

REGAINING REVENUE

How One Lab Rebuilt Its Outreach Program



INTRODUCTIONS



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Agenda

Laboratory outreach landscape

About TMC and background

Conversation with Sanjay Timbadia

Results and next steps

Pressures on outreach programs

- » PAMA/reimbursement reduction
- » Consumerism and pricing transparency
- » Managed care/insurance companies
 - Narrow networks and preferred providers
- » Health system financial stress
- » Commercial labs

About Tucson Medical Center

Tucson's locally governed nonprofit regional hospital for more than 75 years

Over 600 bed hospital

- >32,000 discharges
- Tucson's first 24/7 dedicated Pediatric Emergency Department

130 Lab FTEs

TMCOne

- 11 primary care and specialty locations
- 65 providers



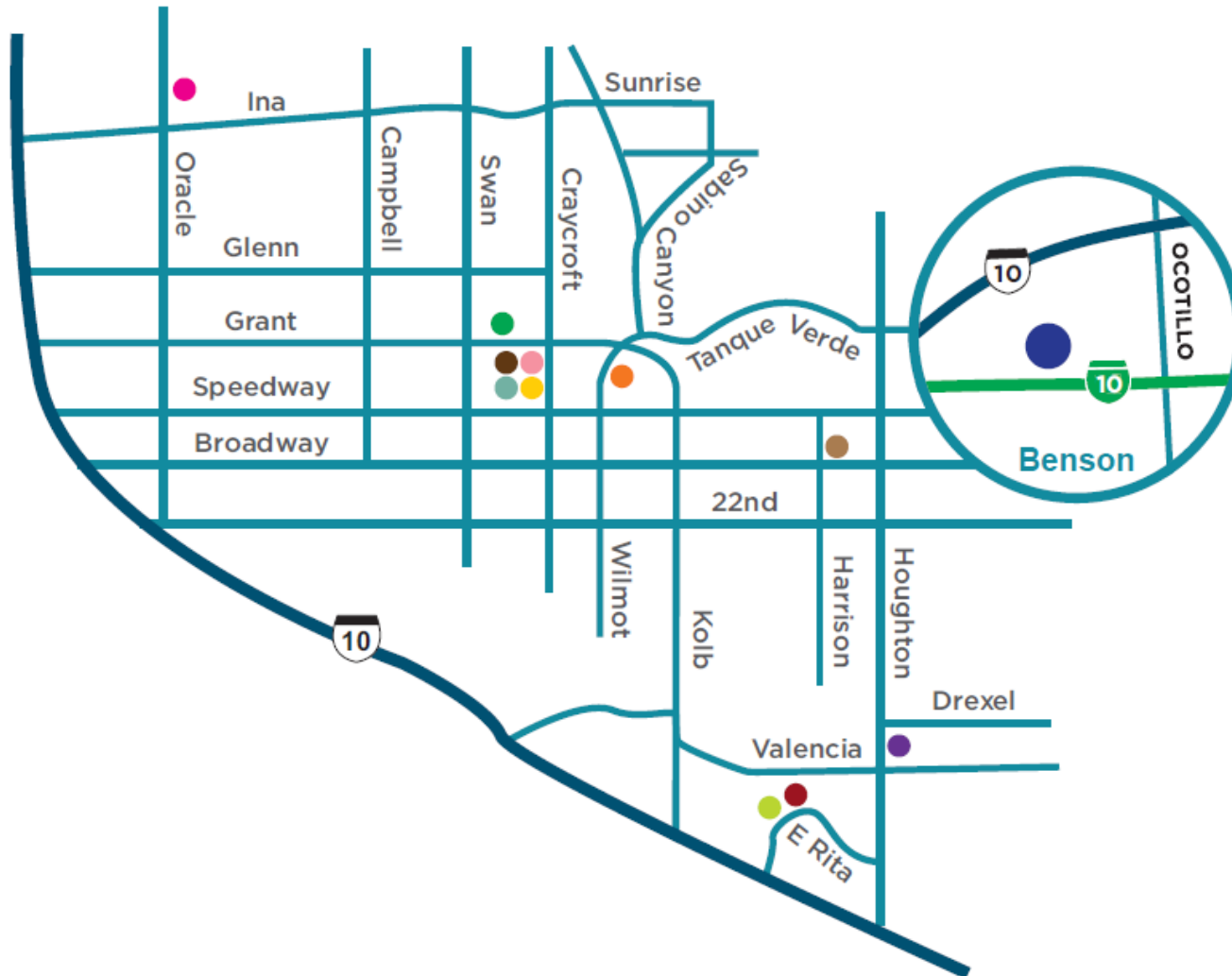
Regionally Ranked
#1 in Tucson
#5 in AZ



High Performing
8 procedures/
conditions



TMCOne locations

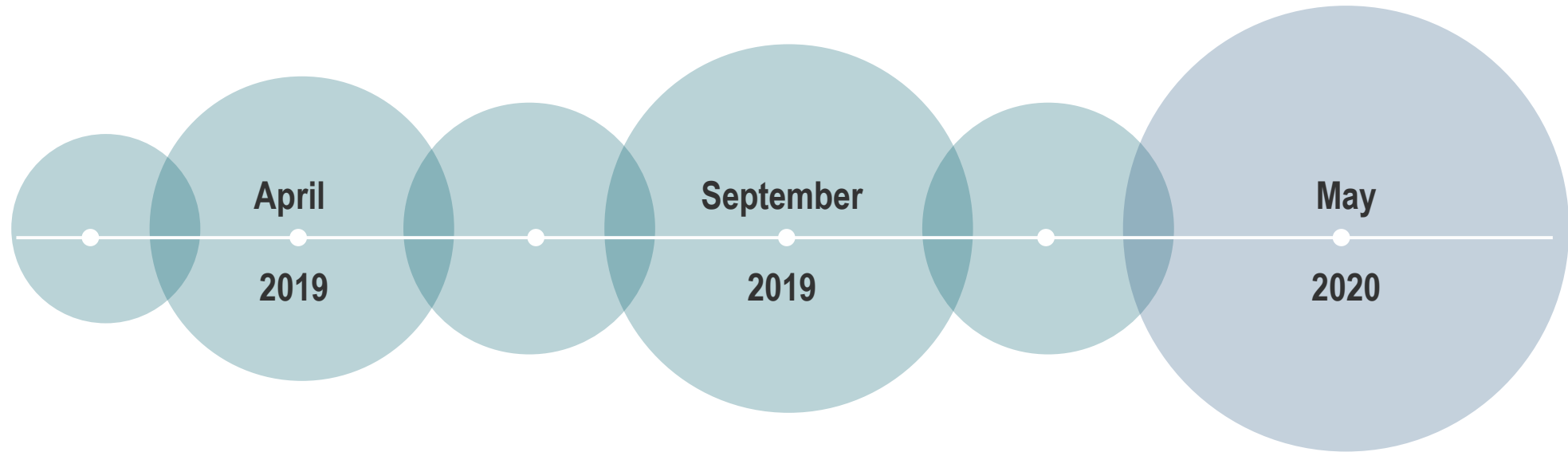


- TMCOne: Wyatt
- TMCOne: Ferguson #100
- TMCOne: Ferguson #104
- TMCOne: Harrison
- TMCOne: Oracle Road
- TMCOne: Rincon
- TMCOne: Rita Road #100
- TMCOne: Rita Road #180
- TMCOne: Wilmot
- TMCOne: Erickson
- TMCOne: San Pedro
- TMCOne: Beverly

Background

- » History of TMC's outreach program
- » When was it sold to a commercial lab
- » Decision to bring TMCOne testing back in-house

Phase I - Timeline



- Operational assessments of laboratory and draw sites
- Stakeholder interviews and information gathering
- Initial Project Plan & Timeline
- Proforma vetting/validation
- Business plan finalized

- Billing vendor selection & implementation
- Project Plan & Timeline refinement
- Specimen Processing and TMCOne space improvements
- IS/LIS support activities

- Go-live for TMCOne inreach lab business
- Phased-in over four successive weeks
- Added two new draw sites

Getting started

- After getting approval to move forward, what happened next
- Project plan and timeline development
- Who was involved in planning
- What other groups were pulled into the project
- Financial proforma and business plan

Billing and accounts receivables

- Decision to outsource billing vs keeping in-house
- Selection process
- Timeline to select and implement
- Any issues; how were they resolved
- Satisfaction with decision to outsource

IT and LIS

- Test menu consolidation and test build
- Interface testing

Managed care and pricing

- New fee schedule development
- Any contract exclusions, how are those collections handled
