

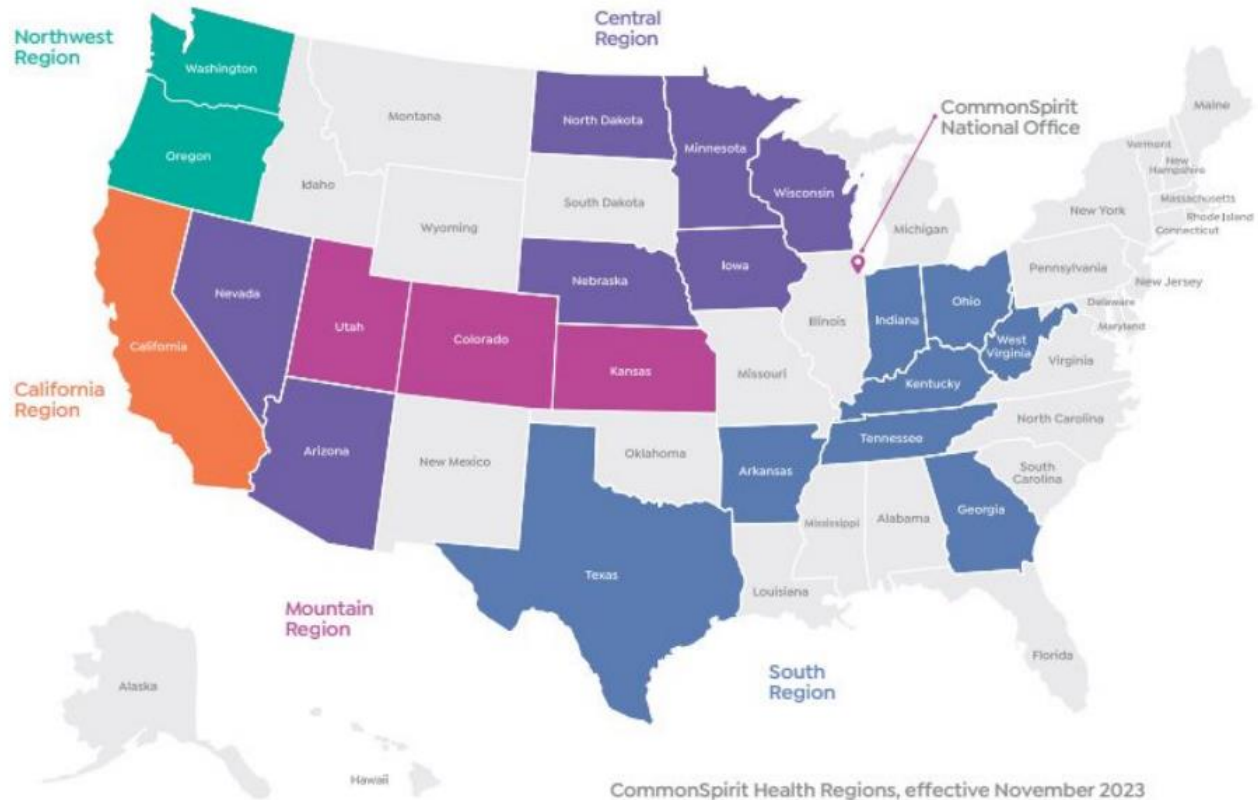
CFO/CMO Partnership

Bradley T. Lembcke, MD - President, Baylor St. Luke's Medical Center
Linda K. Kulhanek, CFO - South Region CommonSpirit Health

Topics

- Introductions
- Quality / Clinical Documentation
- Utilization / Patient Flow
- Revenue Cycle
- Business Planning / Analysis / Budget
- Questions

CommonSpirit Health



24 States
144 Hospitals
2,250+ Care Sites

CommonSpirit Health Regions, effective November 2023

St. Luke's Health



16 Hospitals

30+ Medical Group Clinics

2 Freestanding ERs

Texas Medical Center

10M patient encounters per year

180K+ annual surgeries

750K ER visits per year

9.2K total patient beds

50M developed square feet

13.6K+ total heart surgeries

\$3B in construction projects underway

120K+ total employees

8th largest business district in the U.S.

