

Building a Laboratory Utilization Management Program: A Roadmap for Success

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ABIM Foundation Survey

Physicians reported:

their patients ask for an unnecessary test or procedure at least once a week

47%

the average medical doctor prescribes an unnecessary test or procedure at least once a week

72%

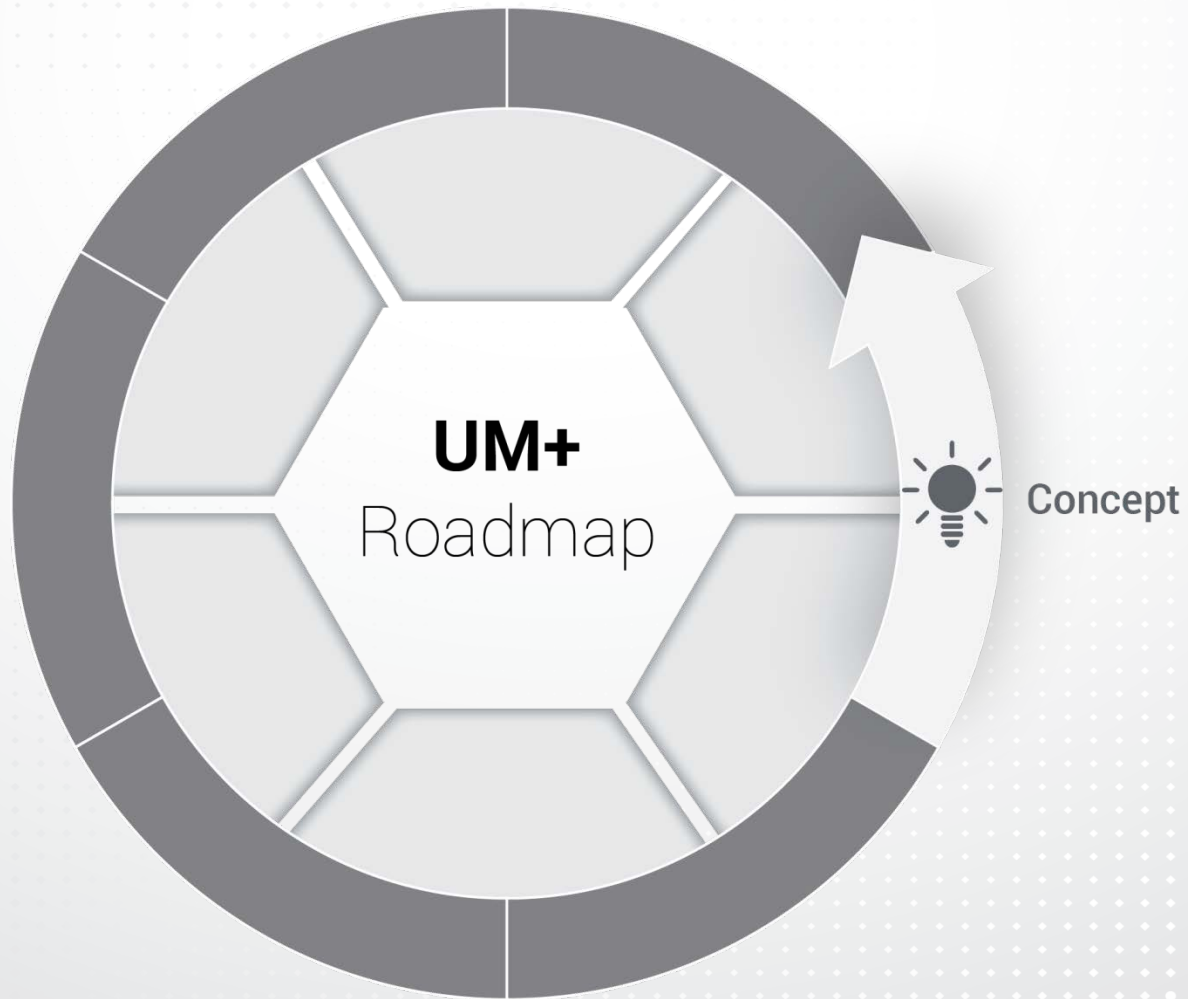
53%

that even if they know a medical test is unnecessary, they order it if a patient insists

73%

the frequency of unnecessary tests and procedures is a very or somewhat serious problem

