



Yuma Regional Medical Center Prepares for the Future

YRMC, a 400 bed hospital system located in the Yuma, Arizona market, was enjoying solid operating margins but knew that pending pressures were mounting. In spite of its strong market position, YRMC's senior management wanted to be proactive in strengthening their current quality program to ensure YRMC's continued success. Aggressive benchmarks indicated that YRMC could achieve more than \$7 million in operating expenses if it could close 50% of the gap between its current performance and the 75th percentile. Of special concern was to maintain the proper focus of quality while maintaining positive relationships with medical staff and employees.

YRMC implements 100 Day Workout Productivity Series

YRMC engaged Caldwell Butler & Associates to implement the 100 Day Workout Method as its quality system for driving performance improvement. Caldwell Butler & Associates implemented an on-site mentoring and apprenticing program for selected members of YRMC staff. Leaders and managers received training in the 100 Day Workout Methodology for the purpose of identifying waste and developing effective strategies for waste recovery. Each cycle of the 100 Day Workout method focused on a different priority:

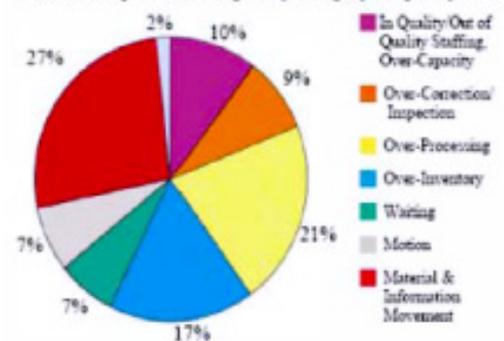
YRMC's Needs

- Create a Lean-Six Sigma culture
- Achieve reduction in operating cost of \$7 million
- Develop internal support of directors and managers
- Implement a dynamic quality system

Cycle 1 - Waste Walk: Prior to launching the program, Caldwell Butler & Associates assisted YRMC in establishing aggressive benchmarks and setting goals for each department. After receiving their aggressive benchmarks, Caldwell Butler & Associates conducted a workshop in the techniques of the 50% Gap Closure for Nonnegotiable Goal Setting. Each department head and manager also received training in the seven categories of waste, 18 concepts and strategies for waste recovery, followed by mentoring in the creation of department level 100 Day Action Plans. YRMC used EXCEerator™, a proprietary tool of Caldwell Butler & Associates, to create a 100 Day Action Plan for every manager.

Cycle 2 - 2:00 PM Discharge / ED Length of Stay / Rapid Cycle Testing: YRMC launched its second cycle of the 100 Day Workout by electing to focus on the reduction of ED length of stay (< 4 hours) and achievement of 2:00 p.m. discharge (>80%). Caldwell Butler & Associates assisted YRMC's leadership in organizing directors and managers into multi-disciplinary teams chartered with identifying and implementing potential changes in work processes. Caldwell Butler & Associates provided training in Rapid Cycle Testing to accelerate the rate of implementing and testing change in operating procedures. YRMC staff received training in Lean-Six Sigma techniques and access to easy to use templates for measuring the effectiveness of any changes to a work process or procedure. In addition, managers received individual coaching in the application of these methods. The training reduced the human barriers to change and ensured that concepts were rapidly evaluated so that time and resources were not wasted on concepts that were not producing gains in performance or generating the recovery of quality waste.

Found! 387 process changes, by category of quality waste

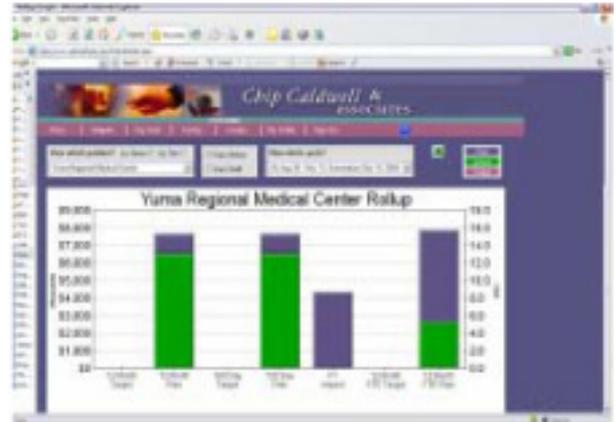


Demonstrated Results of YRMC Implementation

As a direct result of the services provided by Caldwell Butler & Associates, YRMC achieved:

Measurable benefits:

- A \$6.5 million improvement in financial operating performance
- Created a unified quality system for managing progress
- Implemented 10 process changes per department
- Implementation of 387 changes in operating procedures
- Change to a Lean-Six Sigma culture
- Introduced advanced analytical tools
- An ROI on Caldwell Butler & Associates Services 76:1



**Caldwell Butler
& Associates**

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Caldwell Butler & Associates, LLC

Caldwell Butler & Associates is an innovative firm specializing in strategic deployment of Lean-Six Sigma resulting in cost position improvement, financial turnarounds, and patient throughput optimization. Caldwell Butler & Associates has assisted hundreds of clients increase productivity, maximize patient throughput, and improve patient satisfaction.

Our team is exclusively dedicated to healthcare and brings extensive practical experience in hospital operations to each project. Our knowledge of the healthcare environment allows us to implement effective performance improvement programs tailored to the specific needs of your organization. Caldwell Butler & Associates is the trainer of choice for both the American College of Healthcare Executives and the American Society of Quality. During the past decade, Chip Caldwell has personally trained thousands of senior hospital executives in the effective healthcare application of Lean-Six Sigma. Chip is a nationally recognized author of four leading books and served as the healthcare representative on the U.S. Quality Council.

Unlike traditional consulting firms, Caldwell Butler & Associates believes on-site mentoring and apprenticeship are the most effective methods for achieving sustainable gains in performance. Our on-site programs empower your employees by providing them with the tools to attain new levels of performance. We offer proven techniques and methods for enhancing personal accountability, monitoring progress of initiatives and tracking your ROI on each project. Where most consulting firms are satisfied with finding "identified savings," Caldwell Butler & Associates works along side your team throughout implementation thus providing you with a sustainable process for managing the entire productivity improvement cycle.

Caldwell Butler & Associates apprenticeship and mentoring programs include:

- Effective use of aggressive benchmarking data
- Proven techniques for non-negotiable goal-setting
- Methods of identifying waste and generating cost savings strategies
- Creation of implementable 100-Day Action Plans
- Flawless execution of performance improvement projects
- Creation of internal tracking methods for enhancing personal accountability