CommonSpirit 

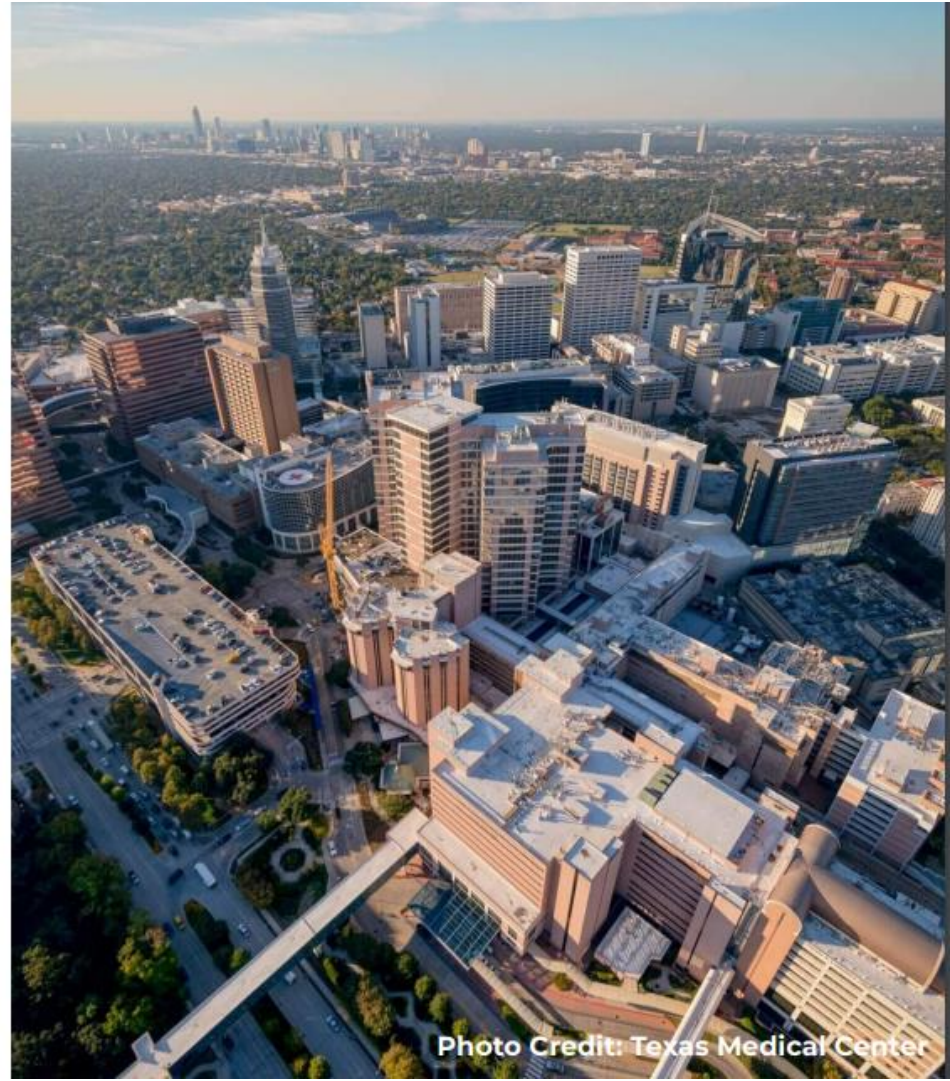


Photo Credit: Texas Medical Center

TMC Helix Park

37 Acres | **5M** Square Feet

\$5.4B Economic Impact

250,000-SF TMC3 Collaborative Building

700,000-SF Industry Research Building

18.7 Acres Public Space

521-Room Hotel with Conference Center

350-Unit Residential Tower

