



SLMTA RETURN ON INVESTMENT FOR FINANCE MANAGERS

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A GLOBAL HEALTHCARE PUBLIC FOUNDATION

THE FOUNDATION:

Non-for-profit US based Organization

Regional offices in Kenya and Uganda providing technical assistance in over 10 African countries.

LABORATORY CAPACITY DEVELOPMENT

Work Plans

Road Maps

Mentorships

Trainings

Mock Assessments

ACHIEVEMENTS:

8 ACCREDITED LABORATORIES

1 CAP

6 ISO 15189

1 ISO 17025

2 In Waiting



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1

Background



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Hospital investment in diagnostic medicine through SLMTA noted that **Laboratory Return on Investment** (LROI) can be valued in a number of key measureable points such as;

- Reduced donor funds to support laboratory quality improvement systems
- Laboratories are able to support their own enrollment in EQA schemes
- Laboratory relationship with clients improve
- Laboratory becomes hospital “cash cow”



✓ ROI has traditionally been measured as

a ratio of financial gains divided by
improvement investment cost
(ROI = FG/IIC).

OR

✓ ROI = Total Returns ÷ Total Investment



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2 *Method*



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- **SLM TA Return Study Investment Questionnaire**

Kindly provide us with the following data:
periods (pre and post SLM TA implementation)

- How many tests were reported between?
Used a questionnaire to collect data from finance
July 2010-December 2010 (Before SLM TA)
and laboratory managers.
January 2011-June 2011 (During SLM TA)
- Did not use institutions in which capital expense had
January 2013- June 2013(Post SLM TA)
been undertaken (QSE 5, 7, 12)



ROI= Total Returns/ Total Investment

Implementation cost

Category of Cost	Plan ning and development	Training	Start up	Maintenance	Total cost
QSE 1					
QSE 12					
Total					



* Agency for Healthcare Research and Quality

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Financial effects of Implementation action

Category cost	A Comparison period	B Implementation period	Net change
QSE 1	2010 (pre)	2012 (post)	(B-A)
QSE 12			
Total			



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3 *Results*



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	Lab A- Referral lab	Lab B- County Lab
<i>Number of tests reported</i>		
Pre QI	675,000	53,000
Post QI	945,000	120,032
<i>Rejected samples</i>		
Pre QI	5,500	No data
Post QI	900	57
<i>Clinician meetings</i>		
Pre QI	6	0
Post QI	6	3
<i>Number of SOPs</i>		
Pre QI	10	0
Post QI	30	108

	Lab A Referral lab	Lab B County Lab
<i>Competency Assessment</i>		
Pre QI	0	0
Post QI	14 (All)	15 (all)
<i>Continuous Medical Education</i>		
Pre QI	0	0
Post QI	3 (bi-monthly)	Weekly
<i>Number of staff</i>		
Pre QI	8	15
Post QI	11	14
<i>Revenue flow (USD)</i>		
Pre QI	45,974	6,896
Post QI	74,712	62,068

* Pre and post QI data collected over a period of 6 months



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ROI= Total Returns/ Total Investment

Implementation cost

Category of Cost	Planning and development	Training	Start up	Maintenance	Total cost USD
QSE 1					
QSE 12					
Total (Revenue)					26,435