Consulting

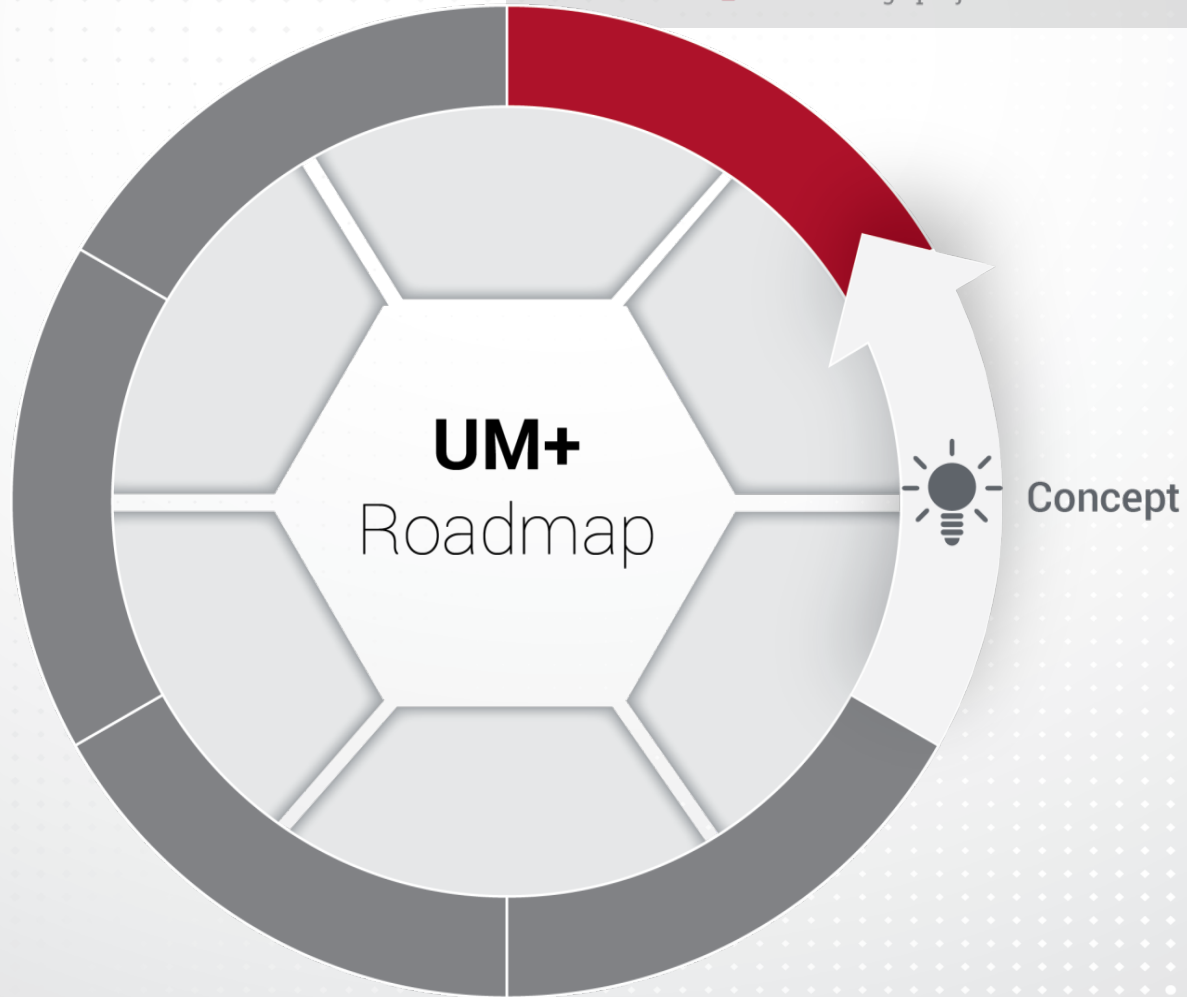


Analytics

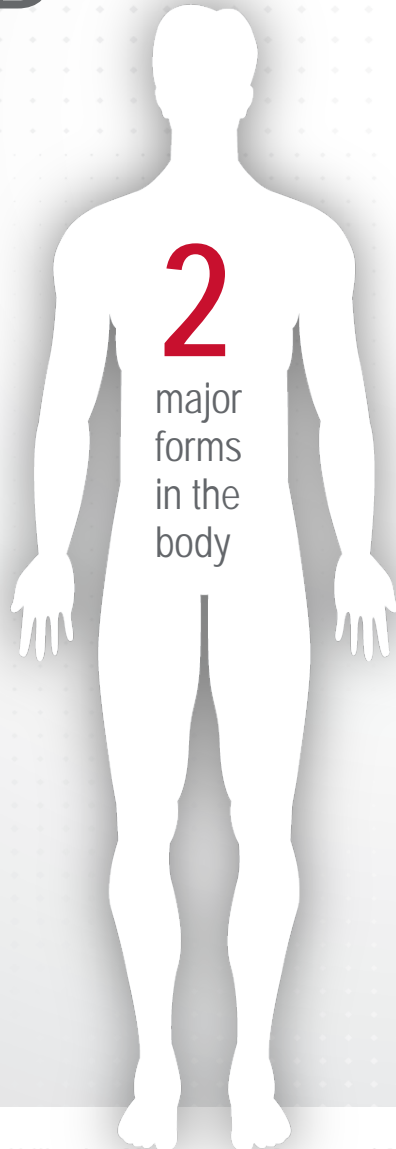
Analytics



Methods for data extraction
Analysis of test data
Cost-savings projections



Vitamin D



1, 25 dihydroxy-vitamin D

and can be misleading in screening for deficiency

25 hydroxy-vitamin D

the best indicator of Vitamin D status in *routine screening for deficiency*

Vitamin D – A Case Study

Total Vitamin D Testing

3,351 Patients

5,105 Tests

Both tests were ordered for

906 patients (1,962 tests)



