

SURGICAL INFORMATION SYSTEMS



CHANGE IS NO LONGER AN OPTION THE KEY TO PROSPERING IN TODAY'S ULTRA-COMPETITIVE HEALTH CARE INDUSTRY

Today, there are more choices than ever for patients in need of surgery. With new ambulatory surgery centers springing up around the country, traditional hospitals are facing a new breed of competition. And as such, hospitals are more aggressively going after patient “business” with media campaigns and community outreach programs. This new business environment in the health care industry is catching many hospitals off guard, jeopardizing their profitability and long-term outlook. So, how can you more successfully compete in this highly competitive environment and increase profit margins? Through change.

In order to improve their financial outlook and continue to prosper, health care organizations need to fundamentally change how they operate and develop new strategies to drive revenues and increase profitability. One way to do this is to focus on the area with the most potential—surgery. As a major cost and profit center, the O.R. is critical to the financial well-being of any institution.

Surgery is a booming business

While inpatient admissions are declining, surgeries, such as hip and knee replacements, are on the rise. Over the years, elective procedures have become more accessible and mainstream. Once invasive, risky procedures now leverage advanced treatments, such as laparoscopic approaches. These minimally invasive alternatives usually result in less pain, scarring, and recovery time for the patient, as well as reduced health-care costs. And with these more attractive options available, surgery for those 65 and older is also on the rise. Plus, newer procedures, such as bariatric surgeries, are gaining widespread acceptance.

With more people opting for surgery, how can health care organizations leverage this trend and grow in an increasingly competitive environment? For starters, organizations need to change the way surgery is perceived. To maximize the opportunity, health care facilities must focus on expanding and improving the O.R., and taking measures to improve surgeon satisfaction. Making O.R. facilities more attractive—as well as more efficient and effective—is a key to recruiting and retaining top-notch physician and, ultimately, attaining competitive advantage. Either you establish an environment that is geared toward surgeon satisfaction, or risk having your surgeons—and their patients—go to competing hospitals.

The best way to achieve a competitive edge is by combining clinical and business management expertise with sophisticated information technology.

Leverage technology to attract and retain the best physicians

When patients opt for surgery, rarely do they start the process by selecting a hospital. One of the key influencers is the experience, reputation, and proven track record of the physicians, particularly surgeons and anesthesiologists. Therefore, to drive more patient traffic, hospitals must focus on attracting and retaining top surgeons.

To assemble the finest staff possible and improve the quality of care, hospitals must make it easy for the physician to do business with them. That includes providing optimal tools and creating an environment that makes clinicians' jobs easier, helps them deliver high-quality care, and minimizes administrative requirements.

For example, in a May 2005 research note, Gartner discusses how web connectivity is becoming a competitive differentiator with hospitals. Gartner recommends "CDOs [care delivery organizations] should consider web-enabled O.R. solutions that enable them to offer surgeons secure read-only access to their own schedules from remote offices. They should also evaluate how to improve the process of accepting procedure time requests, checking availability, sending confirmations, and receiving and sending schedule change notifications."

In addition to enabling and improving scheduling and communication for surgeons, hospitals should create an environment that makes it easier for clinicians to communicate with each other and support the needs of patients and their families. With automated patient flow systems, for example, case updates are automatically sent to the surgeon and can be posted on a monitor in the waiting room for patient families. These types of systems help in two key areas: communication and throughput. By creating efficiencies in clinical processes and improving staff productivity, they help expedite case workload. Plus, they enhance the availability of patient and resources information. With up-to-the-minute information, surgeons and clinical staff spend less time updating patient families and locating resources and more time administering care. As a result, patient and staff satisfaction increase dramatically.

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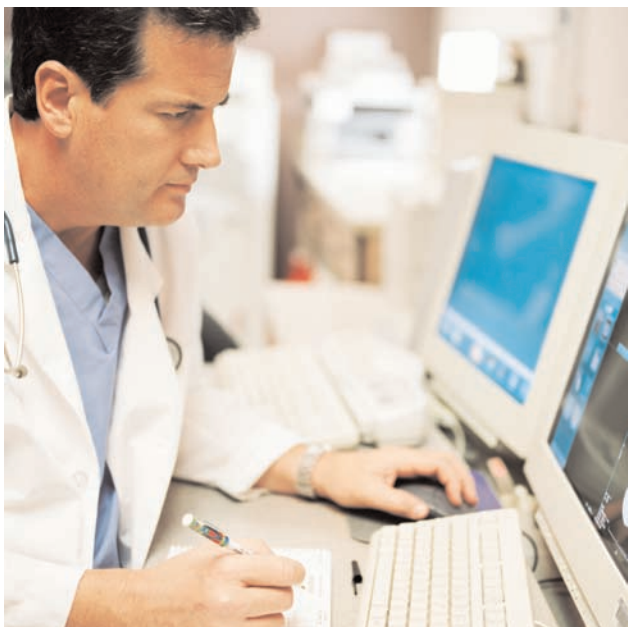


Like the previous example, today's technology solutions dramatically reduce the time spent on administrative issues, improving the quality of care and enabling physicians to treat more patients. Through automation, hospitals can ease the pain of adhering to increasingly stringent insurance regulations while simplifying reimbursement, increasing accuracy, and expediting records submission. Most importantly, automation allows surgeons to spend more time *doing their jobs*.