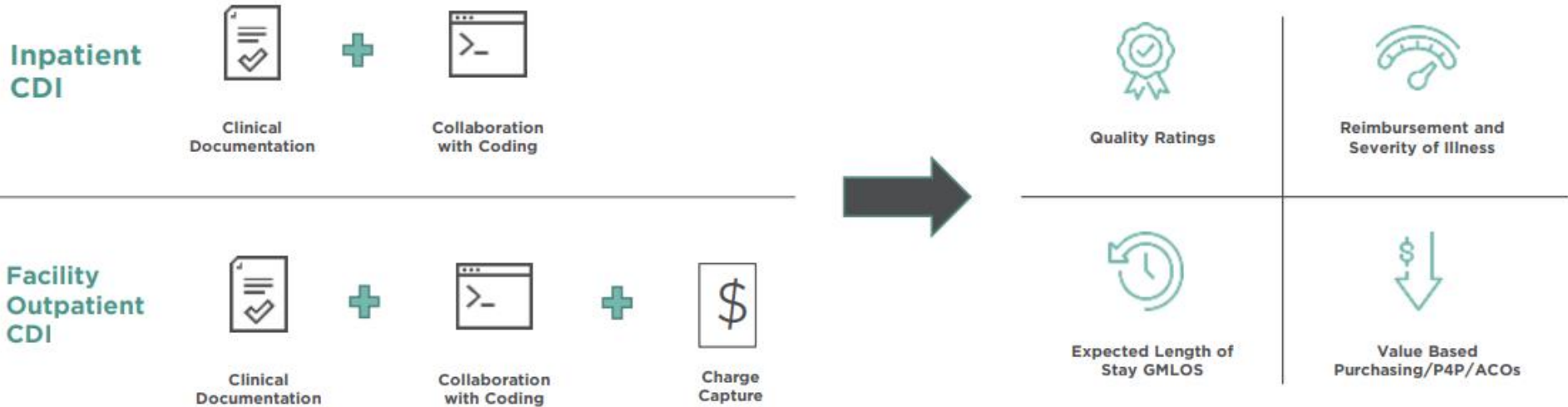
CommonSpirit 



Photo Credit: Texas Medical Center

Quality / Clinical Documentation

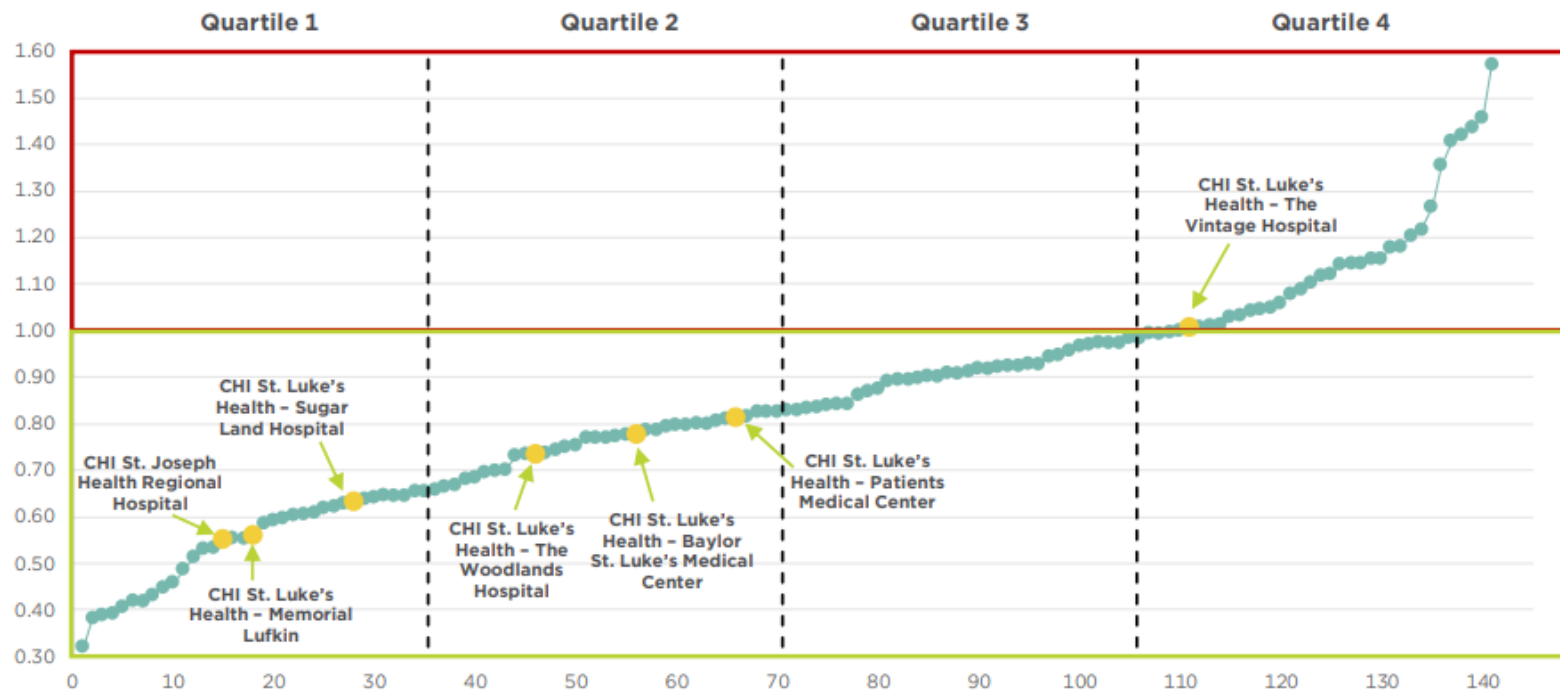
Get the record right by focusing the CDI process on obtaining complete and accurate documentation, not chasing a single quality measure.



