



Starting an OU: Building Support from the C-Suite and Consulting Services

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Disclosures

Speaker has no conflict of interest or commercial relationships to disclose

Building C-Suite Support

Case for starting an OU

- Dedicated Observation Unit Improves Patient Segmentation
- Enhances Case Mix Index (CMI) Improves Observed-to-Expected (O/E) Mortality Metrics
- Supports Value-Based Care Initiatives
- Drives Operational and Financial Efficiency

Building C-Suite Support

- Initial meeting – Include Key Stakeholders
CEO/CMO/CNO/EM and IM Chairs/Compliance/Managed Care VP/Medical Director Utilization Management
- Align Vision and Expectations– Type of unit, Deliverables, *Nip magical thinking in the bud*

Building C-Suite Support Staffing

- Nursing ratios – will depend on the type of unit
- Nursing Director – dedicated v. shared with Emergency Department
- Patient Care Techs
- Advanced Practice Providers – carefully plan FTE allocation
- Social Worker/Care Coordinator/PT, OT
- Unit Secretary
- Medical Director
- Consultants

Building C-Suite Support Finances

- Contract negotiations with payors (Medicare Advantage Programs)
- Professional Fee Billing – single v. two physician model
- Hospital Subsidies
- Seat at the Revenue cycle meeting
- Calculate true cost savings from an OU – present quarterly data with help of decision support

Building C-Suite Support Sustainability

- **Startup and Scalability**: Include a phased implementation plan with realistic timelines and milestones.
- **Resource Allocation**: Detail how staffing, equipment, and other resources will be optimized without disrupting current operations.
- **Ongoing Monitoring**: Commit to tracking metrics such as length of stay, patient volume, cost savings, and quality outcomes, and report back to the C-suite regularly.

Building C-Suite Support

Manage Expectations

- Observation Unit appropriate selection of patients
- Observation Unit role in readmission prevention
- Direct Admissions logistics
- Post-procedure patients (routine v. unexpected)

Negotiating Protected Time (OU Director)

- Do you feel that your current medical director compensation is inadequate?
 - Do you want to expand your directorship role?
 - Do you want to implement a pet project but do not have the time?
 - Are you starting in a new directorship role but do not know what to ask for?
- FEAR NOT!**

Negotiating Protected Time (OU Director)

- Proposal - be as specific as possible
- Include C-suite wish list items/pain points
- List goals with clearly measurable outcomes
- Ensure that you have access to reliable metrics (Decision support, etc)
- Have an administrator friend put a \$ figure on proposed outcomes

Medical Director Sample Proposal

- Propose 0.35 FTE protected time
- Will reduce the OU Average LOS by 1 hr.
- This will increase OU daily census by 1.2 patients/day
- Consequently open 1.2 acute inpatient beds
- Total cost savings \$ 42,000/month
- Directorship expenses \$ 8,750/month
- ***Propose a pilot for 3 months with no commitment to fund up front unless goals achieved***

Consultants

- Key to success of the Observation Unit
- Most common consults
 - Cardiology
 - Endocrinology
 - Gastroenterology
 - Neurology
 - Surgical Specialties – Trauma, Bariatrics, Orthopedics, ENT, AGS

Ten Strategies for Consultant Engagement

1. Clearly Define Consultant Roles

- Set Expectations
- Standardized Protocols

2. Streamline Communication

- Rapid Rounding
- Use Technology

3. Prioritize Early Involvement

- Consult Early
- Admission Criteria

Ten Strategies for Consultant Engagement

4. Develop Decision-Support Tools

- Care Pathways
- Checklists

5. Align Incentives

- Performance Metrics
- Compensation Models

6. Optimize Consultant Availability

- Dedicated Consultant Time
- Teleconsultation

Ten Strategies for Consultant Engagement

7. Enhance Multidisciplinary Collaboration

- Integrated Care Teams
- Shared Goals

8. Continuous Feedback and Education

- Feedback Loop
- Education Sessions

Ten Strategies for Consultant Engagement

9. Use Real-Time Data

- Dashboards
- Data-Driven Improvement

10. Engage Leadership Support

- Executive Champions
- Collaborative Agreements

Questions?