Vitamin D, 1,25DIHY

1,366 Patients

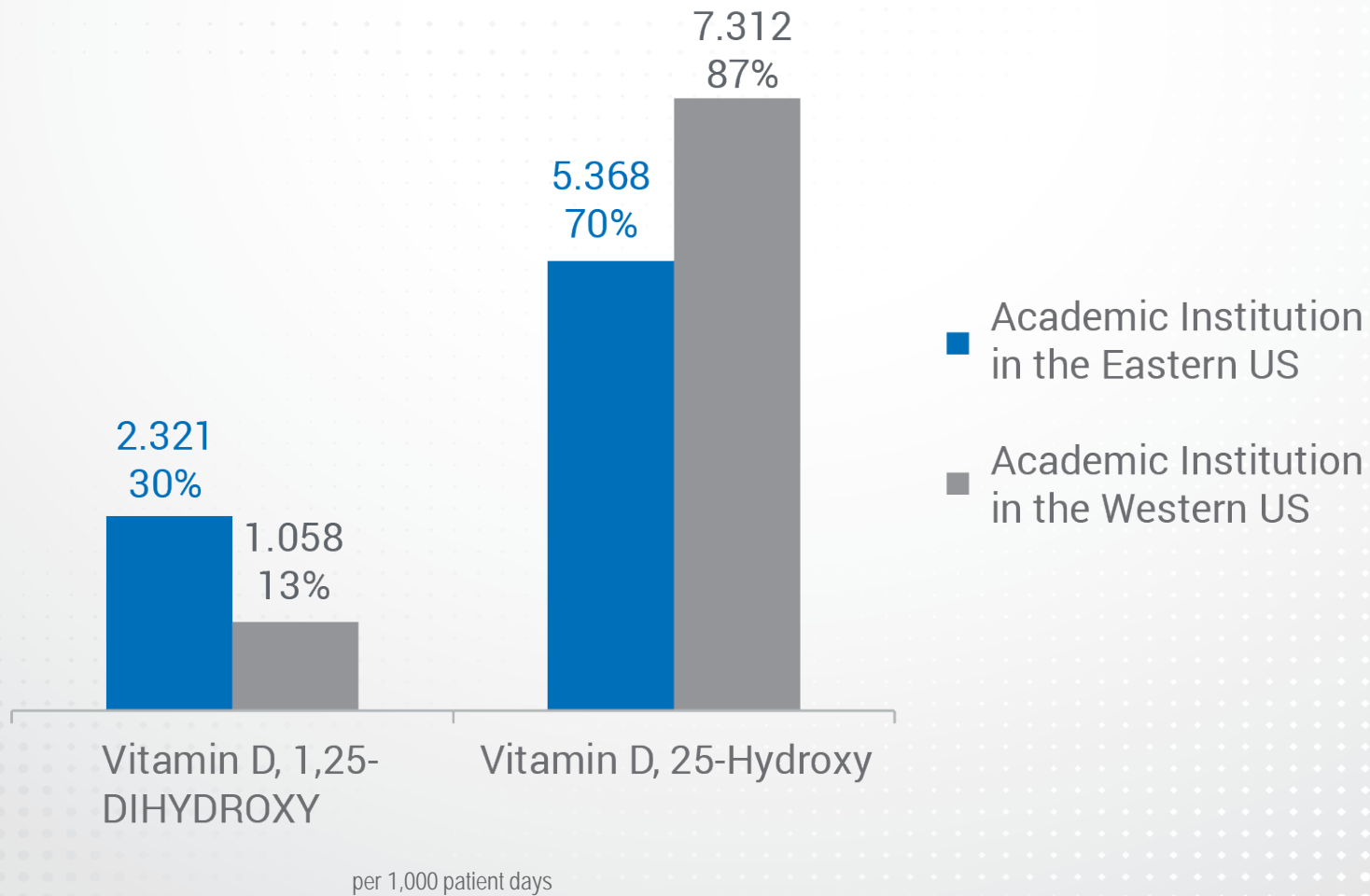
1,541 Tests

Vitamin D, 25-HYDROXY

3,044 Patients

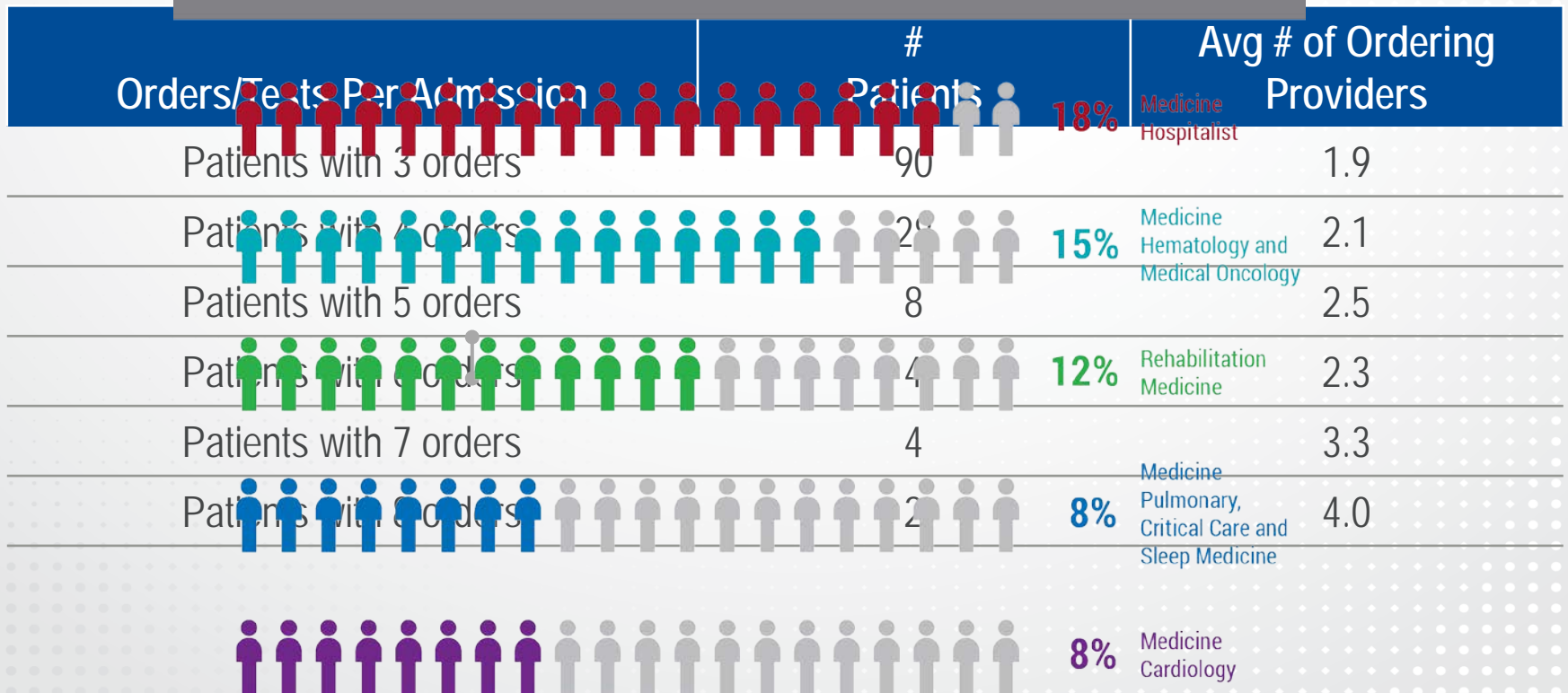
3,564 Tests

Vitamin D Benchmarking



Multiple Vitamin D Orders

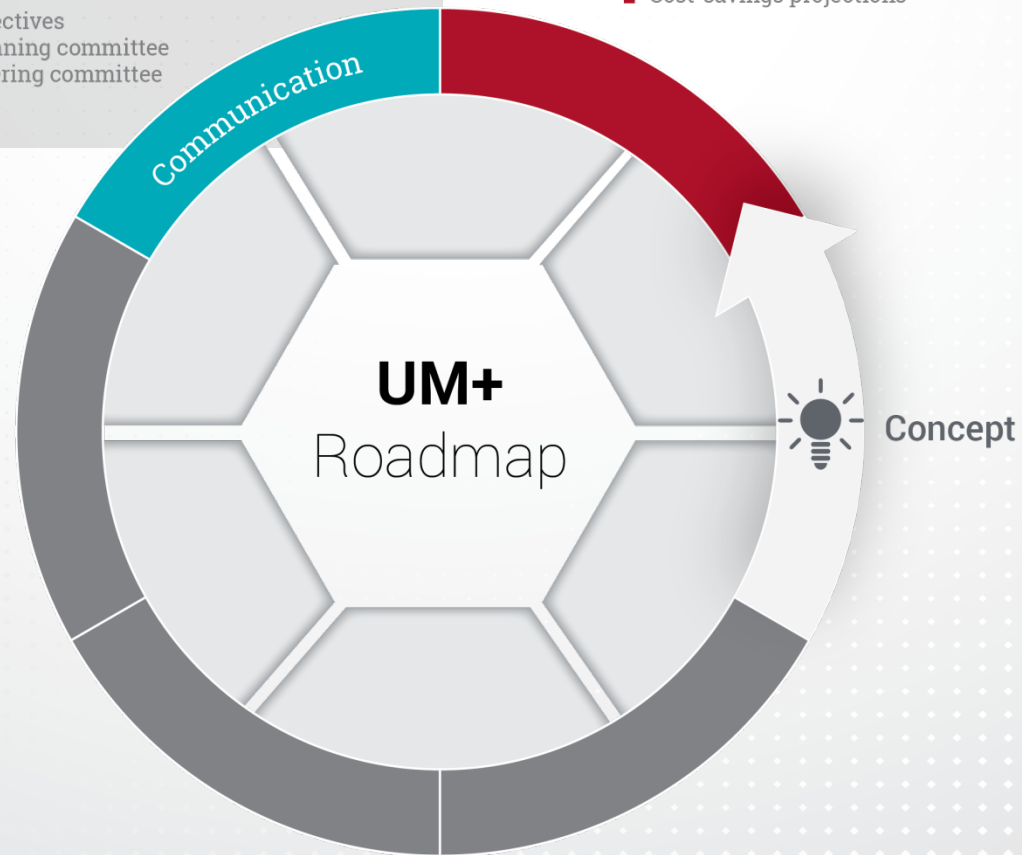
Who orders the **Vitamin D, 1,25** test?



