Hospital Perioperative Assessment
Statement of Work

Prepared by Amblitel

Date
# Table of Contents

Background .................................................................................................................................................. 3
Objective ..................................................................................................................................................... 3
Scope of Work............................................................................................................................................. 3
  Phase 1 - Establish Overall Project Structure and Process ................................................................. 3
  Phase 2 – Evaluate and Analyze Operations......................................................................................... 4
  Phase 3 – Define and Validate Opportunities...................................................................................... 4
  Phase 4 – Prioitize Opportunities and Develop Key Performance Metrics ....................................... 5
Tasks.......................................................................................................................................................... 5
Deliverable ............................................................................................................................................... 7
Project Team .......................................................................................................................................... 7
Terms and Professional Fees .................................................................................................................. 12
Conclusion ............................................................................................................................................... 13
1. Background

“TBD” Hospital is located in [City, State]

“TBD” Hospital performs approximately [???] inpatient and [???] outpatient surgeries per year in [???] operating rooms. The hospital has approximately [???] staffed beds.

2. Objective

The objective of the perioperative assessment is to review each functional area within the Surgical Services operations within the hospital to identify areas for change that will improve the patient’s surgical experience, increase the surgical services operations effectiveness and increase its contribution margin to the overall hospital’s performance.

3. Scope of Work

Amblitel will apply a 4-phase approach to complete the perioperative assessment. This process includes the following:

1. Establish overall project organization and process;
2. Evaluate and analyze operations through qualitative and quantitative analyses;
3. Define and validate opportunities;
4. Prioritize opportunities and develop a key performance opportunity and high level improvement plan.

Our overall process is further defined below and further detailed within the Tasks section of this document.

Phase 1: Establish overall project structure and process

We propose the Amblitel team would report directly to the Hospital’s Executive Sponsor who will be a single member of senior management. Amblitel’s Engagement Director will be your primary interface, and she will meet with your engagement leadership on a regular basis to keep you informed of our progress and findings. We will work with you and your leadership team in a collaborative manner to help coordinate our work and communicate our progress.

Phase 2: Evaluate and analyze operations through qualitative and quantitative analyses

- Issue a data request, as appropriate, and assign responsibility/accountability and timeframe for delivery of all required data.
- Partner with Hospital’s leadership and management staff to create an interview plan / schedule that ensures we have the touch points required to create a holistic view.
• Understand any and all current Hospital’s work in progress to enable coordination and ensure avoidance of duplication of efforts.
• Conduct data analysis across all functional areas to identify initial opportunities and variances from best practice performance.
• Review of existing studies and reports, understand organizational surgical growth goals, program goals and current practices, and begin analysis of data in each area.
• Assemble results of our interviews, confirm our understanding of organizational and operational goals, and review results of comparative analyses.
• Finalize qualitative and quantitative analyses to identify consistencies and any anomalies.
• Develop a report with findings and recommendations that will include identification and validation of immediate improvement opportunities as well as the order and magnitude of the opportunity associated with broader, longer term performance improvement efforts.

Our collaborative approach to evaluating Hospital’s current state of operations will ultimately enable Hospital’s leadership to make sound business decisions based upon facts.

Phase 3: Define and validate opportunities

Based on our Phase 2 assessment, we will evaluate each functional area within the Surgical Service operations to determine performance targets and operational change requirements that would help realize the proposed levels of change. During this stage, we will define opportunities and the types of activities and changes required for improvement. As these opportunities are developed, we will validate them with your key functional leaders for clarity, understanding and commitment.

Specific activities include:
• Organize facts and findings to develop initial opportunities
• Understand impact of opportunities on existing processes and structures
• Verify initial opportunities for alignment with organizational goals and objectives
• Determine impact of opportunities on other initiatives, if applicable

At the end of Phase 3, we will have identified the preliminary opportunities for Hospital to enhance its Surgical Services operations. Furthermore, we will have an understanding of the operational or organizational changes required and the ultimate viability in the short- and long-term.

