KPI’s and Benchmarking within your Medical Practice

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Overview

• Benchmark and key performance indicators
• How benchmarking can help deliver results
• Key Performance Indicators
  – Clinical
  – Practice
  – Financial
About the Presenter

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Us in a nutshell...

24000 patients
(1 visit in 2yrs)

Staff
22 Doctors
12 Nurses
3 Practice Managers
12 Receptionists

Allied Health
Physio
Dietitian
Podiatrist
Audiologist
Mental Health Clinician
Diabetes Nurse
Lifestyle Advisor
Pathology
Practice managers are often unaware of how their practice performs in comparison to other similar practices!
Result

The result of this lack of knowledge could have some very negative outcomes:

- Less than adequate staff performance
- Forgone revenue
- Spiralling costs
- Low staff morale
- Poor patient satisfaction
- Low practice value
Benchmarking – what is it?

• A snapshot of your practices *performance* and shows where you are in relation to a particular standard.

• To *understand* and *evaluate* its current position in relation to others like yours in the industry.
Benchmarking

equals measuring current performance in various areas of practice eg:

• Financial
• Admin
• Clinical
• Patient satisfaction
• Timeliness
• Staff performance
Benchmarking

• Provides comparison within a practice, comparing clinician performance
• Traditionally involves comparison between practices / the industry standard
Benchmarking
“How well are we currently doing?”

equals measuring current performance in various areas of practice eg:

- **Financial**- medical expenses, admin expenses, staff wages, equipment expenses, rent
- **Admin** – room occupancy, average mthly operating capacity, number of new patients/ month, number of calls/day, average consult duration, average fee per consult,
- **Clinical**- number of referrals/ month, number of referrals not seen/ month, number of surgeries per month, complication rates
- **Patient satisfaction**
- **Timeliness** – phone response times, waiting room time, next available appointment, no shows
- **Staff performance**: timeliness, adequate breaks, staff to Dr ratios, satisfaction
Key Performance Indicators

“How well do we want to be doing in future?”

Involves establishing goals and plans for the future

• Financial
• Admin
• Clinical
• Patient satisfaction
• Timeliness
• Staff performance
Key Performance Indicators

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Using benchmarking and key performance indicators

• Improves practice performance
• Measures important aspects of your practice.
• If you can quantify it, you can measure it
• Identifying ways you can become more competitive.
Using Benchmarks and Key Performance Indicators

- Can **motivate** staff, giving them **measurable** goals to achieve.
- See how your practice measures up to others in the industry.
- One way to readily identify areas where you need to improve.
- Can help you in planning
- Useful for evaluating employee performance
Our Clinical Indicators

DIABETES PATIENTS

- A1C recorded
- A1C <7%
- A1C 7-10%
- on hypoglycemic
- on cholesterol <4
- on lipid lowering meds
- BP recorded
- BP <130/80
- microalbumin measured
- GPMP ltd
- SJP ltd
- influenza ltd
- pneumonia ltd
- waist recorded
- waist normal
- BMI recorded
- BMI normal
- smoking recorded
- non-smoker

%
Our Clinical Indicators

Take a moment to speak in pairs to the people around you to identify 3 clinical indicators that are measured in your practice.
✓ Knowing your position!

✓ Your strengths!

✓ And what you need to do to step up your performance!
Power of benchmarking

• It enables you to **identify** any issues in your practice before they develop into big problems.

• Think of it as a flashlight that you shine into the corners to find things that may be lurking unnoticed.
Why Benchmark?

• Gain an *instant* competitive advantage over other practices through benchmarking.

• Without a way to measure relevant financial and operational indicators, you might find yourself relying on educated guesswork.
Summarising benchmarking

• *Evaluate* performance and understand your practice’s strengths and weaknesses.

• *Identify* areas for improving practice operations and the bottom line.

• *Observe* where your practice has been and predict where it is going.

• *Convince* physicians and staff of the need for change
Key Performance Indicators

• They are *quantifiable financial* and *non-financial* goals that reflect the critical success factors of a practice.
• They are *specific* measurements used to plan future performance goals.
• They're a way to precisely measure performance.
Key Performance Indicators

• Should reflect the organisation's goals
• Describe factors key to its success
• Must be quantifiable (measurable)
• Definitions and measurement must be constant
• The choice of Key Performance Indicators may change as the organisation's goals change or as it gets closer to achieving a goal
Key Performance Indicators

- **Practice** - New patient numbers, Total Patient Visits per day, week, month, Cancellations and DNAs, Marketing channel effectiveness, Patient visit average per channel
- **Financial** - Per patient visit value, by doctor, average visit value, Outstanding debit and credit account balances, Total patient revenue, Cost to acquire a new patient overall and per marketing channel,
- **Clinical** - Number of patients who do not follow up appointments
- **Patient satisfaction**
- **Timeliness** – phone response times, waiting room time, next available appointment, no shows
- **Staff performance**: timeliness, adequate breaks, staff to Dr ratios, satisfaction
Success

• The KPIs are actually “Key” – they provide an accurate assessment of performance against the stated objective.
• They are relevant – specific to the practice.
• There are not too many (but enough!)
• They are viewed over a long period, and against your peers to provide you with context
Real practice examples

• If your accounts receivable are averaging a slow-moving 58 days and you’re wondering whether this is normal. How would you use benchmarking?
What would you do?