Run efficiently and cost-effectively

Although surgery provides the largest revenue opportunity, it also generates the highest expenditures: big-dollar salaries, pricey supplies, and high administrative expenses. In fact, it is the only department where materials represent the largest budget line item. Typically 60 percent of surgery costs are due to supplies and 40 percent labor. As the leading cost center in a hospital, the O. R. also offers the greatest opportunity for cost reduction.

Across industry sectors, technology has long helped organizations optimize and automate business processes for cost savings. Results of the 2004 InformationWeek 500 study confirm the fact that the health care industry continues to lag behind other sectors in its adoption of technology to streamline processes, increase safety, and create cost efficiencies.



While the health care industry has made inroads in technology adoption, certain areas continue to lag behind. According to Gartner, "Today, only ten percent of hospitals use perioperative charting applications, and even fewer have implemented anesthesia and PACU documentation." But due to the importance of the O.R. on a hospital's profitability, that, too, is changing.

The proof is in the numbers. O.R. automation solutions have been shown to reduce supply costs by \$100 to \$200 per case and increase case volume by 1,800 to 2,000 cases without adding staff. By streamlining processes, these solutions can reduce overtime expenses by 60 percent.

For hospitals focused on growth and profitability, Gartner makes the following recommendation: "The long-term O.R. strategy should include implementation of an O.R. solution in which core administrative functions (scheduling, inventory, and charge capture) are integrated with clinical functions (perioperative charting and anesthesia)."

Gain an advantage with best of breed solutions

Transforming your surgery department into a profitable, clinically superior, strategic contributor to the hospital's bottom line is critical to thriving in today's highly competitive environment. In order to realize your goals quickly and with the best tools possible, it's important to choose a solutions provider with a depth and breadth of O.R. process knowledge, technical expertise, and proven experience.

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—Gartner

At Surgical Information Systems, we recognize that the number of different processes, procedures, and tasks in the O.R. is staggering. From our experience, we know that you maximize the value when you automate all administrative and clinical processes, such as PACU and Anesthesia. And, this value is further enhanced by implementing truly integrated systems, such as those offered through a single-database, single-architecture platform. With this approach, you achieve complete data integrity and continuity of care.

How systems are integrated is becoming increasingly important. Industry analysts and health care leaders are admitting that even if a large enterprise vendor claims their solutions are integrated, they likely acquired them and patched them together with interfaces. The result? Solutions with much less functionality than is required for optimal surgery outcomes.

Automation is only part of the equation. By applying sophisticated business intelligence to a centralized database, you can transform data into important information that can be used to improve clinical and financial outcomes. Your surgeons can use the decision support tools to see which procedures and approaches work best. Your executives can leverage the data to understand what's profitable and what's not, and ultimately, make better business decisions. Based on fact.

To get the most from your new and existing systems, interoperability is paramount. And, Surgical Information Systems is a leader in this area. We interface with all leading vendors across multiple department platforms, including ADT, clinical repository index, and clinical information systems. Our solu-

tions help you get the most from your staff, data, and resources. As a best-of-breed provider, we take great pride in the breadth of our functionality, our true integration, and our interoperability with your existing systems.

Make the changes needed for growth and profitability

In today's health care environment, patient care and safety continue to be top priorities. But more than ever, hospitals must balance those concerns with the need for fiscal well-being. It's a fundamental shift that requires viewing the hospital as a business and making strategic decisions that will fuel growth and enhance profitability. From an operations perspective, focusing on the area with the most revenue and profit opportunity—the O.R.—is the answer.

By investing in technology automation, health care facilities can unlock the potential of the O.R.—attracting top-level physicians to help grow revenues while increasing efficiencies and cost savings. For hospitals that want to capitalize on the projected growth trend of surgeries and establish a powerful competitive advantage, now is the time to change.

For more information on integrated perioperative solutions, contact Surgical Information Systems.

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Surgical Information Systems is a leading provider of automation solutions for the entire perioperative continuum. For more information on the full range of SIS solutions, visit www.orsoftware.com or call 1-800-866-0656.