* Agency for Healthcare Research and Quality - Quality Indicator Toolkit

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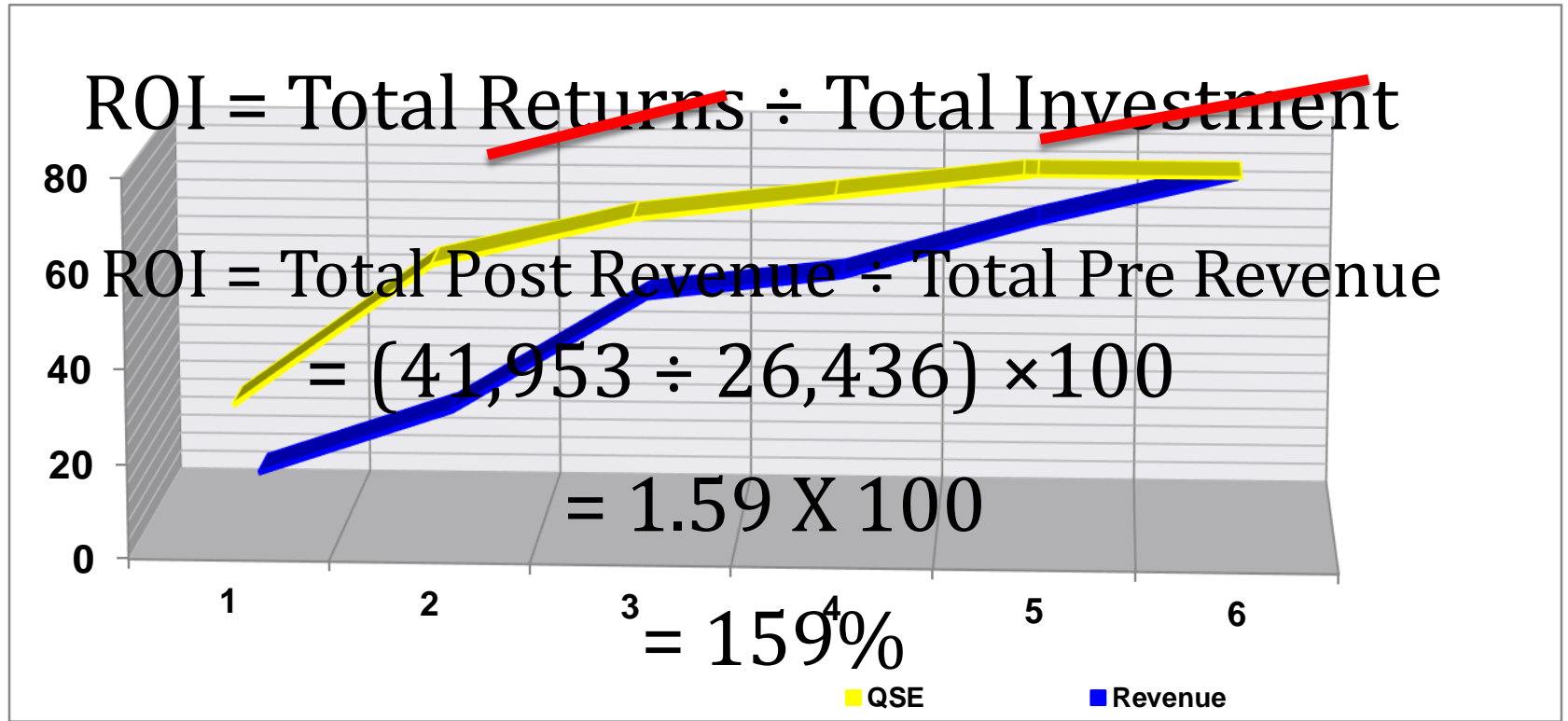
Financial effects of Implementation action

Category cost	A Comparison period	B Implementation period	Net change
QSE 1	2010	2012	(B-A)
QSV 12			
Total (Revenue)	26,435	68,390	41,955

* Agency for Healthcare Research and Quality - Quality Indicator Toolkit



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The ROI of 159% shows the investment gains compares favorably to the cost of implementing SLMTA in a laboratory



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IMPROVING
the processes

Quality Team needs to takes action

- 1. Based on system monitoring**
- 2. Determine Root Cause**
Develop solutions to prevent reoccurrence
- 3. Management Review regularly**
Prioritize, Take Action & Follow Up

1 Set of well planed
PROCESSES
(Pre -, Examination, Post -)

Processes need to be

- 1. Refined (six sigma)**
- 2. Stable & Standardized**
- 3. Documented**
 - Accurate
 - Accessible
 - Current

2 System for
MONITORING
the processes

Organization needs to decide on

- 1. Matrix,**
Elements to be measured & collect data
- 2. Internal Audit Teams**
Determine if the system is operating as planed and meets quality standard requirements -effective and efficient.
- 3. Handle Complains**

4 **INFRASTRUCTURE**
To support the systems and processes

Invest in

- Hire Quality Officer
- Training -Internal Audit Teams
- Software packages -doc control



4 *Limitation*



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- ❑ Sample size was limited to two institutions
- ❑ Labs were at different phases of implementation
- ❑ Financial data was not easily available
- ❑ Funds from different implementing partners was not factored

5 *Conclusion*



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Patient wait time in ER ↓ 83%

Service interruption ↓ 85%
EQA results ↑ 85%

Staff punctuality ↑ 67%
Infection rate ↓ 83%

Reagent wastage ↓ from \$18,000 to \$400
Specimen rejections ↓ 89%

Hospital revenue ↑ 25%
Equipment repairs needed ↓ 63%

Turnaround time ↓ 49%
Nonconformities ↓ 50-66%

Patient satisfaction ↑ 300%



THANK YOU

- ✧ ASLM
- ✧ CDC
- ✧ SLMTA Labs
- ✧ All
Conference
Participants
- ✧ The
Foundation's
Associates



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