Phase 4: Prioritize opportunities and develop key performance metrics and high-level implementation plans

Following validation, we will create a portfolio of recommendations to reflect revised organizational structures, responsibilities, patient throughput improvements, and infection
control improvements. The recommendations will be prioritized for implementation with a timeline and high-level implementation plan.

Hospital will now have a high-level roadmap to achieve its desired business objectives related to performance improvement across the Peri-Operative Service. At this point, Amblitel project leadership would meet with you to discuss and outline any needs you may have relative to full implementation assistance.

4. Tasks

Amblitel perioperative assessment methodology involves an in depth operational review of the following:

- Detail “best practice” operational overview to include current state of the perioperative program and recommended future state based on assessment findings;
- Analysis of data provided;
- Interviews with surgeons, anesthesiologists, administration, management, OR personnel;
- Direct observation by consultant in all peri-operative areas;
- Review of Perioperative Service Policies and Procedures;
- Review of all Infection Control Policies and Procedures;
- Identification of organizational strategies to improve perioperative efficiencies, increase patient throughput, increase OR capacity and promote growth;
- Identification of peri-operative services performing “best practice” processes;
- Development of findings and recommendations report;
- Presentations to Administration and other identified stakeholders;
- Development of timeline and implementation plans.

There will be a staged approach that will be used during this consultation with Phase 1 consisting of a detailed “best practice” operational assessment. The following areas will be included during this phase:

- Data analysis and benchmark comparison including:
  - OR room utilization,
  - Case time effectiveness,
  - Case start time accuracy,
  - Case duration accuracy,
  - Actual vs. scheduled case time accuracy,
  - Surgical volume by class, elective,
  - Urgent/emergent,
  - Inpatient and outpatient,
  - Volume by hour of day for each service,
  - Case turn over times,
  - Add on rate,
- Cancellation rate.

- Scheduling practice analysis to include:
  - Review of all policies and procedures,
  - Schedule access and demands,
  - Scheduling accuracy,
  - IT capabilities, report generation,
  - OR block utilization by service/surgeon,
  - Methodology of block allocation and maintenance,
  - Surgeon office relationships,
  - Inpatient bed availability coordination,
  - Release time.

- Patient preparation process to include:
  - Pre-anesthesia screening,
  - Patient arrival times day of surgery,
  - Pre-op teaching,
  - Admission process day of surgery (including analysis of delays),
  - Anesthesia regional block program,
  - Patient status communication process.

- OR intraoperative program to include:
  - Perioperative organizational structure,
  - Control desk operations (including day of surgery schedule management),
  - Case cart system,
  - Case set up, time-out, counts, case tear down, room turn-over,
  - Staff and skill mix,
  - Intra-operative instrument and material program,
  - Preference card update and accuracy.

- PACU program to include:
  - Non OR activity,
  - Bed utilization,
  - Anesthesia responsibility,
  - ICU/inpatient bottlenecks,
  - PACU length of stay,
  - PACU discharge criteria,
  - Care Management/Social Service involvement,
  - Staffing levels,
  - Phase II recovery area.

- Perioperative Service Governance structure review to include:
  - Surgical Service organizational reporting structure,
  - Surgical Service committee structure and effectiveness,
  - Surgical Service Directors (medical, anesthesia, nursing) roles,
- Surgical Service quality program.

- Sterile Processing review to include:
  - Staffing coverage plan,
  - Facility review,
  - Case “picking” process,
  - Instrumentation handling process,
  - Vendor tray arrival and return process,
  - Communication process with OR.

- Infection control review to include:
  - Aseptic technique,
  - Proper OR attire,
  - Traffic patterns in/out of the ORs,
  - Skin antisepsis (skin prep standardization),
  - Review of SCIP measures,
  - Review of surveillance tools.

5. Deliverable

The findings from the perioperative assessment and Amblitel recommendations will be formally presented to the appropriate hospital personnel accompanied with a PowerPoint presentation that will outline and document the findings and recommendations discussed. Hardcopies of the presentation along with supporting schedules and analysis prepared by Amblitel will be provided to hospital’s Executive Sponsor of the engagement.

