

## Press Release: Management of Variability Program Receives Grant from DPH

BOSTON UNIVERSITY'S PROGRAM FOR THE MANAGEMENT OF VARIABILITY IN HEALTH CARE DELIVERY RECEIVES GRANT FROM MASSACHUSETTS DEPARTMENT OF PUBLIC HEALTH TO REDUCE EMERGENCY ROOM DIVERSION IN HOSPITALS ACROSS THE COMMONWEALTH

### Smoothing Variability Can Have National Implications

BOSTON, MA, December 18, 2001—Boston University's Program for the Management of Variability in Health Care Delivery has been awarded an Emergency Room Diversion Study grant by the Massachusetts Department of Public Health (DPH) to reduce emergency room (ER) diversion in the Commonwealth. The team of experts who will be working on this grant includes physicians, management specialists, data analysts and nurses.

With this grant, Massachusetts will be among the first to utilize operations management techniques within the health care system. By applying newly developed variability methodology, hospitals could eliminate artificial peaks in the scheduling of elective surgical and medical admissions. Currently, these peaks result in excessive bed occupancy across hospital units causing patients to be refused admission due to lack of beds.

ER diversion has become one of the top health care problems across the country. In Los Angeles, Cedars-Sinai Medical Center turned away ambulances more than 40% of the time in June. In Boston, Massachusetts General's ER was shut to ambulance patients almost 12% of the time last year, twice as often as any other hospital in the area. Likewise, the Cleveland Clinic was on diversion nearly half of last year.

The DPH is taking an innovative approach that addresses this ongoing problem as a management issue. It will begin applying Drs. Litvak and Long's variability methodology in two area hospitals, thereafter expanding this solution to 15 additional hospitals. Ultimately, the DPH plans to develop software that will reflect this new model. The implications of this grant can be nationwide.

"ER diversion is a symptom of a healthcare system under extreme stress," said DPH Commissioner Howard Koh, M.D. "It is going to take creative new approaches to reduce diversion at hospitals across the Commonwealth," he continued.

"Preventing the diversion of patients from emergency rooms cannot and will not be resolved without eliminating artificial variability in elective admissions," stated Dr. Eugene Litvak, Professor of Health Care and Operations Management at Boston University's School of Management and co-founder of the Program for the Management of Variability in Health Care Delivery.

Michael C. Long, MD, Senior Anesthetist at the Massachusetts General Hospital and cofounder of the Program for Management of Variability, concluded, "Not only can large metropolitan hospitals save between \$30 - \$60 million by smoothing variability but also, other problems such as medical errors and nursing staffing would be improved."

"Changes don't need to necessarily occur throughout the hospital at once; they can be done one step at a time—as is seen with our experience at Children's Hospital in Boston," stated Michael McManus, MD, Associate Director of the Multidisciplinary Intensive Care Unit at Children's, Executive Director of Pediatric Services at South Shore Hospital of MA and also a member of the faculty of this program at BU. "The variability in admission to the ICU was more than I expected," he said. Dr. McManus is an author of the Massachusetts Health Policy Forum Issue Brief on Emergency Room Diversion, which was released this past summer.

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