

Ohio Valley Health Services & Education Corporation

Accomplishments:

- Realized Cost Savings
\$16M total annual savings for the financial turnaround \$9.4M a year attributed to efficiency improvements
- FTE/Adjusted Occupied Bed
Reduced from 6.15 in FY 2009 to 4.5 in FY 2011 (includes all system employees)
- Personnel Expense as a Percent of Operating Expense
Systematically declined from 53.64% in 2009 to under 50% in 2011
- Staffing Impact
Total process resulted in a reduction of 200 FTEs through attrition and a minor lay-off of 23

For Further Information
Please Contact



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Client:

Ohio Valley Health Services and Education Corporation (OVHS&E) is the parent company of Ohio Valley Medical Center (OVMC), located in Wheeling, WV, and East Ohio Regional Hospital (EORH), located in Martins Ferry, OH. The hospitals are a 340 bed combined organization with over 1,600 employees providing the area's only comprehensive behavioral and mental health services and board certified emergency services on both sides of the Ohio River.



Summary: *MDR's™ Best Practices™* Partners were engaged by OVHS&E to conduct a complete financial turnaround. The vast undertaking included interim management, strategic planning, productivity improvement, and revenue cycle management services. A strong presence by our Partners, coupled with the cooperation of the OVHS&E leadership and staff, propelled the success of the tools and processes implemented. As a result, the organization was able to achieve enhanced financial performance and ensure future viability.

Solutions: While the Snapshot for Organizational Success™ (SOS), our Partner's operational and financial assessment program and strategic planning services led by the Six Disciplines' methodology were a major focus of this turnaround engagement, our Partners' productivity and labor management system and revenue management resources and technologies became the driving forces.

First, our Partner's team of experts worked with the management teams of OVMC and EORH to gain a thorough understanding of current operations and efficiency barriers. Realistic and appropriate departmental targets were then established. In the second phase, action plans were developed and management education provided to guide the staff in meeting their goals. The team was offered recommendations that were focused on combining services and management between the two facilities to produce a more unified approach to care delivery. The revenue enhancement team worked on several initiatives including cash acceleration, charge capture, payment review, disbursements audit and billing support which resulted in significant cash recovery and increased reimbursement for the hospital. In phase three, the team introduced bi-weekly productivity reports designed to effectively monitor progress. These reports correspond with payroll and provide a real-time view of efficiency on both the departmental and organizational level. The delivery of relevant data through user-friendly, streamlined tools was a major key in gaining a buy-in from managers and ensuring effective utilization.

Results: After an engagement spanning more than 12 months, substantial progress had already begun to take effect. OVHS&E reported a \$4.2 million profit less than two years since the beginning of the engagement which marked the sixth consecutive month of profitability for the healthcare system. In addition, OVHS&E is currently operating with 5 days cash on hand, a dramatic increase from the 0 days cash on hand starting point. Our team continues to serve the organization, providing bi-weekly productivity monitoring reports and holding routine strategic planning meetings to ensure that continued achievement is realized.