6. Project Team

Amblitel has assembled a project team specifically for this engagement whom has significant experience in healthcare services, performing perioperative assessments and working together as a team. The team includes two registered nurses, one of which is also an attorney, a board certified anesthesiologist, a surgery revenue capture and billing expert, and a certified public accountant and certified management accountant with a healthcare services focus. Following are the project team biographies:

**Anesthesiologist Consultant**

Since 1996, Anesthesiologist Consultant has been the Consulting Medical Director for an ASC Management Company. In this capacity he serves as the physician liaison and clinical consultant to the managed surgery centers. He has been influential in the development and modification of standards of clinical care, critical pathways and treatment protocols. He also provides guidance and direction in clinical matters including anesthesia service issues,
policy development, pharmacy formulary planning and quality assurance activities. Anesthesiologist Consultant is a surveyor of surgery centers nationwide for the Accreditation Association Ambulatory Health Care, Inc. Lead Anesthesiologist has also been instrumental in providing support and advice to health care professionals in the United Kingdom, Japan and Kuwait. This has included detailed on-site operational audits and several process re-design initiatives.

Anesthesiologist Consultant is the principal and founder of an anesthesia management company, a company dedicated to addressing the emerging anesthesia cost crisis and developing innovative anesthesia delivery solutions for practitioners, hospitals and major health systems.

Anesthesiologist Consultant graduated from Ohio State University and earned his Doctor of Medicine from the University of Cincinnati. He completed a residency in Anesthesiology at Johns Hopkins Hospital. Anesthesiologist Consultant is board certified in Anesthesiology and Pain Management. He continues to provide anesthesia care to well over 2000 patients per year.

Some of his accomplishments include:

- Worked with local clinicians and consultants on developing a small hospital system in Kuwait.
- Performed a two-week peri-operative audit of a large tertiary care hospital outside of Tokyo, Japan.
- In the United Kingdom, Anesthesiologist Consultant performed an operational audit of sixteen private hospitals for Capio Healthcare UK. The audit focused on peri-operative services and clinical governance.
- Worked with the United Kingdom’s Department of Health on designing a pre-operative screening tool.
- Performed a ten-day audit of processes at a London NHS Acute Care Trust Treatment Center in November 2003.
- Board member of First Colonies Anesthesia Associates, LLC, Rockville, Maryland
- Managing member of Meridian Anesthesia Practice, LLC, Silver Spring Maryland. In 2003, successfully obtained the exclusive contract to provide anesthesia service for a local, community hospital (Montgomery General Hospital). This acute care hospital performs over 8,000 procedures. This involved personally recruiting, organizing and educating over twenty full and part-time anesthesia providers.
- Medical Director and Chief of Anesthesia Surgery Center of Maryland, Silver Spring, Maryland. Worked closely with Administrator in opening the five operating room, multi-specialty free-standing surgery center. In the first year of operation, designed & implemented key clinical processes that allowed for more streamlined patient care. Developed the center’s Policy & Procedure manual and Quality Management program.
Registered Nurse Consultant

Nurse Consultant has over twenty-five years’ experience in the healthcare environment with more than fifteen years specializing in Surgical Service operations and management consulting. She has extensive experience in hospital and ambulatory surgery assessments, re-design and re-engineering, quality improvement, and surgical optimization. With a focus primarily on surgical service, Nurse Consultant has successfully led many organizations through the design and implementation of a surgical program based on “best practice”.

Nurse Consultant received her Associates Degree in Nursing from Mount Wachusett Community College; a Bachelor’s of Science Degree in Management from Lesley College and received her Juris Doctorate Degree from Massachusetts School of Law.

