CentralLogic

Banner Health reduces transfer time and grows referral volume with Central Logic Access Center solution

> With Central Logic plus the changes we made to our Access Center, we are going to make the most out of this opportunity to expand our footprint and improve our care quality in the communities we serve and beyond.

Charley Larsen, RN, BSN, MBA, CNML, NE-BC
Senior Director, Banner Health Transfer Services

Banner Health

The Provider

- One of the largest nonprofit health systems in the country
- 28 acute care and critical access hospitals across Arizona, California, Colorado, Nebraska. Nevada and Wyoming
- 2,000 affiliated physicians and advanced practitioners in 200 health systems and clinics
- 70,000 transfer referrals per year

Challenge

- Transfer times averaged 198 minutes; competitors transfer time was much less
- Referral volume growth was shrinking, from 13.7% in 2016 to 2.4% in 2018
- Potential existed to lose $40 million a year due to decreasing transfer volume
- Siloed systems, outdated technology and lack of data to track referral and transfer activity

Solution

- Earned senior executive buy-in to improve transfer services
- Standardized transfer operations for entire network
- Integrated systems through Central Logic for enterprise-wide facility and physician capacity information
- Developed reporting to identify referral and transfer trends
- Changed processes to delivery faster answers

Results

- Reduced average transfer times by 67 minutes in six months
- Referral volume growth expected to increase from 2.4% in 2018 to 16.5% in 2019
- Expected to add 3,308 patients to network
- An additional $26.4 million in potential revenue
- Paid off Access Center investments in 152 days
- Transparency over transfer times, patient flow and missed opportunities

The Provider: Banner Health

Headquartered in Arizona, Banner Health is one of the largest nonprofit healthcare systems in the country. The system owns and operates 28 acute-care hospitals, Banner Health Network (an accountable care organization of physicians, hospitals and services caring for local communities), Banner – University Medicine, academic and employed physician groups, long-term care centers, outpatient surgery centers and an array of other services—including Banner Urgent Care, family clinics, home care and hospice services, pharmacies and a nursing registry. Banner Health is in six states: Arizona, California, Colorado, Nebraska, Nevada and Wyoming.

The Challenge

Banner Health managed approximately 70,000 referrals per year, including approximately 34,000 incoming patients from community hospitals and competitors. Transfer volume growth since 2016, however, had started to decline from 13.7% down to 2.4% in 2018. Charley Larsen, RN, MSN, MBA, CNML, NE-BC, senior director of Banner Health Transfer Services and his staff had noticed this decreasing referral volume and set out to determine its causes and to identify ways to reverse the trend.

Larsen and his team discovered that transfers on average took more than three hours—198 minutes—due to the lack of standardized processes and communication difficulties. This included multiple phone calls between Banner Health physicians until the right physician at the appropriate facility would receive the necessary information to approve the admission.

During that extended waiting period, the referring physician could have called a competitor and transferred their patient there instead, which Larsen discovered was in fact happening often. Banner estimated that in 2018 it was losing 600 patients a month to competitors due in part to slow transfer approvals and admissions, which made for a frustrating process. Larsen estimated that if this trend were to continue, the organization would lose $40 million in annual revenue from those missed transfers. It was clear an intervention was needed.

Identifying where delays were occurring across Banner's large network was a challenge using its existing technology. Finding the referring physician and institution as well as the cause for a transfer delay or cancellation required free-text searches in Banner Health's electronic health record (EHR) system. This lack of a standardized, reliable database to manage such information made raising awareness of the problem and changing behaviors among Banner's physicians difficult.

"Every time we tried to demonstrate that there was a problem, someone would be able to poke holes in our data," Larsen said. "We realized that our data needed to be rock solid to tell a story, not only about the challenges and risks, but also the opportunities for growth and repatriation (i.e. facilitating that the patient returns to Banner's network)."

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> **Charley Larsen, RN, BSN, MBA, CNML, NE-BC**
> Senior Director, Banner Health Transfer Services

The need for a simplified, standardized transfer process was further driven home after Banner Health participated in a six-hour disaster preparedness drill with the Federal Emergency Management Association (FEMA). Banner and other hospitals in the Phoenix region simulated evacuating their patients to other facilities in the wake of a natural disaster. Several hours into the drill, Larsen and his team had not been able to agree on a patient-load balancing plan and had yet to begin any simulated transfers. Competitors, however, were calling them during the drill requesting simulated transfers to Banner Health facilities saying they were able to admit 85% of their own patients within their networks.

"The drill was very eye-opening," Larsen said. "Banner is the largest system in the market, and we did not even know how many patients we could admit yet after four hours. We were far from prepared and knew some changes would have to be made promptly."

The Solution

After exhaustive research, Larsen and Banner Health Transfer Services Chief Medical Officer Jason Brown, MD, FACP, co-wrote a 45-page white paper about the importance of transfer services and the multimillion-dollar financial impact of losing hundreds of transfers from its network. Around this time, Larsen met with one

of the network's senior executives and cautioned her about the patient volume and potential revenue loss. The executive, who also reviewed the white paper, quickly garnered support from the rest of the network's leadership staff, who agreed to invest in an Access Center improvement initiative.

A major element of the project involved upgrading Banner's technology to a modern Access Center solution. Apart from the lack of reporting capabilities, the legacy technology was difficult to use and was not designed to support efficient transfer center operations. Larsen reviewed several technology solutions, but there was a dearth of solutions offering the required ease-of-operation or reporting capabilities to track transfer activity and performance that Banner Health needed: Until he found Central Logic, which is exclusively designed for Access Centers.

