

# Mission Forward and Action Plan Update

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UW MEDICINE

Week Ending March 24, 2023



# Executive Summary

- Mission Forward is UW Medicine's systemwide initiative to identify, design and implement changes that improve our financial stability; increase operational efficiency; promote the well-being of our staff, faculty and trainees; and ensure we can continue providing high-quality, equitable patient care to our community.
- A 90-day action plan launched in December to accelerate cash flow and reduce costs in high-priority areas. It will conclude this month, though workstreams will continue as part of the broader Mission Forward work. Accomplishments include:
  - Increased patient appointments by **2,203** over baseline for January, February and first two weeks of March
  - Reduced costs associated with our reliance on temporary positions by **\$13.3 million** at Harborview and UWMC from December to February due to reduced pricing and a reduced number of contract labor FTEs
  - Since October, submitted more than **\$46.3 million** in hospital claims that were waiting to be billed, accelerating our time to payment
  - Reduced a professional coding/billing backlog in General Internal Medicine by **\$2.2 million** in gross charges.
  - Completed negotiations with Aetna (pending signature) on a two-year agreement, providing stability and rate predictability.
- The broader assessment phase of Mission Forward will conclude this month. The next phase involves deciding what opportunities to prioritize and pursue and designing operational plans for the work.



# Mission Forward Phases

## PHASE 1: (Oct-Mar) ASSESS and IDENTIFY

## PHASE 2: (Feb-Apr) DECIDE and DESIGN

## PHASE 3: (Mar-TBD\*) IMPLEMENT and ACHIEVE

ESTABLISH GOALS

QUANTIFY EXTERNAL ENVIRONMENT

BASELINE and BENCHMARK SYSTEM PERFORMANCE

IDENTIFY and CONSTRUCT INITIATIVE PORTFOLIO

OPTIMIZE

REPOSITION

+

REDESIGN

**CONFIRM**

Initiatives and Benefit

**ALIGN**

Stakeholders and Charters

**LAUNCH**

Teams and Resourcing

**SHAPE**

Design Specs

**BLUEPRINT**

Solutions and Capabilities

**BUILD**

Plans to Pilot and Scale

*Design "Sprints"*

**DRIVE**

Initiative Portfolio

**MEASURE and SUSTAIN**

MEASURE

SUSTAIN

## Bridge: (Dec-Mar) 90-Day Action Plan

Begin implementation of early identified opportunities to drive cash acceleration and reduce cost as we complete comprehensive assessment and move into design phase.

*\*Implementation timeline will vary based on workstream and level of implementation effort needed*



# 90-Day Action Plan: Workstreams

## Hospital Revenue Management

*Launched: 12/15/22*

Develop a comprehensive Accounts Receivable and resource optimization strategy and establish short-term cash acceleration priorities and goals. Build processes to monitor and escalate at-risk accounts to obtain authorizations prior to service. Drive toward long-term benefit targets across UWMC and HMC Revenue Cycle of \$32M in annual recurring net revenue and \$12M of cash acceleration.

Key results to date:

- *Cash pacing ~\$30M above goal for March, pacing to \$263M against a \$234M goal*
- *Kicked off backlog reduction strategy for billed claims pending follow-up on 2/17 with a target completion of end of March.*

## Professional Revenue Management

*Launched: 1/3/23*

Develop a comprehensive Accounts Receivable and resource optimization strategy and establish short-term cash acceleration priorities and goals. Drive toward sustained benefit targets across Professional Revenue Cycle of \$3.8M in annual recurring net revenue and \$5.5M of cash acceleration.

Key results to date:

- *Claims Pending Follow-up: Kicked-off backlog reduction plan for \$4.8M in aged, high-dollar follow-up work in process. Reduced \$3.4M so far, leaving \$1.4M remaining.*



# 90-Day Action Plan: Workstreams

## Inpatient Clinical Documentation Optimization

*Launched: 12/15/22*

Optimize the quality of clinical documentation through software enhancements, education and training to ensure compliant documentation practices that accurately reflect care provided as well as severity of illness, risk of mortality and intensity of resource utilization for all inpatients.