Some of her accomplishments include:

- Provided interim management services as Vice President of Peri-Operative Services for large Healthcare System consisting of academic level I trauma center, community focused facility and free standing ambulatory surgery center assuming full responsibility for day to day operations.
- Conducted comprehensive “Best Practice” assessments of Peri-Operative Services including, PAT, Pre/Post Op processing, Operating Room, Endoscopy, PACU, Sterile Processing and Supply Chain.
- Designed, implemented and conducted follow up evaluation of new Surgical Program. Development of individualized dashboard to track operational improvements and identify performance trends.
- Provided consultations for facility design, program design, and operational flow for Ambulatory Surgery Centers.
- Conducted successful analysis of Peri-Operative service nationwide and assisted in implementation of cost saving strategies including one of the largest not for profit health care systems consisting of five acute care hospitals in Kentucky.
- Engaged by a 586 bed acute care facility in Kansas consisting of 18 state of the art OR’s, 2 minor procedure rooms, 27 private pre/post-op processing rooms, and a 19 bed recovery area, to provide overall guidance and strategic planning related to the implementation and upgrade of their new IT system. Developed metrics associated with the performance factors identified and used as baseline to monitor performance during implementation.
- Engaged by New Orleans leading provider of health care to conduct a comprehensive analysis of the Department of Surgery’s scheduling and staffing allocation, and develop a strategic plan to improve physician access and staffing utilization.
Nurse Consultant

Nurse Consultant has over thirty years of health care experience in development, clinical, administrative, operations and sales. The last sixteen years have been focused exclusively in the Ambulatory Surgery Center (ASC) industry with a particular emphasis on multi-specialty centers. She has held many leadership positions within the healthcare industry including ASC Administrator, Regional Vice President and Director of Operations Preparations. She is the founder/past President of the Arkansas Ambulatory Surgery Association and has served nationally as a past board member of FASA and past board member of the ASC Association. She was an AAAHC surveyor from 2001 through 2007 and is currently Vice Chair of the Ambulatory Joint Commission Professional and Technical Advisory Committee. She is currently Chair of the Quality and Benchmarking Committee for the national ASC Association. She is a Registered Nurse and received her Bachelor’s of Science Degree in Nursing from the University of Arizona, Tucson.

Nurse Consultant has worked with more than 150 healthcare organizations including outpatient surgery centers, hospitals, HOPD’S, clinics, IPAs and MCOs. She has experience in contract negotiations, consulting on licensing and certification, accreditation compliance, quality improvement and benchmarking, and risk management. Much of her experience has been in assistance and corrective action with infections investigations, operating efficiency, development projects and management services for HOPDs, and evaluating the efficiencies in the surgical division of hospitals, and hospital needs assessments and regulations (state, CMS and TJC) for compliance.

Revenue Capture Consultant

Revenue Capture Consultant has over twenty five years’ experience in medical coding, billing, reimbursement, compliance, and in personnel and physician training. She has extensive training in medical administration, including physician practice management, skilled care facility administration, hospital and Ambulatory Surgical Center (ASC) billing and compliance. She has held many leadership positions within the healthcare industry including Administrator, Director of Billing and Reimbursement, and Business Office Manager. Her experience has been in surgery centers, hospitals, physician group practices, and with an ASC management company. She studied Hospital and Long Term Care Administration at New Mexico State University.

Revenue Capture Consultant has experience in operations and operational streamlining, scheduling, registration, transcription, coding /billing, accounts receivable and medical records, revenue stream management, Medicare and third-party payer reimbursement, business office and reimbursement audits, regulatory issues and billing compliance, federal billing guidelines and updates.
Revenue Capture Consultant has an extensive background in healthcare management on the physician and facility level. She has experience in regulatory issues and billing compliance through work at a private 250 bed skilled care facility which included 15 Medicare beds and a fully functional Alzheimer’s unit. She has experience working with hospital management and has managed all facets of the revenue life cycle, client financials and grew transcription, coding, and billing services for over 70 physicians. This work included the processed billing for outpatient lab and multiple hospital ancillary services to include anesthesia providers. Her work experience also includes physician group practice administration and business office manager for a specialty orthopedic hospital.

Healthcare Consultant

Healthcare Consultant has more than twenty-five years of healthcare industry experience and has been involved with Hospitals and Ambulatory Surgical Centers (ASCs) since 1983. He has been involved in the development, operations, acquisition or divestiture of over 100 ASCs and other healthcare businesses. He has held many senior leadership roles including Senior VP of Operations, Chief Financial Officer, Managing Principal and Executive VP of Finance.

