

White Paper - Performance Based Incentives (April, 2014)

Implement performance based incentives to be included in the Part A contract.

How To Proceed?

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Performance Based Checklist

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How To Proceed?

First, **Performance Incentives** might be a new concept for both parties .

- Present a range of options and determine those that are Hospital priorities.
- Selection of incentives presents an opportunity for an ongoing dialogue.
- Review the items being measured and modify goals each year.
- Assign a value to each component that is either a fixed amount or a % of savings/improvements.
- If a %, it is essential to define the baseline and criteria for change.



How To Proceed?

- Present items that can be easily quantified and determine the source to be used:
Finance Reports, Department LIS, Practice Billing Data for date of service
- Include items that are in the Short/Long Term Goals for the Lab.
- A **Department Development Fund** could be established as the beneficiary of some incentives
“25% of savings to Practice and 25% to the Department Fund”
- If the incentive is more difficult to achieve in a subsequent year, the payment should be increased.



Performance Based Checklist

Management	Expand Role in Laboratory Operations
	Propose Goals and Objectives
	CAP Certificate for Medical Directorship
	Utilize Voice and Template Reporting
	Participate in Negotiation with Vendors
	Improve Relationship with Hospital and Lab Personnel
	Coordinate EMR Connectivity with Referring Physicians
	Mentor New Laboratory Managers



Performance Based Checklist

Management	Design/Implement Outpatient Programs (i.e. Blood Drawing Station)
	Supervise Quality Assurance; Accreditation Standards
	Reconcile (TC=PC) & Maximize Revenue Capture
	Achieve Economy of Scale
	Develop Regional Initiatives with other Hospitals, Pathology Groups and Commercial Labs



Performance Based Checklist

Turn Around Time	Surgical Pathology – General/Simple
	Major Surgical Path – Resections/Complex
	Autopsy
	Frozen Sections
	Troponin Results (ED)
CAP Standards	Proficiency Testing Results in Clinical Lab
	Minimum (less than 5) Phase I Deficiencies in CAP Inspections
Lab Test Utilization	Reduce Unnecessary Testing
Satisfaction Survey/ Press Ganey	Improve Patient Satisfaction
	Achieve Medical/Nursing Staff Satisfaction
	Design/Implement Surveys



Performance Based Checklist

Marketing/Sales	Create a Marketing Plan for AP & CP
	Integrate the Department and Practice Website
	Prepare Customized Marketing/Sales Collateral
	Contribute to the Sales Commission Incentive Payment for AP
	Participate in Client Calls with Sales Reps
	Explore and Present Opportunities for New Business
	Educate and Provide Feedback to the Client Service/Sales Staff



Performance Based Checklist

Special Arrangements	Propose Creative Arrangements with GI/GU/Derm Groups
Send-Out Testing	Reduce Send-Out Testing
	Develop a Detailed Plan
	Negotiate Better Arrangements for Cost and TAT
Blood Utilization	Implement Blood Management Program



Performance Based Checklist

Molecular Pathology/ New Technology	Develop an Evolving Test Menu
	Educate Medical Staff
	Participate in National Conferences
Compliance	Develop/Implement Laboratory Compliance Plan
	Assure Accurate Coding
	Train and Monitor Commitments made by Sale Reps

