



and well-paid workforce, credible and legal information on which policies can be structured, and health facilities that are well-maintained and reliably managed.

Operations management involves helping

Effective Solutions for Managing Healthcare Operations

The management of healthcare *operations* extends way beyond the OR (where surgery takes place). Healthcare operations issues and concerns refer to the day-to-day business of running hospitals, medical practices and other healthcare-related providers.

What healthcare operations does

For a healthcare system, hospital, specialty practice, ancillary care provider or remote health service center to function efficiently, necessary aspects include generous financing, a well-trained

patients achieve better health by delivering the most effective, accessible and efficient healthcare through the administrative, financial, legal and operational processes to direct and utilize internal resources. Health care operations strategies and software facilitate the efficient delivery of health care services to patients and communities to ultimately save and improve lives keep the healthcare business running.

HIPAA's role in healthcare operations

The Health Insurance Portability and Accountability Act (HIPAA) plays an indelible role in anything medical, especially in the consideration, deployment and implementation of health care operations.

HIPAA established the rules, expectations and framework that determined the appropriate and legal storage and dissemination of private, personal health information. [“After HIPAA was passed in 1996, its effect was felt across the entire](#)

health care spectrum. Most of the time, the patient had the authority to specify which provider could use their health information and which aspects could be disclosed.”

Operations management span the spectrum of administration to care delivery

Here are three example areas that benefit from effective operations management:

- **Clinical care management** — The health care industry is a service industry, so it makes sense when organizations make a concerted effort to standardize protocol to improve performance. Improving clinical care management can result in reduced readmissions and improved patient-provider relationships.
- **Risk management** — Medical practices improve when providers mitigate and optimally manage risk. Examples of risk in a health care setting range from patient or staff injuries to ballooning costs of expensive services. Hospitals can leverage predictive analytics technology to cut down on extravagant or extraneous costs while striving for improved patient satisfaction.
- **Financial management** — Health care operations management deals with reducing and optimizing costs in a medical organization. Medical practices and hospitals have many issues controlling costs. Cost issues can come from unnecessary treatments or medication prescriptions, treating uninsured patients, or budget reductions that directly impact the technology,

equipment and salary resources of medical staff.

Reducing inefficiencies through operations technology solutions

Innovation of health care technology drives industry trends that require evolving and adapting of set health care processes, protocols, regulation and strategies, including:

- **Data capture** — Effective data capture supports compliance and auditing, drives key business decisions and prepares your organization for any crises. Data—and lots of it—drives the decisions that everyone makes in business today, and healthcare facilities operations management is no exception. “In an [Oracle study](#) of 333 C-level executives (30 of whom are healthcare executives), 94% say their company is collecting and managing more business information today than they did two years ago. 40 percent of the healthcare executives surveyed gave themselves a ‘D’ or an ‘F’ rating in terms of their preparedness to handle the onslaught of data. In the same Oracle study, 93% of executives surveyed said their company is losing revenue—on average, 14% annually—as a result of not being able to fully leverage data. Often, the biggest challenge is to find the most efficient, cost-effective ways to capture and report on data for the facility's day-to-day operations.”
- **Reduction of clinical variability** — Clinical variability affects the delivery of care and ensures

accurate inventory levels, supply costs and workflows. When clinical variability is reduced, every aspect of a medical organization will benefit. These benefits will affect both staff and patients positively.

- **Productive EOC** — Environment of care (EOC) in healthcare is made up of three elements: the physical space and layout of the health care facility, the equipment used to support delivery of care and building operations, and the human beings that make up activity within the facility. All three elements contribute to a positive patient experience, from pre-visit to treatment to post-visit.
- **Cost Controls** — The goal for operations managers is to strike a balance between necessary high-tech treatment and community centers that offer preventative services. Cost controls affect the levels and quality of services provided to clients. Inefficiently managed costs destroy budgets, limiting the technology and equipment that can be purchased and used to provide necessary services. Operations managers should attempt to streamline costs and raise the necessary funding to maintain adequate levels of care and quality of services.
- **Recognize that patients are also consumers** — Healthcare patients today are true consumers who want to be more in control of their healthcare experiences. Healthcare operations professionals have a vital role to play in the shift to treating patients as empowered consumers. A top-rated EOC contributes to a positive patient treatment process, overall sense of well-being and satisfaction with the healthcare provider.

Maintaining an excellent EOC requires vigilance in a number of key areas, such as using mobile technology to manage formal EOC, facility tours, and promises of quality assurance.

What can you do to make your healthcare operation more efficient and effective?

- **Evaluate labor and its costs** — [Labor costs](#) typically account for 50 to 60 percent of a hospital's operating revenue, so a thorough review of productivity is critical. Productivity evaluation can indicate the right level of staffing by shift and day. Productivity standards, manager involvement, and executive oversight will move you toward your goals of greater efficiency while reducing labor costs.
- **Analyze supply costs** — Second only to labor costs, supply spend represents significant expense for hospitals. Often, small hospitals don't have the negotiating power, so look to the expertise of a group purchasing organization (GPO). The right GPO relationship can mean supply savings from 10 to 14 percent.
- **Examine revenue cycle management** — Because the revenue cycle is a complex function, points in the process may be overlooked or broken.

You don't have to go it alone!

Get the outside help you need now. Blue Eagle's training/consulting experts will

help you analyze your current operational situation, understand where you need support, train your staff and help you plan efficient, effective operations management. If you have a project coming up or a need that we can fill please call us at 1 (866) 981-1095 or email info@blueeagle-consulting.com.

When it comes to healthcare operations, it pays to remember what Benjamin Franklin said, "If you fail to plan, you are planning to fail."

Blue Eagle Consulting can provide you with the experienced consulting resources you need. . [Get in touch](#) today to let us know how we can help you.