How extensive is the duplication problem?

Test Name	Acceptable Interval	Total Tests Done	% Duplication
Hemoglobin A1C	Once per admit	12,930	17%
Iron, TIBC	Once per admit	4,156	13%
Lipid profile	Once per admit	7,458	13%

Governance



Governance

Planning Committee



4 to 6 members (including champion)

Key stakeholders

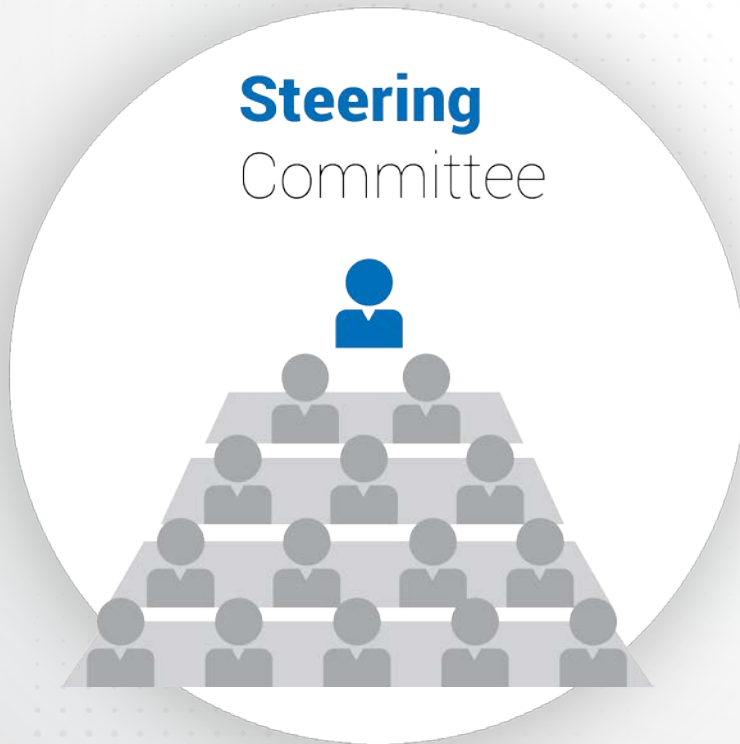
Develop mission statement, scope and objectives

Determine Steering Committee membership

Meet two to four times

Review utilization analysis and determine priorities

Governance



12 to 15 members (including champion)

Oversee implementation of policies and formulary

Create and execute communication plan

Develop lab ordering policies

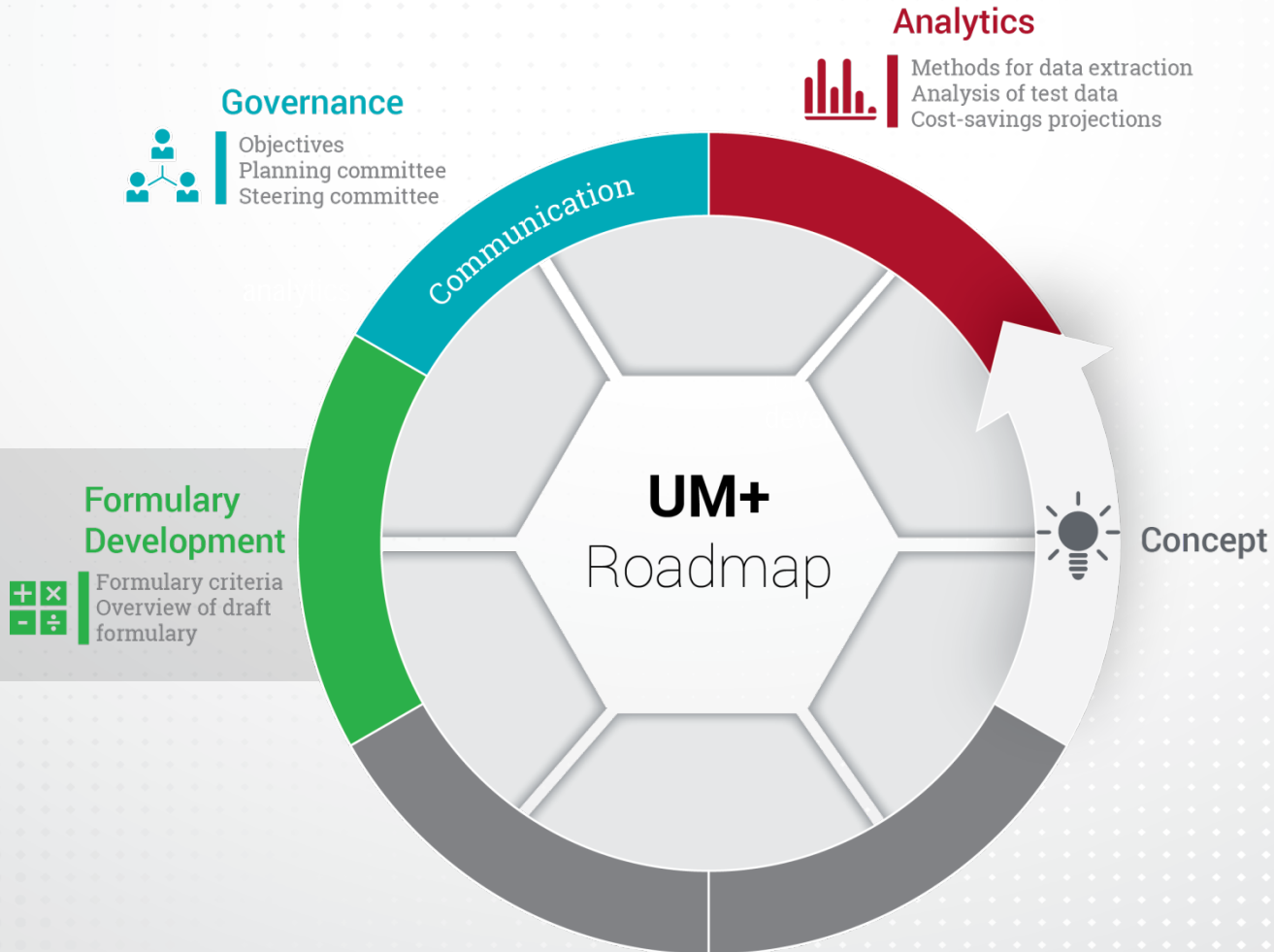
Oversee formulary development

Govern new tests, retired tests, reference labs, etc

Utilization Steering Committee



Formulary Development



Questions to Consider



What do our design providers need to know about the test in this situation?