Healthcare Consultant possesses expert knowledge of operations, finance, and accounting management, plus extensive experience in strategic planning, P&L management, operational streamlining, revenue cycle and cash flow management, and process improvement design. Healthcare Consultant has more than twenty-five years of successful experience in directing business operations, finance, and accounting functions for multi-million dollar organizations. He has impacted profitable business growth and operational performance improvements throughout his career through technology implementations, process design, and capability enhancements.

Healthcare Consultant obtained his Bachelor of Science Degree in Accounting from the University of Utah and is a CPA and a CMA.

Some of his accomplishments include:

- Delivered $29M in projected incremental company value by leading new business development efforts to structure joint venture arrangement that would design, develop, and operate over 30 healthcare facilities in the Middle East.
- Improved ease of physician surgery scheduling, communication between anesthesiologists and nurses, and case volume by spearheading design and development of Internet-based surgery scheduling application that interfaced with Health Information System’s surgery scheduling module.
- Improved employee productivity 20% by automating routine functions and implementing metrics to track and measure performance.
• Increased billing receipts 18% and improved average A/R revenue days by 49 at ailing medical billing and collection subsidiary while working as Interim Executive Director to restructure operations, institute quality assurance program, implemented productivity standards, and performance metrics
• Turned around bankrupt surgery center to achieve stabilized cash flow, gain efficiency improvements, and acquire majority ownership position for company by serving as Interim Administrator, developing and negotiating reorganization plan with creditors, and managing daily operations.

7. Terms and Professional Fees

“TBD” Hospital and Amblitel will enter into a Perioperative Assessment Agreement. Amblitel is prepared to begin performing services when “TBD” Hospital is ready to move forward and estimates it will take approximately ninety (90) days to complete this engagement depending on the scheduling of on-site visits. The start date for this engagement would be determined and agreed upon by Amblitel and “TBD” Hospital.

Amblitel’s professional fees for this engagement will be a flat fee of TBD DOLLARS ($TBD). Following is a detailed breakdown of the components of this engagement and how the proposed professional fees were determined:

<table>
<thead>
<tr>
<th>Amblitel Professional Fee Proposal</th>
<th>Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Collection and Review</td>
<td>$XXX</td>
</tr>
<tr>
<td>Site Visit – Tour, Interviews and Observations</td>
<td>$XXX</td>
</tr>
<tr>
<td>Evaluation and Analysis of Operations</td>
<td>$XXX</td>
</tr>
<tr>
<td>Draft Report</td>
<td>$XXX</td>
</tr>
<tr>
<td>Site Visit – Validation of Draft Report</td>
<td>$XXX</td>
</tr>
<tr>
<td>Finalized Report</td>
<td>$XXX</td>
</tr>
<tr>
<td>Site Visit – Hospital Executive Team Presentation</td>
<td>$XXX</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$XXX</strong></td>
</tr>
</tbody>
</table>

“TBD” Hospital will pay a deposit of [???]DOLLARS ($XXX) at time of signing a Perioperative Assessment agreement. This deposit will be applied towards the total professional fees listed above. In addition, Amblitel will be entitled to reasonable out-of-pocket costs (including associated travel costs, data costs, etc.) incurred while performing services. Remaining professional fees will be billed monthly. Amblitel will begin invoicing monthly professional fees at the end of the first month of the engagement. Amblitel expects payment of invoices within fifteen (15) days from receipt of invoice.
8. Conclusion

Each of us at Amblitel is committed to providing the best possible solutions. Respect for clients and employees drives our excellence in customer service. We foster a mentality and business environment of creativity and solution-oriented activity. This enables our clients to experience a quick and ongoing return on their investment.

We thank you for considering Amblitel’s Perioperative Assessment Services. We look forward to working with “TBD” Hospital on this important initiative and to help reduce complexities and increase profits. We thank you for considering Amblitel for this service.