Tennessee hospital group saves money, improves care

By Mariann Martin Thursday, February 2, 2012

Two years after it was implemented, a 10-hospital collaborative in Tennessee -- including Erlanger Health System -has seen improved patient care and millions of dollars in savings through its focus on surgical outcomes and best practices.

A study published Jan. 23 in the Journal of the American College of Surgeons finds the Tennessee Surgical Quality Collaborative had significant improvements in various surgical procedures from 2009 to 2010, including lower rates of acute renal failure, superficial site infection and wound disruption.

The improvements led to a savings of nearly \$2.2 million per 10,000 cases and a total potential savings of up to \$8 million for all cases, the study said.

The collaborative is one of the first of its kind in the nation and shows the benefits of doctors, hospitals and insurance groups working together, said Dr. Joseph B. Cofer, a professor of surgery and surgery residency program director in the Department of Surgery at the University of Tennessee College of Medicine-Chattanooga.

Cofer is involved with the collaborative and helped write the study.

"The bean counters are excited about the

numbers, but what excites us is the fact that fewer people get hurt," Cofer said. "In these hospitals, you got better care in 2010 than you did in 2009."

The collaborative, formed in 2008, is led by the Tennessee Chapter of the American College of Surgeons and the Tennessee Hospital Association, with funding from the BlueCross BlueShield of Tennessee Health Foundation.







Dr. Tom Lundquist, who heads performance measurement and improvement of health care services at BlueCross, said the company is excited about the results of the study and committed to the collaborative.

"The kudos certainly goes to the surgeons looking at the best practices," Lundquist said. "We want to support innovation and improved cost efficiency -- we want what is good for Tennesseans."

Participants from the 10 hospitals meet four times a year and compile their information using the American College of Surgeon's National Surgical Quality Improvement Program to share surgical process and data on surgical outcomes.

If one hospital has good data on one procedure, members of others hospitals will go to that hospital to learn what's being done right, Cofer said. The hospitals also plan to research best practices in hospitals across the nation to implement those procedures in Tennessee.

The collaborative was formed after a similar group was started in Michigan, Cofer said. Other states have followed suit, but Michigan and Tennessee have been the leaders in the process, he said.

An additional 11 hospitals in Tennessee have asked to join the collaborative, Cofer said.

The Tennessee Health Foundation provided the collaborative a \$2.9 million grant in 2008 and a \$1.8 million grant in 2011 to pay partial costs for the collaborative through the end of this year.

Cofer praised insurance company BlueCross BlueShield for its willingness to work with surgeons and hospitals in the collaborative.

"Essentially, you've got fur seals and killer whales working together," he said. "You've got very few situations where surgeons, hospitals and payers all work together to provide better care. We are hoping over time this will build better trust."