A holistic approach to accurate documentation will provide sustainable impact to key metrics.

Observed to Expected Mortality Ratio – Texas Division

- While nearly all CommonSpirit Texas Division facilities have a favorable O/E mortality ratio, there is room for most hospitals to improve.



Source: MedPAR 2021 (10/20 - 9/21)
excluding COVID

Peer comparison: Hospitals in Texas with 2,000+ Medicare discharges

Utilization / Patient Flow

ACHIEVING LENGTH OF STAY REDUCTIONS

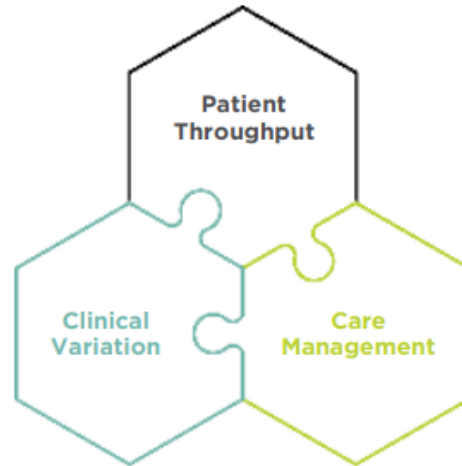
Length of stay reductions are a function of three core hospital tasks: patient throughput, case management, and clinical variation

Patient Throughput

- Observation vs Inpatient Admissions
- MDRs
- ED Throughput
- Bed Placement
- Ancillary Wait Times
- Day of Discharge Performance
- IP Rehab
- Early Ambulation Program

Clinical Variation

- Clinical Pathways
- Evidence Based Practices
- Provider Consensus
- Timely Recognition of at-Risk Patients
- Management of Complex Acute Patients



Care Management

- Patient Status Determination
- Utilization Management
- Physician Advisor
- Discharge Planning
- Care Progression
- Executive Escalation Meetings
- Coordination with Attending Providers
- Post Acute Care Management
- Readmissions

Revenue Cycle

REVENUE CYCLE AND HOSPITAL OPERATIONS

REVENUE CYCLE MANAGEMENT



RCM Assessment and Implementation

Identify net revenue opportunities across the revenue cycle including patient access, billing and collections



Denials Management

Prevent and manage denials through improved processes, documentation and education



Physician Services

Understand physician practice value drivers and increase growth and profitability



Observation Management

Optimize patient status determination process and minimize observation patient length of stay



Care Management Improvement

Identify improvement opportunities in the care management process that address roles and barriers to discharge

HOSPITAL OPERATIONS



Length of Stay Management

Identify operational and clinical constraints to improve patient flow and throughput



Clinical Variation Reduction

Examine DRG specific performance and implement evidence-based best practices



Labor Productivity

Benchmark labor costs and productivity measures to establish and attain targets



Non-Labor Cost Reduction

Reduce costs in areas including purchased services, medical supplies, drugs and physician preference items



340B Program Management

Enhance usage of 340B Drug Discount Program through contract pharmacies and specialty drug usage

Business Planning / Analysis / Budget

Operational Budget:

- Personnel
- Targets
- Physician Engagement

Capital Budget:

- Strategic Projects – New Programs / New Equipment / Research
- Routine/Replacement Items
- Prioritization / Physician Engagement

Questions