

# U of U Hospital cuts costs through new program

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Link: <http://fox13now.com/2015/09/15/u-of-u-hospital-cuts-costs-through-new-program/>

Video: <http://fox13now.com/2015/09/15/u-of-u-hospital-cuts-costs-through-new-program/#ooid=B5OHFqdzrDjnEOWcOtcGZJPJdzgKszZm>

SALT LAKE CITY – University of Utah Health Care has implemented a new system to calculate unnecessary costs for medical procedures in their hospitals.

Since starting the program, hospital officials say they've cut costs by a half percent every year. Now they're receiving national attention for their work.

Researchers at the U have looked into what it costs to care for each patient and how to cut down on unnecessary tests and procedures – something experts say hospitals sometimes have a difficult time doing. They've created a new computer program, they say has helped not only doctors become more conscious of their spending, but patients, as well.

“The challenge of health care right now is that health care is reaching almost 20 percent of the U.S. economy and part of that is we just have escalating costs,

After hearing stories in the media about the amount of unnecessary money hospitals spend on medical procedures every year, Lee said, she decided to look into it.

“One of the things that I realized was the whole national dialogue about health care and health care reform was about value,” she said. “Really trying to get more value out of health care, meaning better outcomes, at lower

costs. And so I came to our team and I said, 'how do we do this? Where's my value tool?'"

They created a computer software that measures the costs and



outcomes of each test and procedure performed at the hospital. Part of the program looked into whether all the tests doctors were performing were necessary.

“So many of us, it’s just a habit, we just order these tests, that’s how we were taught in medical school,” Lee said. “But just that process of having to justify why we were ordering the tests reduced our lab test ordering in that unit by about \$200,000.”

Now hospitals around the country are recognizing the program. Harvard Hospital and Mayo Clinic have recently visited Utah to see what they’ve done.



Jason Stevenson with the Utah Health Policy Project, said the U of U’s efforts will help the consumer make better decisions about health care.

“Health care’s not easy, when you go in and you’re sick and you need help, it’s really important that you have a good

conversation with your provider or your doctor, make sure that they’re doing the best things and the most efficient things that they can to make you better, and not just to run tests for running tests or to do it to increase the amount of money coming to a healthcare system,” Stevenson said.

Because of the widespread interest in the program, Lee said, they’re going to host several workshops to show hospital administrators how to implement similar programs into their hospitals.

Lee hopes their efforts will help curve the ever rising costs of health care in the country.