



Enhancing Operational Efficiency:

A Case Study in Process Improvement

CASE SUMMARY:

SimiTree was asked to assist a post-acute care agency dedicated to providing high-quality patient care. In 2022, the agency's leadership team identified a number of areas where they could improve their processes in order to better serve their patients and achieve their business goals.

Home Health

Before SimiTree's consultants were brought on board, this agency was struggling with a high LUPA rate, low productivity, an inefficient staffing model, and a negative net margin financially. The agency's LUPA rate was 14%, which meant they were losing out on a significant amount of revenue. Their productivity was also low, with an average of 4 visits per day per clinician. This was due in part to the inefficient staffing model, which was not aligned with the agency's patient volume.

“It is essential when driving quality of care and agency goals, that staff know what is expected of them and have the tools and support to do their job.”



Melissa Gordon, Senior Manager

SimiTree's consultants worked with the agency's leadership team to identify and implement several process improvement initiatives. These initiatives included:

- **Improving the case management process.** This led to better financial outcomes and processes, as well as improved communication and collaboration across all areas of the agency. For example, SimiTree's consultants worked with the agency to develop a new case management workflow. This workflow helped to ensure patients were managed more efficiently and effectively, and that communication between the clinical team and the financial team was improved.
- **Streamlining the staffing process.** This resulted in improved efficiency and cost savings. For example, SimiTree's consultants worked with the agency to maximize their current staffing productivity. This improvement helped to ensure the agency was only staffing the number of visits they could actually bill for, which resulted in significant cost savings and allowed current staff to focus on meeting productivity levels needed.
- **Reporting metrics.** SimiTree was able to work with operational leadership to develop Key Performance Indicators which allowed Leadership to understand both daily operational metrics and financial metrics. Using these key metrics allowed this agency to know and understand their core business line and how to adapt day-to-day operations.

As a result of these initiatives, this agency was able to achieve significant improvements in their home health operations. The agency's LUPA rate was reduced from 14% to 7.7%, their productivity increased by 25% (average of 5.1 visits per day), and they were able to streamline their staffing model, resulting in significant cost savings.

Hospice

In addition to the home health initiatives, SimiTree's consultants also worked with the agency to improve their hospice operations. Before SimiTree's involvement, the agency was not maximizing its revenue from Service Intensity Add-ons (SIAs). SIAs are additional services that can be provided to hospice patients, promoting increased patient/family experience and satisfaction, improved quality outcomes (including Hospice Visits Last Days of Life – HVLDDL), and can generate significant revenue for the agency.

SimiTree's consultants worked with the agency to identify and implement several initiatives to improve their SIA revenue. These initiatives included:

- **Clarifying the roles and responsibilities of clinical leaders and IDG.** This helped to ensure all team members had a clear understanding of the practice, their role in identifying the opportunities, and then tie to the plan of care. With education, coaching, and an increased awareness, the agency maximized its opportunities to generate SIA revenue. For example, SimiTree's consultants worked with the agency to create a new SIA revenue goal and an

accurate data collection process. This goal provided a team incentive and performance improvement approach supporting the Clinical Director's strategy to generate SIA revenue, improve quality outcomes, and effectively delegate responsibilities to their team to achieve this goal.

- **Improving the Social Work metrics.** This led to better communication and collaboration across all areas of the agency. This in turn facilitated an increase in SIA revenue and care. For example, SimiTree's consultants worked with the agency to develop a new social work metric and provided training outlining the multiple social work interventions which could be provided to support caregivers and patients in the last days of life. This metric helped to measure the effectiveness of the social work team in providing care, generating SIA revenue, identifying gaps, and measuring success.
- **Streamlining the intake process.** This led to faster and more accurate processing of referrals, for example, SimiTree's consultants worked with the agency to develop a new intake process to bolster same-day admissions for Hospice and expedite timely Home Health admissions. This process helped to ensure these referrals were processed more efficiently and accurately.

As a result of these initiatives, the agency was able to increase their SIA revenue by \$80,000. This was a significant improvement, and it helped the agency to achieve their financial goals. employees with unlimited incentives based on achieving tiered growth objectives.

“Helping an agency understand and build operational metrics to track and follow make a huge impact to both financials and overall patient care.”



Jonathan Dickinson, Senior Manager

Conclusion

This home health and hospice agency is an example of an organization that has successfully implemented process improvement initiatives to enhance its services and achieve its business goals. The agency's leadership team was committed to the improvement process and worked closely with SimiTree's consultants to identify and implement the right initiatives. The results of these initiatives have been significant, and the agency is well positioned to continue to improve its services and achieve its business goals.

Recommendations

Based on the results of this case study, the following recommendations can be made for other organizations that are considering implementing process improvement initiatives:

- Be committed to the process. Process improvement is a journey, not a destination. It takes time, effort, and commitment to see results.
- Work with a SimiTree consultant. A qualified consultant can help you identify the right improvement initiatives for your organization and implement them effectively.
- Measure your results. It is important to measure the results of your process improvement initiatives so that you can track your progress and make necessary adjustments.

By following these recommendations, you can increase your chances of success in implementing process improvement initiatives in your organization.



SimiTree

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