Tiers in Formulary

Obsolete

tier 3

More sensitive/ specific replacement test available
Little clinical utility
rT3 uptake, T3, Free

High-Cost,
Low-Volume Tests

tier 2

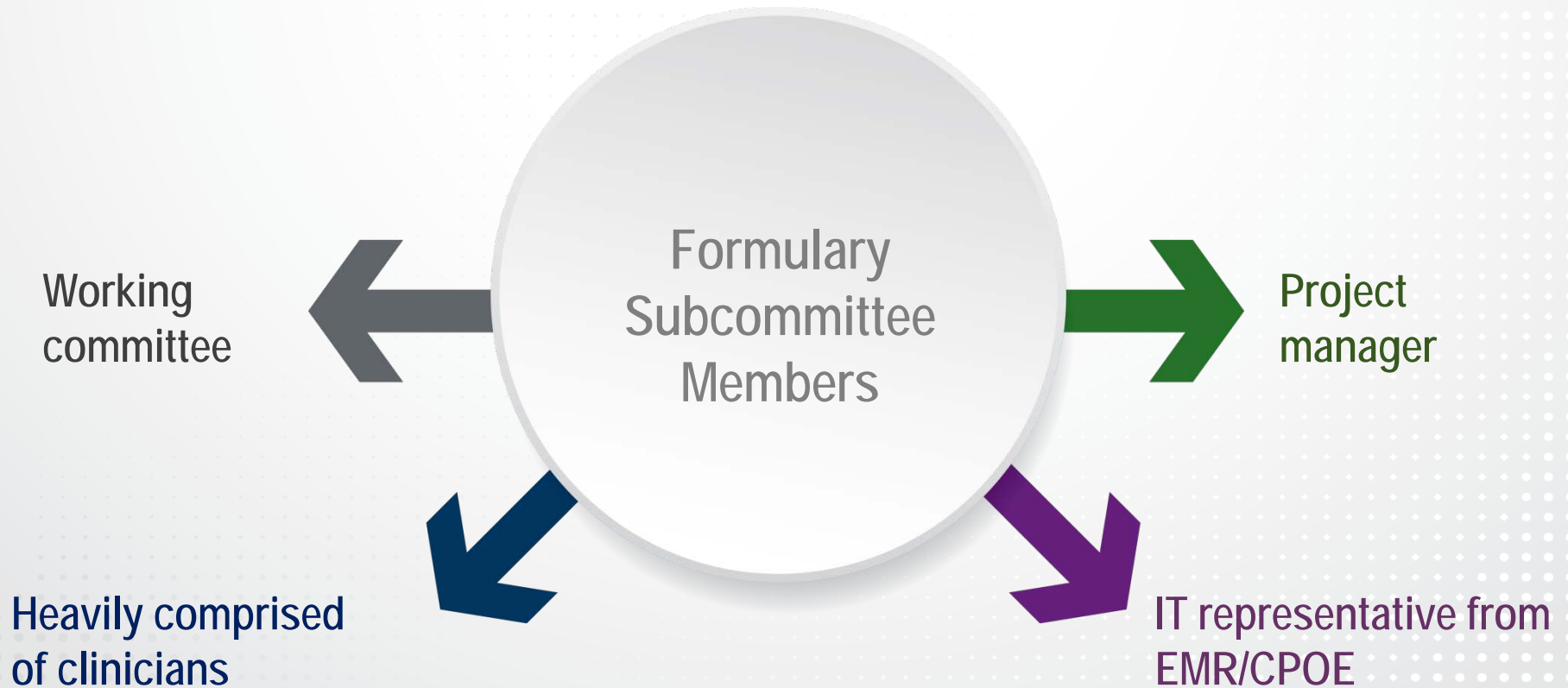
Send-out tests
Analytes that never change/change slowly
Most frequently ordered by specialists
EBV Quant PCR, Blood (\$375)

