In 2006 SSM Health Care-St. Louis began a journey to transform their system from a collection of individual hospitals operating separately into a truly interconnected organization backed by strategies and technologies to support labor management at the enterprise level.

Challenges

In 2006, SSM Health Care – St. Louis was struggling with a number of the same labor management issues many similarly sized, metropolitan-based systems face. These issues included:

- Heavy reliance on contingency staff to fill shifts (agency and core staff working in overtime/premium pay).
- Decentralized, paper-based approach to resource management.
- Inconsistent staffing policies and practices causing confusion and inefficiencies.
- Expensive open shift management practices.
- Inability to uniformly track and capture labor cost metrics.

This compounded into a situation where hospitals were cancelling staff on one unit and using a more expensive source of staffing on another. Additionally, the system was struggling to retain caregivers and hospitals were competing with each other for resources.

Satisfaction with staffing was low, costs were high, but change was on the horizon.

Internal Solutions

Senior leadership at SSM Health Care – St. Louis understood these issues and developed a strategic plan to address urgent needs. Human resources team members took a cross-departmental approach in creating strategies that addressed potentially unsustainable situations.

SSM Health Care – St. Louis created an internally managed, enterprise float pool of caregivers to lessen their dependence on utilizing outside agency staffing. To the same end, SSM Health Care – St. Louis committed to only
using traveler agencies whose caregivers lived greater than 200 miles from
the system. This was a key decision to address the trend of SSM Health Care
– St. Louis employees leaving the system only to return as agency-employed
caregivers – where at times they were placed on the same unit where they
were once a core employee.

Initial Results

While the implementation of these strategies was a step in the right direction,
it was not resulting in a cultural transformation. Senior leaders knew that
a major shift was needed to build a stronger core staff and reduce agency
usage. Staffing processes were still paper-based and inefficient; a lack of
transparency made it impossible to address needs throughout the health care
network, and the organization was in need of a universal approach to capture
labor cost metrics.

At the core of the problem, SSM Health Care – St. Louis was unable to
accurately forecast patient volumes and develop staffing resources and plans
to cost effectively meet patient demand.

The Pivot

Senior leadership at SSM Health Care – St. Louis had a clear understanding
that a new approach was needed to achieve the organization’s goals
and improve the patient experience in the process. The team found an
experienced external partner that could provide help and expedite the
necessary transformation.

SSM Health Care – St. Louis partnered with this strategic guidance firm to
transform the system from a collection of individual hospitals operating
separately into a truly interconnected organization. This interconnected
network was backed by a core operations philosophy that was supported
by policies and strategies to optimize labor resources. SSM Health Care – St.
Louis and the external partner implemented:

» Centralized Staffing Policies.
» Enterprise Scheduling Software.
» Centralized Staffing Office.
» Enterprise Float Pool.
» Proactive Open Shift Management Methodologies.
To facilitate its transformation to an enterprise model, SSM Health Care – St. Louis outsourced the management of its central staffing office to the external partner. SSM Health Care – St. Louis also outsourced the management of its enterprise float pool to the external partner. This Joint Commission-certified staffing service was critical to meeting last-minute needs throughout the network.

This network-wide approach to managing resources was made possible through the implementation of the external partner’s completely online enterprise health care scheduling software. This software provided SSM Health Care – St. Louis team members the transparency needed to view staffing levels across the system and manage and deploy resources to meet those needs. Further, the comprehensive scheduling tool utilizes predictive analytics to provide accurate forecasts of patient volumes, allowing SSM Health Care – St. Louis to develop staffing plans sooner and balance resources based on an accurate forecast of future patient demand.

SSM Health Care – St. Louis utilized this best-practice work strategy open shift management tool to establish an efficient, proactive approach to filling open shifts. The open shift methodology is powered by the forecasts provided by a predictive model. Shifts are posted based on the gap between forecasted demand and the resources scheduled. Incentives tied to the shifts are based on severity of need and decrease as shifts are picked up. This methodology encourages staff to schedule up to 30 days in advance of the shift (when the highest incentives are offered), solidifying staffing plans much sooner than reactive open shift management protocols. In fact, 75 percent of open shifts are filled at least two weeks in advance of the shift.

Outcomes

Once the cultural change had taken hold, SSMSTL’s external partner transitioned the management of the central staffing office and enterprise pool back to SSM Health Care – St. Louis. Now staffed with SSM Health Care – St. Louis employees, the staffing office utilizes the health care scheduling software and the methodologies developed by the external partner to manage staffing and deployment operations across the system.

As a result of the progression to an enterprise model of resource management and the adoption of the forecasting and open shift management capabilities within the scheduling software, SSM Health Care – St. Louis has experienced dramatic decreases in their use of contingency staff. Figure 1 illustrates this improvement from 2006 to the first six pay periods of 2012. In 2006, SSM Health Care – St. Louis contingency usage accounted for an
Outcomes

Enterprise Approach to Managing Resources

» Reduced contingency utilization from 33% of total hours to 10.6%.
» Contingency staffing savings of $23,588,580.
» RN staffing satisfaction increased from the 18th to the 81st percentile.

average of 33 percent of its patient care hours. By 2011 that number had dropped to 12 percent. The cumulative contingency savings for this period amount to $23,588,580. The graphic also notes the point at which specific strategies were implemented.

In addition to increases in efficiencies and cost savings, SSM Health Care – St. Louis has also realized a dramatic increase in staffing satisfaction scores, as measured by Press Ganey (Figure 2). Of note, satisfaction with staffing levels among all nursing divisions increased from the 12th percentile in 2009 to the 78th percentile in 2012. Among registered nurses (RNs), satisfaction with staffing levels increased from the 18th percentile in 2006 to the 81st percentile in 2012. In 2011, satisfaction was in the 86th percentile.

To learn how the Avantas Solution can help your organization, contact us at 888.338.6148 or info@eavantas.com.
Conclusion

SSM Health Care – St. Louis’ successful transformation to an enterprise approach to managing resources was set in motion by the commitment of human resources, nursing and finance leadership to work together. The transformation did not happen immediately but through a series of steps and specific goals. The correct strategies had to be understood, implemented and adhered to in order for any substantial change to take hold.

The outcomes SSM Health Care – St. Louis has been able to achieve, and continue to produce, are due in large part to its collaborative culture. Sustainable improvements in labor efficiency are as dependent on an organization’s culture and willingness to change as they are on a software system that automates best practices. One without the other is an incomplete solution.

About SSM Health Care - St. Louis

With seven hospitals geographically located within 30 miles of metropolitan St. Louis, more than 250 employed physicians and 11,500 employees, SSM Health Care - St. Louis (SSMSTL) is committed to serving the comprehensive health needs of St. Louis area residents. A member of the SSM Health Care multi-state health care system, SSMSTL has embraced the principles of continuous quality improvement over the last two decades in an effort to fulfill its mission to its patients and their families. That has led to a series of honors throughout the SSM Health Care system, including the prestigious Malcolm Baldrige National Quality Award.