Part of the reason Central Logic's solution appealed to Banner Health was because they could easily track important transfer information and metrics such as:

- Time to transfer
- Real-time facility capacity
- Real-time provider schedules
- Cancellation rate
- Consult rate
- Lost rate
- Transportation times

Not only was this information easily available through Central Logic, but Larsen and his team could quickly analyze trends to identify potential bottlenecks or other emerging challenges. However, rather than choosing a system based on a product demonstration alone, Larsen spoke with his counterparts at numerous health systems where Central Logic had been implemented and used successfully for many years.

"Every organization we spoke to said the biggest win from Central Logic is the data," Larsen said. "Now that we are live, we are seeing that for ourselves. We can see exactly where our transfers are going, who is involved, and where the improvement opportunities are. It's really exciting."

Due to the patient volume and revenue losses, Banner wanted to implement Central Logic's Access Center solution as soon as possible. Despite the implementation occurring during the winter holiday season and with a separate EHR remote hosting project occurring at the same time, Banner Health was able to go live with Central Logic in January 2019, a full month sooner than average for a comparable network of Banner Health's size and scope.

Through the process, Central Logic served as a trusted advisor for Banner instead of simply a technology vendor. As the most knowledgeable and experienced transfer solutions specialist in the industry, Central Logic was able to share best practices learned by health systems with high-performance Access Centers, and help Banner avoid missteps as they overhauled their processes.

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> *Senior Director, Banner Health Transfer Services*

Results

Just six months after the Central Logic go live, Banner Health Transfer Services had not only stopped losing patient transfers to competing hospitals, it is now on an upward trajectory with referral volume. Larsen and his team estimate referral volume for Banner facilities will grow by 16.5% for 2019, adding 3,308 more patients than the previous year (during which Banner's network lost an estimated 716 transfers to competitors).

At an estimated $8,000 contribution margin per patient transferred or retained through a transfer service, the additional patients will increase revenue by more than $26.4 million for Banner Health. As such, the investment into Banner Health's Access Center paid for itself in just 152 days, Larsen estimates.
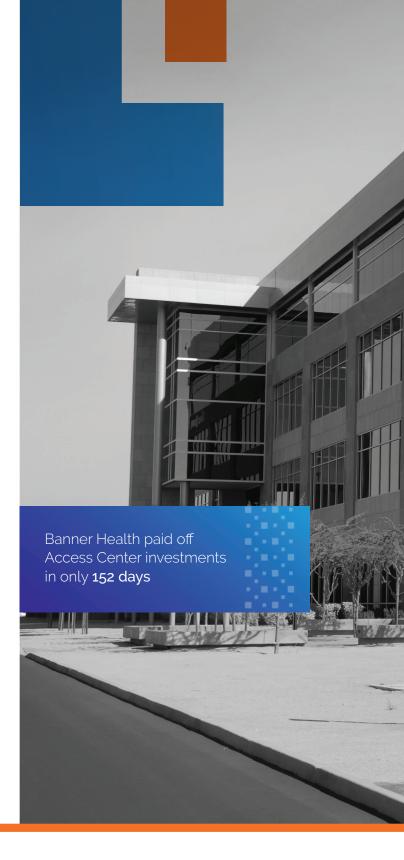
Beyond the financial ROI, the Access Center redesign and Central Logic implementation yielded operational and clinical dividends. With complete oversight into transfer operations, including times, locations and providers, Access Center agents are able to provide answers more quickly and have increased their productivity. Through Central Logic, communication has also been streamlined. Agents have a comprehensive view of facility capacity and provider schedules, so there are fewer phone calls to arrange a transfer and less uncertainty over the appropriate physician to approve an admission.

Transferred patients also receive higher quality care due to fewer delays and being transferred to the most appropriate location for their condition. In many health systems, patients are transferred from an ED in a community hospital to the ED of the receiving hospital for triage to another facility. This inefficient process can delay care and can also overwhelm an already busy ED staff. At Banner Health, with the help of Central Logic's enterprise-wide visibility, more transfers and admissions occur directly to the facility where patients will be receiving needed specialty care.

Larsen and his team want to continue these process improvements and growth trajectory and have set an ambitious target of 30 minutes for an approved transfer—and a single phone call to approve the admission and arrange transportation. Banner Health Transfer Services also plans to continue to improve balancing patient loads between its facilities and will conduct additional outreach on patients who were referred to a competitor's facilities to repatriate them back into the Banner Health network.

"Transfer services are viewed as a niche service, but they really shouldn't be," Larsen said. "As health systems merge and grow and form these mega networks, they have to understand the value transfer services offer in supporting that growth and ensuring financial sustainability. With Central Logic plus the changes we made to our Access Center, we are going to make the most out of this opportunity to expand our footprint and improve our care quality in the communities we serve and beyond."

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Banner Health paid off
Access Center investments
in only **152 days**

About Central Logic

Managing patient transfers is a life-saving endeavor. Central Logic is a pioneer in the space and was founded to support this mission. Our flexible, purpose-built solutions provide superior real-time visibility and unmatched business intelligence to optimize the operations of health system transfer centers. Clients count on Central Logic to deliver strong growth, find new ways to improve patient outcomes and make their operations more effective, today and into the future. Based in Utah, Central Logic is an industry leader with a 95% customer retention rate. The company has been named a "fastest growing private company" by both Inc. 500 and Utah Business Magazine. For more information, visit www.centrallogic.com.

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