Common Tests

tier 1

80% of test menu, 95-97% volume
Mostly Inexpensive
CBC, BMP

Consider a Formulary Subcommittee



Other UM Strategies

Reduce unnecessary duplicate testing

Develop ordering menus that are specialty-driven

Simplify the test menu

Manage preference lists

Shift from panels to individual tests

Manage expensive genetic and molecular oncology testing

Reflex algorithms

Test price transparency



Laboratory Test Utilization Management Potential Savings

3.5MM

tests performed
per annum

15-25%
are likely
unnecessary*

\$5-\$10

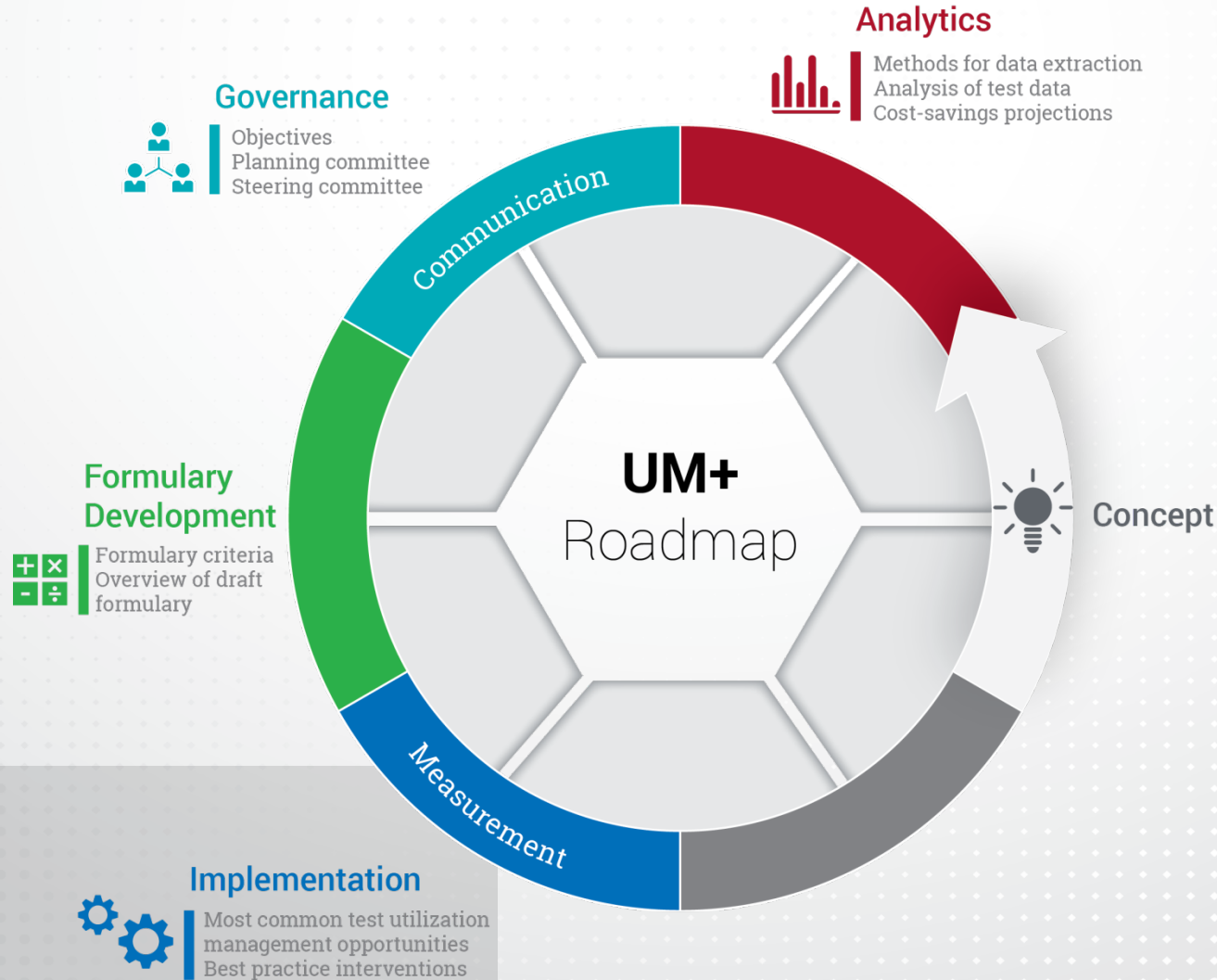
average
incremental test
cost

**\$2.6MM-
\$8.7MM**
projected
savings**

*Based on an analysis performed by ARUP identifying test over- and mis-utilization in an inpatient hospital setting.

**This is an estimate only. Savings are contingent on the development of a laboratory utilization management program and successful implementation of test ordering interventions.

Implementation



Implementation

Engage IT early
and often



Sometimes it's
better to ask for
forgiveness than
permission




Physician education
yields mixed results



**Make it *easy* to order the
right tests and hard to
order the wrong ones.**

Possible interventions for Vitamin D



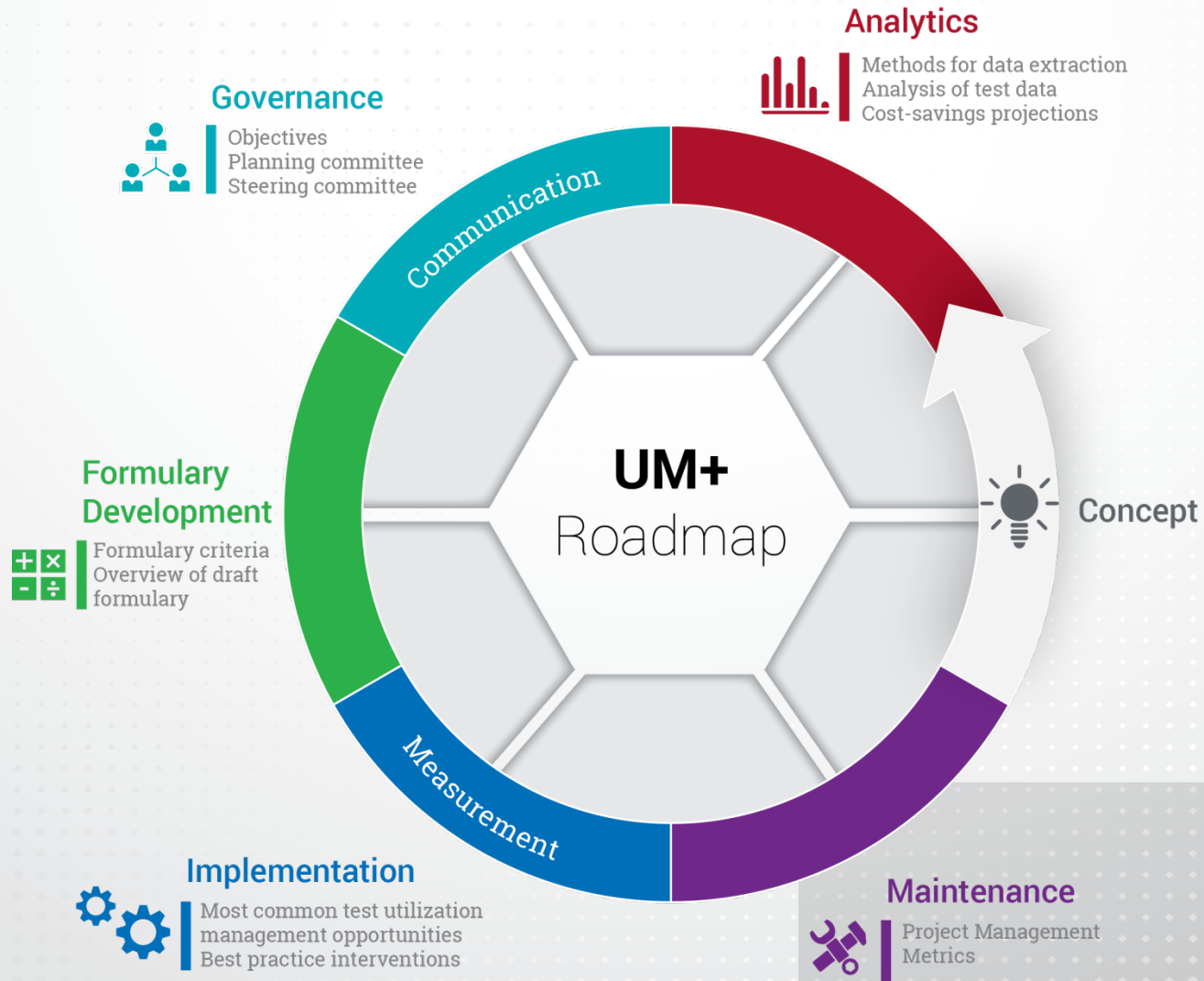
Remove
"VITAMIN D,
1,25 DIHY"

for 1,25-DIHYDROXYVITAMIN D₃ or 25-OH-VITAMIN D₃ codes not
appear at the top of a search list.
*"Not for routine assessment of Vitamin D status--choose VITAMIN
D, 25-HYDROXY instead."*