• If you find that your patient wait times have increased? How would you use benchmarking?

"This is the pre-pre-pre-waiting room, sir. You have 3 other waiting rooms to wait in before you see the doctor...if it isn't too late in the day."
What would you do?

• Assume you know your practice is gaining new patients at an astonishing rate. How would you use benchmarking?
Benchmarking successfully

What are the **important** things that worry you about your practice?

- Do you worry about your performance against your competitors?
- Are there areas that you think you may be able to improve upon?

These are the items that you should talk about with your practice owners to ensure they are addressed.
Benchmarking successfully

What's important to you?
Benchmarking Guides

The four basic methods for measuring these are Costs, Profit, Quality, and Time.

- **Costs** Relates to expenses incurred in consulting, such as doctors’ service fees, support staff wages, practice expenses including utilities, consumables and stationery, administrative expenses etc.

- **Profits** Refers to the amount left over after payment has been received for services rendered, and all the expenses have been paid.

- **Quality** Relates to the characteristics of meeting and maintaining the requirements and expectations of the patients and the manner they are perceived.

- **Time** Efficiencies relating to the numbers of patients seen per hour, per session, per day etc. Although most practices commonly use financial methods to benchmark activities, some would
KPIs – What are your goals?

• How much you have improved over time (compared to your own past data)
• How far you still have to go?
• Your own practice is the first reference point – compare this month to last month as well as the same time last year. What has changed?
• What things are you doing better than your competitors?
Practice KPIs

• Bulk billed visits vs Private fee visit
• Number of consults/ month
• New patients/ month
• Item number analysis
  – Standard consults vs long consults
  – % of GPMP and health assessments
• Number of available appointments
  – total per day
  – book on day
• DNAs/ month
• Pricing schedules
Common Practice KPIs

- Number of available appointments
- Opening hours
- Percentage of bulk billing vs private billing
- Patient fees generated vs potential patient fees
- How quickly can you process payments and charges?
- Bad debt
- Marketing & social media ROI
- Website traffic
Weekly Analytics Report
5 Nov - 11 Nov 2018

Average Daily Traffic

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Daily Traffic Breakdown

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<td>34</td>
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Common Financial KPIs

• Key expenditure such as medical supplies, wages, rent, Doctor contract payments?

• Are there any expenses that are much higher than they should be?

• Are you generating as much revenue as you can? If not, why? Is it due to your pricing, your appointment mix, your policy on private billing, your use of item numbers etc.?

• Are you paying doctors and staff within industry averages? Does this match with the perception in your practice?
Data Collection

- Collect meaningful data
- Practice Software Reports
- PenCS Clinical Audit Tool
- Doctors Control Panel
  - Performant Charts
  - Business Intelligence Charts
Clinical Benchmarks

- Blood Pressure Recorded and % under control
- Heights / Weights and % normal
- Social History
- Smoking History and % of non smokers
- Alcohol intake recorded
- Vaccination rates – flu, pneumovax, shingles
Clinical Benchmark

![Performance Charts](chart.png)
Clinical Benchmark – All Patients

ALL PATIENTS

- Allergies recorded
- Smoking recorded
- Non-smoker
- Smoker
- Alcohol recorded
- BP recorded
- BP normal (<130/80)
- Waist recorded
- Waist normal
- BMI recorded
- BMI <25

Legend:
- 07-04-14
- 24-05-16
- 15-04-17
Clinical Benchmark – Diabetes Patients
BMI and Waist
Flu Injections for DM Patients
## Clinical Benchmark – Mystery Doctor

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*PenCS Mystery Dr PenCS April 2017 Sheet1*
Benchmarking blood pressure management
Employment KPIs

- Staff Availability
- No of Sick Days
- Annual Leave Balance
- Length of Service
- Retention Rate
- Feedback about outstanding service
- Disciplinary actions

This will give you a broad range of results to help you to review your practice.
Customer Service KPIs

• On time performance
• Customer service KPIs
  – HappyOrNot terminals
• Call tracking KPIs
  – % phone calls answered within 10 seconds/ 3 rings
  – On hold wait times
  – Customer hangups
• Online appointment bookings
  – Number of bookings made online
Practice Nurse KPIs

- Health assessments/ month
- Chronic Disease Registries eg Diabetes Register
- GP Management Plans & reviews/ month
- Diabetes/ asthma reviews/ month
- Nurse education/ ECG/ Spiro per month
- Vaccination rates of CDM patients
Doctor KPIs

- Clinical parameters
- Average wait times
- No of consults/week
- Average billings per consult
- Bulk billing vs private fees paid
- Workcover/DVA patients/month
- Patient DNAs
- Rescheduled appointments (due to Dr)
- Patient satisfaction scores
  - Healthengine, Happy or not, Accreditation surveys, Google reviews
Number of consults per Doctor
Average Fees/Consult

Business Intelligence Charting

Legend:
- Wonder Woman
- Green Lantern
- She-Hulk
- Rogue
- Ghost Rider
- Mr. A
- Hulk
- Squirrel Girl
Bulk Billings Rates
How to use the results

If the real power of benchmarking is the **identification of issues**, make sure that you get advice on how to interpret the results.

- Ideally, it should lead to a **discussion within your practice** on some key actions that you can implement into your practice to improve your results or address the issues that have come to light.

- The power is in the **next steps** planned, not the numbers that are generated.
Questions
Acknowledgements

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Thank You!!!