



Looking to take advantage of the cost savings of bundled payments, this well-respected hospital first needed to help its surgeons contribute to the efficiency of the OR.

NYU Langone Medical Center's Hospital for Joint Disease
is a 566-bed Academic Hospital in New York City.

Situation: Workforce Optimization Challenges

The Hospital for Joint Diseases (HJD) at NYU Langone Medical Center is one of the top-ranked hospitals in the U.S. Recently, HJD entered the Bundled Payments for Care Improvement initiative. But to do well under capped reimbursement, the OR needed to overcome several performance problems, including a high same-day cancellation rate (6%), a low first-case on-time start rate (54%), relatively long case times, and low primetime utilization (47%). These inefficiencies increased the OR's cost structure, threatening HJD's ability to operate profitably under bundled payments.

Strategy: Improving every process surrounding the OR

Surgical Directions began by guiding HJD leaders through the process of creating a multidisciplinary Surgical Services Executive Committee (SSEC). This physician-led governance body designed a more efficient block schedule and raised the bar on surgeon utilization expectations. We helped an SSEC task force develop standardized protocols for pre-surgical preparation, ensuring patients are fully optimized on the day of surgery. In addition, we mentored and assisted the committee on spearheading several initiatives to reduce case times, including implementing efficient parallel processes for nursing and anesthesia.



Reduced cancellations
to less than 1%



On-time start rate
improved to above 90%



Case time
decreased by 12%



Utilization
increased to 81%

Results

Within 18 months, improvements in pre-surgical processes helped cut the case cancellation rate to less than 1% and push the on-time start rate above 90%. In addition, average case times for common procedures declined by up to 12%. These efficiency gains coupled with block schedule reform helped increase prime time utilization to 81%. All these improvements allowed the OR to accommodate additional case volume without additional costs. In just a year and a half, total OR volume grew 8%.

Additional measurable improvements included:

- Reduced cancellations to less than 1%
- On-time start rate improved to above 90%
- Case time decreased by 12%
- Utilization increased to 81%

The bottom line: Higher utilization and volume reduced the underlying cost structure of the OR. This allowed HJD to operate successfully under bundled payments – and strengthened its ability to compete in the emerging value-based healthcare market.