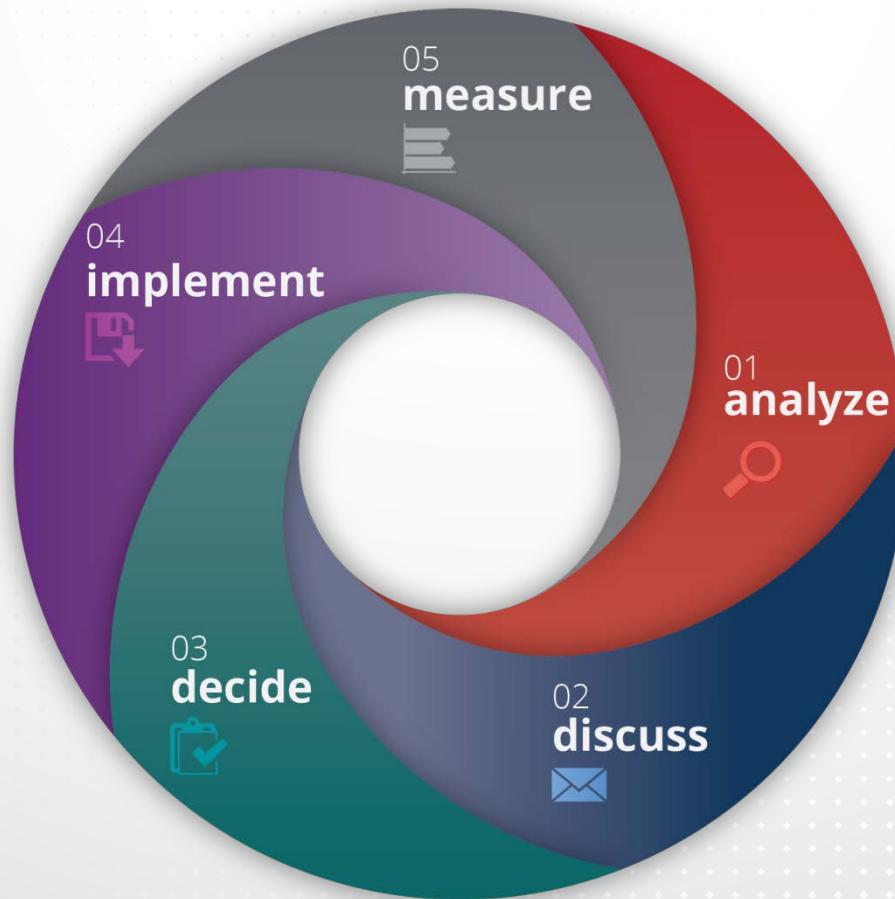
Project Management



Maintenance



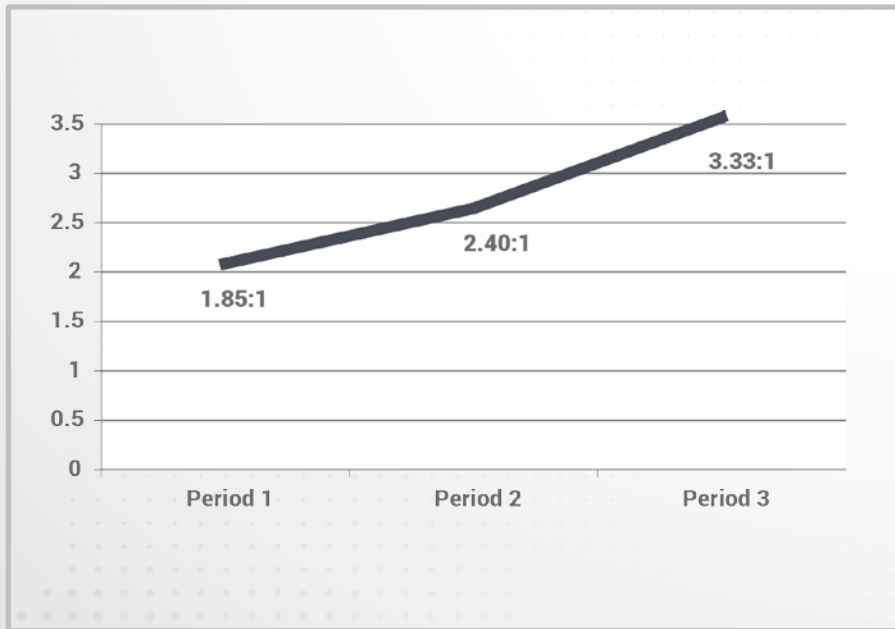
Utilization Management Cycle



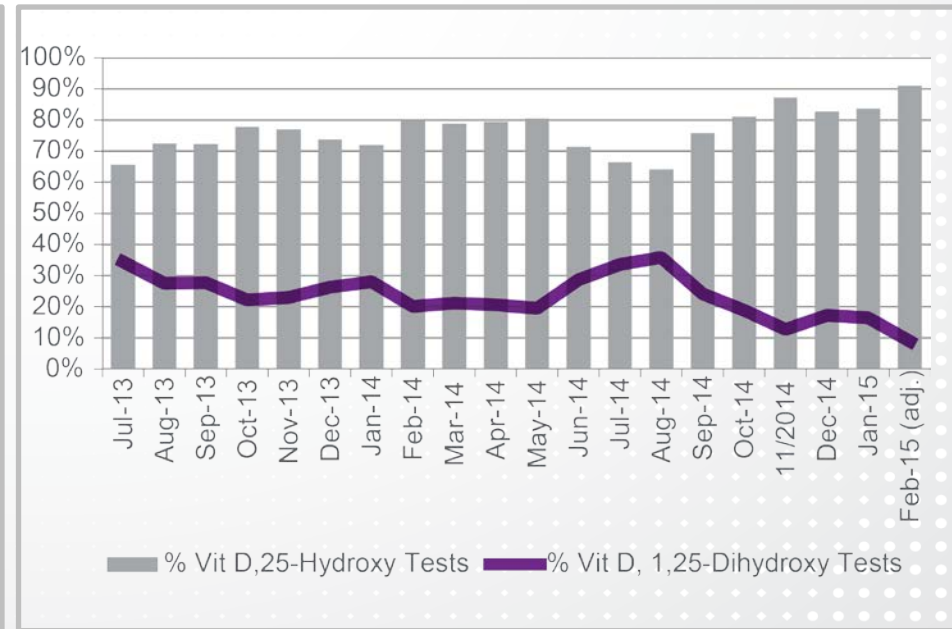
Measurement

Effectiveness of Change in Vitamin D Orders

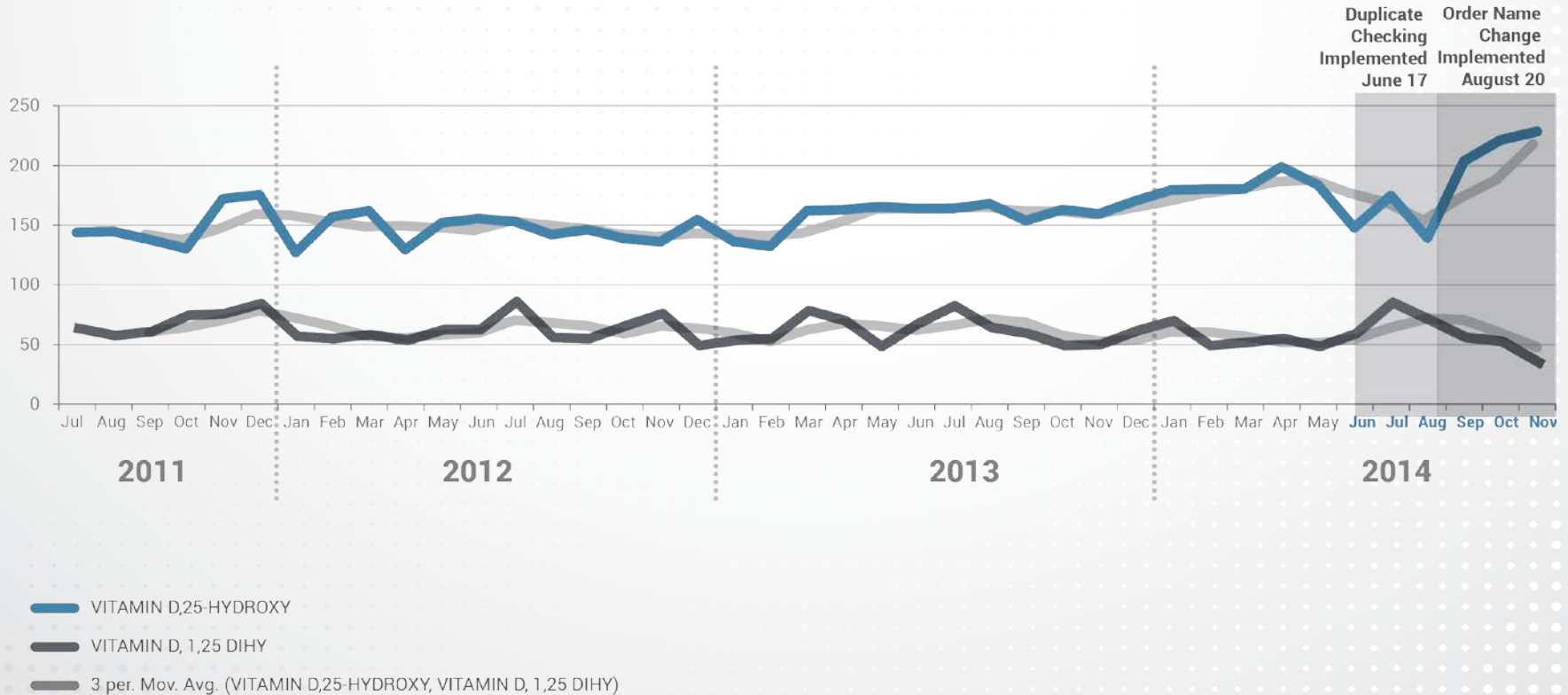
Ratio of D 25 to D 1,25



D 1,25 Drop



Vitamin D tracking



Roadblocks

Data integration is difficult and very
Resources - everyone has their
day job
opportunities who do not
actually go into effect

UM Program **Implementation** Timeline

