Reducing the expense and poor outcomes caused by unnecessary testing
The Problem: Send-outs

- For hospitals and health systems, the cost of sending out genetic tests is high (often > $1 million per year) and increasing at an annual average rate of 20%.
- Patients complain about the high cost of these tests.
- Labs bear the cost for the many patients who can’t pay.
- The tests are often unnecessary. When necessary, providers frequently order the wrong test or a panel that is too large.
- Similar lab utilization management problems occur in many other areas of testing (e.g., allergy, autoimmunity, neurodevelopment, infectious disease…).
The Solution: PLUGS

Pediatric Laboratory Utilization Guidance Services

PLUGS helps hospitals and health systems implement lab utilization management programs that decrease send-out testing costs and errors.

- Decreases the send-out bill for genetic testing by 20 – 40% while improving the accuracy of genetic test orders.

- Decreases the send-out bill for non-genetic tests by 10% while improving test ordering.

- Decreases patient complaints by reducing out of pocket expenses and unnecessary testing.

PLUGS has a focus on testing in pediatric and adolescent medicine and can help reduce testing expenses in all settings.
Financial Benefits (n=670 genetic cases)
$450 saved per genetic test requisition!

$1,809,050*
Total genetic requests

28% order modification

$291,112 savings

$1,517,938 Actual

~$450 saved per request

*Seattle Children’s data collected September 2011 – September 2013
Utilization Management Intervention at Seattle Children’s

**Hypothesis:**
By implementing a review process for expensive genetic send-out tests, we will save $ and improve value for patients.

**Study Design:**
All send-out tests meeting certain criteria require approval. Data from each case is recorded and analyzed.

**Test Review Criteria**
- Tests costing the lab > $1000
- Multiple genetic tests on same requisition
- Requests to send to non-preferred laboratories
- Requests to send to international laboratories
- Requests to send tests which are performed in-house
- Tests which are defined under management
The PLUGS Team

- **Faculty (University of Washington)**
  - Jane Dickerson, PhD
  - Bonnie Cole, MD
  - Michael Astion, MD, PhD
  - Stephanie Wallace, MD
  - Rhona Jack, PhD
  - Joe Rutledge, MD
  - Karen Tsuchiya, MD

- **Genetic Counselors**
  - Jessie Conta, MS, LGC
  - Darci Sternen, MS, LGC

- **Business and Operations Team**
  - Joanne Simpson
  - Monica Wellner
  - Lisa Wick
  - James Britt
  - Nitasha Kumar
  - Zina Ivy
  - Sarya Sos

- **CareCore Collaborators**
  - Bartley Bryt
  - Melissa Bennet, MS, LGC
  - Denise Needham
  - Michael Graf, MS, LGC

Thanks to our members for their many contributions to the content and operations of PLUGS
PLUGS Has an Annual Fee of $4000
Members Receive...

Utilization Management (UM) Tools:

- Communication tools that help providers reduce unnecessary testing and correct their test orders.
  - Friendly phone scripts
  - Email templates
  - Tips and Tricks from PLUGS experts
- A database for recording and analyzing cases in your utilization management program
- Test policies
- List of obsolete tests
- A tool to assess the risk of errors in your send-outs area
- A survey you can use to get feedback from providers regarding your UM program
- FAQ’s
Members Also Receive…

**Education in Laboratory Utilization Management**
- Extensive materials about how to get your UM program started
- Case examples
- Webinars
- Literature references and summaries
- Discounts on education provided by PLUGS partners

**A needs assessment performed by PLUGS faculty regarding your UM strengths and weaknesses**

**Communications**
- Office Hours/Call Center
- Website: [www.SCHPLUGS.org](http://www.SCHPLUGS.org)
- Weekly Newsletter
- Quarterly member teleconferences with presentations by members

**Discounts on consulting engagements with PLUGS faculty**
- Consulting includes on site workshops, analysis, and face-to-face meetings with hospital executives.
Current PLUGS Members

Members:
- Akron Children's Hospital
- ARUP
- Claritas Genomics (Boston Children’s)
- Children's Hospital of Colorado
- Children’s Medical Center of Dallas
- Children’s Mercy Hospital
- Children's Hospital & Clinics of MN
- Children’s Hospital of Philadelphia
- Lurie Children’s Hospital Chicago
- Mayo Clinic
- Nationwide Children's Hospital
- Phoenix Children’s Hospital
- St. Louis Children’s Hospital
- The Hospital for Sick Children (Sick Kids), Toronto
- York Hospital (WellSpan Health System)

Current Member List as of 1.09.14
Join PLUGS in 3 Easy Steps...

1. Go to: www.SCHPLUGS.org.
2. Get a free look at the contents of the website.
3. Sign the PLUGS Participation Agreement.

We will invoice you the $4000 annual fee.

We can’t wait to help you.
The savings from eliminating unnecessary genetic testing will pay for a PLUGS membership in about 5 days. The other 360 days of savings are for your health system and your patients.
Appendix:
Supporting Evidence and Publications

Seattle Children's®
HOSPITAL • RESEARCH • FOUNDATION
PLUGS Mission, Vision, and Goal

• **Our mission**: Significantly reduce send-out testing expenses while increasing the value of lab testing to patients.

• **Our vision**: Be the #1 provider of services that promote lab utilization management programs in hospitals and health systems.

• **Our goal**: Help hospitals and health systems implement effective lab utilization management programs.
The Intervention Process at Seattle Children’s:

28% of send-out genetic test requests canceled or reduced…

1. Request received by SO team
2. E-mail to Lab GC/SO Consultant
3. Case review & Adjudication
   - Approved: 72%
4. Additional information needed
5. Discussion with ordering provider
   - Modified: 19%
   - Cancelled: 9%
Utilization Management: Provider Satisfaction Survey
Providers like the service

10 questions on a semi-quantitative sliding scale -
“Not at all satisfied” to “Couldn’t be better”

Example questions:
• “I have experienced testing delays that have impacted patient care because of the UM process (not including insurance pre-authorization).”

• “I appreciated knowing the cost of the test(s) before they were sent.”

• “The information provided by the UM team regarding sample holding and DNA banking was useful.”
Quotes from Providers

“Our interaction in hem/onc with the UM program has been overwhelmingly positive...This program is definitely appreciated.”

“I LOVE the UM team and what they do to improve patients' care.”

“I love this program. It should be expanded. When I hear from patients how much they have had to pay out of pocket, I reconsider ordering tests... Can we see the cost of every test we order in real time? Or even afterwards?”
Papers

Abstracts:

Editorials
• Sternen DL, Conta JH. Guiding Providers to Improve Their Test Orders: Laboratory Utilization Management Tips and Tricks. Clinical Laboratory News. 39(10)