Key results to date:

- *Quality education week scheduled for 4/24; MD education scheduled for weeks of 5/8, 6/5, 6/12.*
- *Advanced Code Resequencing Implementation 4/15.*

## Length of Stay

*Launched: April '22 (start of Guidehouse engagement)*

Take actions to decrease length of stay by implementing a comprehensive approach which includes optimizing multi-disciplinary rounds, leveraging Epic functionality to drive discharges, improving patient mobility, and ensuring care management resources support patient progression.

Key results to date:

- *Both NW and HMC successfully transitioned projects to in-house PMs with the end of the Guidehouse engagement.*
- *UW Medicine and Health Management Associates are continuing to socialize policy recommendations regarding challenges posed by the Difficult to Discharge population, focusing particularly on a potential statewide pilot implementation of a Bed Readiness-like model. The Washington State Senate budget includes ~\$24M across all relevant agencies to support this model.*



# 90-Day Action Plan: Workstreams

## Workforce

Launched: 1/5/23

Enhance position control processes and improve labor productivity. Revamp orientation program. \$6.1M reduction of temporary labor spend and conversion to permanent staff in FY23.

Key results to date:

- *Reduced temporary labor spend in the month of February by \$2.2M at HMC and \$3.7M at UWMC compared to the average spend for the last seven months.*
- *Reduced overtime as a % of wFTEs to 2.34% in 3PPE 2/28.*
- *Developed an approach to evaluate and make recommendations on position requisitions that have been open for more than 90 days*

## Perioperative and Procedural Services

Launched: 12/19/22

Oversee and coordinate improvements in block utilization, scheduling processes, and Key Performance Indicators (KPIs) to create efficiency and capacity systemwide. Projected \$4.2M outpatient and \$7.3M inpatient annual revenue.

Key results to date:

- *Revised and updated Epic cancellation code list with IT partners to improve documentation accuracy and reporting capability: Completed Date: 3/21*
- *Conducting Surgical Scheduling Workshop for Patient Care Coordinators to understand current state workflows and identify barriers and opportunities for improvement: Confirmed Date: 4/17 - 4/20*



# 90-Day Action Plan: Workstreams

<p><b>Access</b> <i>Launched: 12/19/22</i></p>	<p>Implement clinic-based schedule management for managers and supervisors to manage scheduling templates daily, with the goal of reducing unused slots. Estimated 90-day benefit from visit volume is \$560k in revenue pending final validation.</p> <p><u>Key results to date:</u></p> <ul style="list-style-type: none"><li>• <i>As of 3/11, visit volume is trending 218 visits above target and 2,203 visits above baseline</i></li></ul>
<p><b>Retention &amp; Leader Development</b> <i>Launched: 12/12/22</i></p>	<p>Launch design phase for leader development (clinical and physician) and execution of the retention strategies following Employee Engagement Survey. This work incorporates well-being and EDI considerations.</p> <p><u>Key results to date:</u></p> <ul style="list-style-type: none"><li>• <i>Preparing for Employee Engagement Survey Launch in April: cascading a systemwide stoplight (you asked, we listened format) for leaders to communicate progress and customize actions at the local level, where applicable.</i></li><li>• <i>Reimagining Patients Are First platform / Steering to streamline efforts and speed to results.</i></li></ul>
<p><b>Revenue Enhancement Strategy</b> <i>Launched: 1/12/23</i></p>	<p>Support overall contracting strategy and current/future contract negotiations to enhance revenue strategy.</p> <p><u>Key results to date:</u></p> <ul style="list-style-type: none"><li>• <i>Completed Aetna negotiations – Pending signature. Two-year agreement with Aetna provides stability and rate predictability while other major Payor negotiations are under way.</i></li><li>• <i>Completed initial proposals for Regence. Targeting completion in July 2023.</i></li></ul>

# QUESTIONS?

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