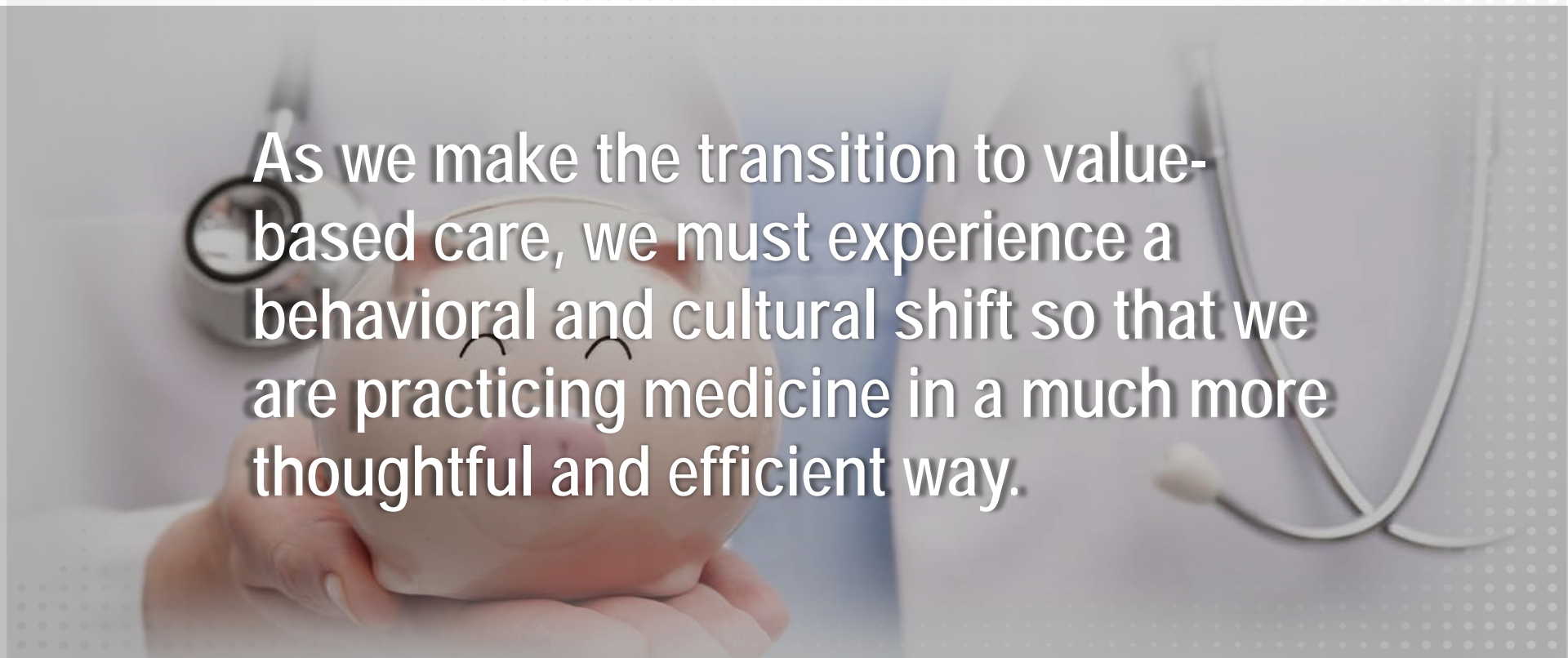
What to expect within
the first 120 days:

data extraction

data analysis

committee development

It's about more than cost savings.

A person in a white lab coat is holding a pink piggy bank. A stethoscope is visible in the background, resting on a surface. The scene is set against a light background with a subtle dot pattern.

As we make the transition to value-based care, we must experience a behavioral and cultural shift so that we are practicing medicine in a much more thoughtful and efficient way.