- United Healthcare letter

Couriers

- Decision to use in-house couriers
- How did you decide how many cars and couriers to add
- Specimen tracking
- Routes and pick up schedules

Phlebotomy

- Existing phlebotomy at the hospital
- Structure of ambulatory phlebotomy team
- How many phlebotomists did you hire
- How did you facilitate the recruiting, hiring and training

Conversion plan and go-live

- Decision to do a rolling conversion vs “big bang” approach
- Explain the process of replacing the existing lab provider
- Impact of COVID
- How did you prepare for the first conversion site
- Walk us through day 1

Pre-launch costs

- Billing Interface
- 2 Courier Vehicles
- Facilities
- Information Systems
- LIS Interface
- Total pre-launch costs **\$314,000**

Estimated year one costs

Additional FTE Expenses

- Phlebotomy Supervisor
- Couriers (2)
- In-office Phlebotomists (13.65)
- Client Service Reps (2)
- Clinical Lab Scientists (2)
- Specimen Processors (2)
- **\$1,016,714** total additional salaries and benefits

Additional Operating Costs

- Incremental Supply Costs
- Reference Testing
- Billing
- Courier Maintenance
- Other Supplies & Expenses
- **\$1,344,427** estimated year one costs

Year 1 results (May – Dec 2020)

- \$1M in net contribution
- \$1.7M forecast 2021
- Decreased turnaround time
- Improved customer service
- Successfully added two more collection sites
- Consistent staffing at draw sites
- Systemness – We're all TMC Healthcare

Project overview – Phase 2

Outreach Program Development

- Build on progress and success from Phase 1
- Assess new outreach business opportunity within defined geographic area, TMC strategic expansion projects, and Physicians with TMC privileges
- Phase 2 objectives, scope, and deliverables to be determined

Lessons learned – Advice for others

- Keys to success – top things that made this a success
 - » Support from administration
 - » Communication
 - » Project management – accountability, timelines, deadlines, status
 - » Culture – everyone willing to work together and get it done
- Lessons learned – Advice for others
 - » Open forum for all stakeholders and providers
 - » Dedicated educator to work with providers ahead of go-live
 - » Anticipate more customer service questions than expected
 - » Separate outreach in LIS - different reference ranges
 - » Separate cost center for outreach and way to accurately track costs



A nonprofit enterprise of the University of Utah and its Department of Pathology