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DRMC ranks in the region middle for efficiency

By Tara Bozick



Danville Regional Medical Center, like other hospitals in the region, saw more uninsured patients and less profit in 2009.

Yet, the local hospital also ranked in the regional middle for efficiency and productivity, according to scores determined by Virginia Health Information.

The rankings are part of VHI's 2010 Industry Report released in November.

This is the second year VHI released composite efficiency and productivity scores — considering various indicators on cost, productivity and utilization.

“This score, when examined in conjunction with data on health care quality, can help businesses and

individuals know the value of their health care dollar in different treatment venues,” said VHI Executive Director Michael Lundberg in a news release.

Lower scores are better. Danville Regional scored a 2.8 while Southwestern Virginia hospital scores ranged from Montgomery Regional Hospital’s 1.9 to Russell County Medical Center’s 3.8. The statewide average score is 2.5.

Cherie Sibley, the new chief operating officer for Danville Regional, said the rankings and numbers are not surprising. The hospital keeps track of information like productivity, quality and patient safety on a daily basis.

Danville Regional was at or near the region medians for dollars paid per admission, hours per admission, uncompensated care and total margin (a percentage that shows the difference between total revenue and cost as a proportion of total revenue).

The local hospital had a margin loss of 2.12 percent last year. More than half of the Southwest region’s hospitals saw a loss, according to VHI-compiled data.

“It was a tough year,” Sibley said. “ ... The recession has had an impact on a lot of industry and hospitals were not immune to that.”

Sibley said DRMC saw more uninsured patients as people lost jobs. Yet, she believes the tide is turning as the hospital is seeing more patients with insurance and the unemployment rate is gradually improving.

Despite last year’s margin loss and charity care increasing, Danville Regional continues to invest millions of dollars for improved technology and program expansions, like for women’s care, she said. Looking at the scores also doesn’t show that Danville Regional is a teaching hospital and invests in educational programs.

While consumers should also consider factors like quality of care and patient safety when choosing hospitals, becoming more efficient by operating smarter and better can also improve quality, Sibley said.

“With health-care reform, efficiency and productivity are becoming more and more important for the hospitals,” Sibley said.

That doesn’t mean cutting corners, tough, she added. It means consistency, standardization and evidence-based medicine.

For instance, it’s been proven time and time again that giving flu vaccines to the appropriate patients reduces mortality and readmissions, Sibley said. Keeping people healthy and not coming back to the hospital also helps efficiency.

Efficiency doesn’t mean doing more with less, either, but means streamlining processes, Sibley said. For instance, Danville Regional implemented electronic bar code scanning last year for dispensing medication. That helps the nurses find and give medicine quicker (more efficiently), and also ensures patients get the right medicine.

For more information on VHI’s Industry Report and the rankings, visit www.vhi.org, call 1 (877) VHI-INFO or e-mail info@vhi.org.

By the numbers

Southwest Virginia hospital productivity and efficiency scores (lower is better):

- Danville Regional Medical Center: 2.8
- Centra Health: 3
- Memorial Hospital of Martinsville and Henry County: 2.9
- Carilion Franklin Memorial Hospital: 2.4
- Carilion New River Valley Medical Center: 3.3
- Carilion Tazewell Community Hospital: 3.3
- Statewide average: 2.5

Source: Virginia Health Information

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