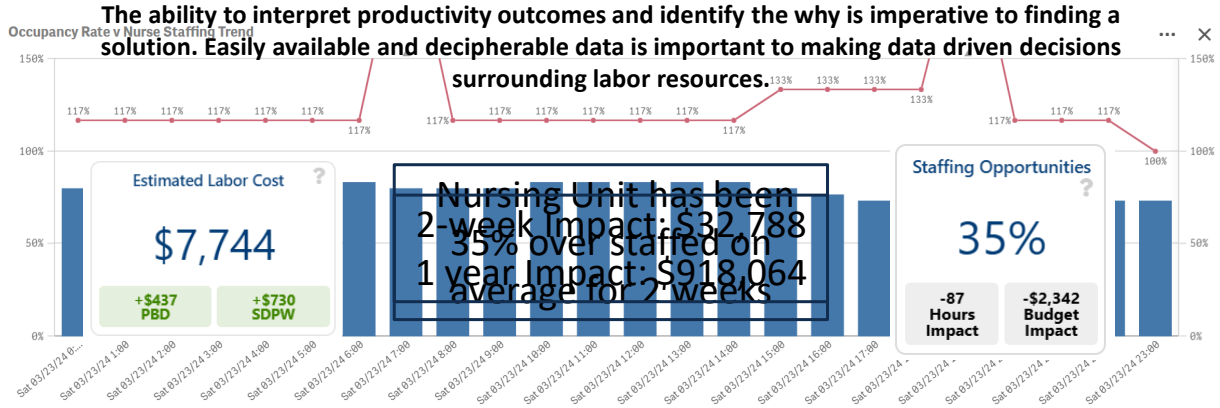
OI and Understanding the Why

The ability to interpret productivity outcomes and identify the why is imperative to finding a solution. Easily available and decipherable data is important to making data driven decisions surrounding labor resources.



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What is the Impact of OI in Labor Productivity?

- **Greater understanding of the productivity and utilization of labor resources.**
- **Identifying opportunities and inefficiencies quickly, allowing for more agility.**
- **Access to a data and model that can identify the source of inefficiencies and opportunities.**
- **Understanding the financial impact of productivity outcomes.**
- **Data driven staffing and resource decisions, allowing for impactful change without compromising effectiveness and quality of care.**

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Questions?

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