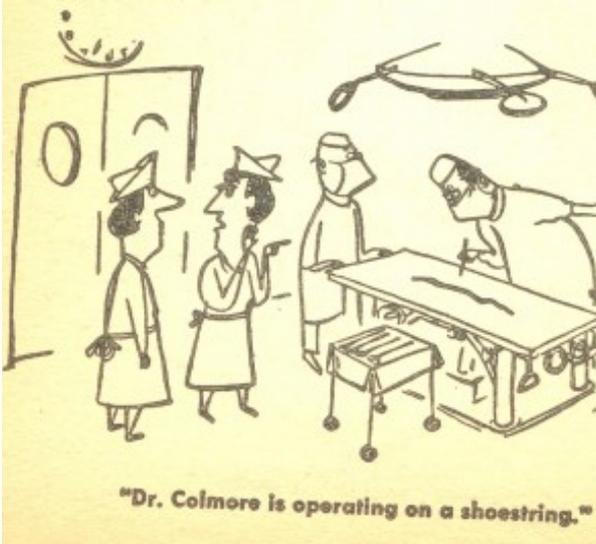


6 WAYS DOFs CAN IMPROVE THEATRE PROFITABILITY

More musings from our Managing Director, James Wilson.



The quest for efficiency began earnest when Sir David Nicholson announced he wanted the NHS to make £20 billion worth of savings by 2015. At first, many NHS finance departments, thought how are we going to do that? But if you're like me and you enjoy thinking of new innovative ways to tackle challenges you might have thought, how can I improve efficiency in theatres? With some American healthcare commentators estimating that operating theatres are responsible for driving up to 67% of hospital revenue there are many ways in which efficiency savings can be engineered within this department. So here are my **6 KEY POINTS TO IMPROVE THEATRE PROFITABILITY** in your NHS finance department:

① Theatre Utilisation

Theatre Utilisation is the highest-level metric to measure theatre efficiency. It works by making DOFs consider the performance of their theatres and then making a judgement on when further analysis is necessary.

The main two measures of utilisation are:

- Actual Utilisation
- Theatre Turnover Time

Actual Utilisation, which measures the number of minutes a patient is in the operating theatre, is the most useful method as it can be used the same way in every Trust. Yet many DOFs often get Theatre Utilisation wrong, by calculating *how well the physical location is utilised*. Instead, to gain more accurate data, the calculation should be how well STAFFED theatres are.

② Unique Morning Starts

Unique Morning Starts are the measure of the number of surgical starts in a theatre business day. By identifying Unique Morning Starts, the figure acts as a substitution for the **ACTUAL** number of anaesthetising and nursing locations, in use, during the day. Usually, this measure is more accurate than the planned staff number which tends to be exaggerated. Nonetheless, analysis of Unique Morning Starts can often discover cases where staff locations are not in use, resulting in significant staff cost savings.

③ Block Utilisation

Block scheduling is used in many hospitals. However, problems can arise when not enough cases are booked to fill all of the surgeon's time. To reduce this, each surgeon's block utilisation should be recorded on a regular basis by **measuring actual theatre time divided by allocated block time**. This provides the required data to create block-utilisation rules. Fundamentally, if properly

④ Day-of-Surgery Delays

Across the country, surgery delays cost hospitals **SIGNIFICANT AMOUNTS OF MONEY** and ultimately adds to **POOR THEATRE UTILISATION**. For DOFs, the immediate challenge is to understand how predominant delays are in their theatres. Delays are quite often caused by the late arrivals of surgeons, which is a problem that can be difficult to discuss. However, in many cases, delays such as lack of proper surgical equipment can be reduced or, more importantly, entirely prevented. To address day-of-surgery delays **the total number of delays and the root causes should be assessed**. Root causes can be often be chased by engaging with theatre nursing staff. However, to reduce the cause of the delays, the trust should implement significant changes, such as more available surgical equipment, to considerably decrease the root causes.

⑤ Day-of-Surgery Cancellations

Often, day-of-surgery cancellations are caused by extreme medical issues that prevent the surgery from taking place. However, similar to day-of-surgery delays cancellations can be prevented. Comparable to delays, **the total number of day-surgery-cancellations should be tracked along with an analysis of the root causes**. Once again the root causes of cancellations can be determined by engaging with theatre nursing staff and changes should be made in order to reduce cancellations and additional costs.

⑥ Percentage of Add-Ons

Add-ons are the cases that, for numerous reasons, are fitted into the schedule after the schedule has been finished. In many circumstances they are quite often added on the actual day of surgery. This can lead to disruption of theatre schedules, resulting in staff working overtime, extra incurred expenses and low staff morale. To measure an accurate account of the theatres daily, or even weekly, percentage of add-on cases a well-organised **THEATRE STAFFING MATRIX** should be created. This will take into account the amount of time left in the schedule for add-on cases.

This briefing note was prepared for you by James Wilson,
our managing director.



The Assista Briefing Notes are published weekly as an aid to promoting best practice in NHS finance departments. To view our briefing note archive and find past articles of interest please go to: <http://www.assista.co.uk/publications/>



assista
CONSULTING
The UK's leading consultancy specialising in NHS finance issues

Sixth Floor, Horton House, Exchange Flags, Liverpool L2 3PF
Tel: 0845 111 8775 Enquiries@assista.co.uk www.assista.co.uk

© 2014 Assista Consulting UK Ltd. All rights reserved. This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, Assista Consulting UK Ltd, its employees and agents accept no liability, and disclaim all responsibility, for the consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.