

Diversified Clinical Services: Strength in Numbers

Health Solution Spotlight

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Jeffrey Nelson, President and CEO



DIVERSIFIED CLINICAL SERVICES

President Jeffrey Nelson explains how a merger enhanced this national wound care company's ability to provide solutions to its customers.

In 2006, three companies merged together to form the nation's largest outsourcing manager for hospital wound care clinics. Florida-based Diversified Clinical Services partners the expertise of the three organizations to deliver quality solutions to the more than 300 hospitals it serves.

"We contract with hospitals to open, develop, and manage advanced wound care facilities, primarily in the outpatient setting," said President and CEO Jeffrey Nelson. "It's an underserved market and typically a new service for a hospital."

For hospitals with pre-existing wound care clinics, DCS brings a medical model with a higher quality, evidence-based approach that enables the hospitals to provide better patient care. It also brings an additional revenue stream to help the hospital's bottom line, as physicians following the clinical practice guidelines will assess patients for their underlying wound etiology, thereby needing ancillary services at the hospital.

Standing united

The history of DCS dates back to April 2006 when Diversified Therapy, which managed comprehensive wound care centers at more than 80 contracted hospitals in 25 states, merged with Praxis Clinical Services, which provided management services for the development, implementation, and operation of wound care centers. That December, DCS merged with Wound Care Centers (formerly Curative), a support services, database, and wound care specialist company managing centers established in 1988.

The merger resulted in a combined force of more than 260 hospital clients in 40 states and 700 employees nationwide. With Praxis' strong medical expertise, Diversified Therapy's strong field operations and hyperbaric oxygen therapy expertise, and WCC's strong support services and database history, the company sets itself apart from others in the industry.

"This is a complex field. It's not a single specific clinical specialty, unlike cardiology or vascular surgery," said Nelson. "Because we are the largest provider in the marketplace, we can bring more resources to bear."

DCS handles the recruiting of each center's staff members, including physicians, and 10 months of the year trains between 60 and 80 medical professionals. Although it might seem simpler to recruit physicians from the hospital partners themselves, Nelson believes it's important to make a hospital's transition into a new service line as easy as possible. "We like to collaborate with our customers to effectively open and operate the wound center to meet their clinical and financial goals," he said.

Synergistic benefit

Within each of its 300 centers, DCS has a standardized continuous improvement protocol to develop benchmarks for clinical outcomes, physician performance, and patient satisfaction. At the start of the Dash cycle—the corporate name for the improvement process—corporate officers go to each area meeting of about 15 programs, explain the direction the company wants to move, and then ask each center's program director what issues s/he faces on a regular basis.

That information goes back up the management chain to a corporate-level meeting roughly three or four weeks later. The executive team then selects one or two common concerns and creates corporate initiatives, which are tested and revised prior to launching, to address the issues impacting the centers nationwide.

"When we initiated this process, it became clear that we were having challenges providing enough time to train our program directors, especially with the level of growth we've had," Nelson said. "We identified the difficulty of frequent face-to-face communication with our customers, which had been the hallmark of the three companies that came together."

Through the first implementation of the Dash cycle, the company determined that its field managers' duties were becoming too expansive to maintain a high service level. In March 2008, DCS significantly expanded its field management team from 10 regions to 20, reducing the span of controls and putting more focus at the customer sites.

The implementation of the Dash process was well received by each of the individual program directors, as they are now seeing the synergistic benefits the merger has on providing hands-on training from senior management and access to continuous improvement. "We can now provide our hospital liaisons with more contact with the corporate office and identify their changing needs as we move forward," said Nelson.

Complementary service

Prior to the merger, each of the three companies had proprietary databases. DCS identified the best practices of each and created a single set of policies, procedures, and forms to migrate into one database called I-Heal. The system enables each of the centers to benchmark against one another and allows corporate governance to intervene for positive and negative patient outcomes and center performance.

DCS now has an extremely comprehensive set of data for roughly 2 million wound treatments. I-Heal allows the company to review the data and determine what the appropriate treatment pathway is for patient presentations. Moving forward, the company plans to move to a point-of-service model, which will

set the stage for a company-wide EMR. The technological migration is an offshoot of the issues Nelson wanted to tackle when he first arrived at DCS July 2007.

“Rather than coming up with a vision of the future, we were trying to mirror what the three companies had done in the past,” he said. “To move away from that line of thinking, we sat down and asked who we wanted to be, what we wanted our point of difference to be, what we wanted to separate us from the competition, and what would make us a more compelling partner for our customers.”

These discussions led to an area of growth the company hadn’t previously dealt with: the lack of payment to hospitals dealing with hospital-acquired wounds. Medicare and other third-party insurers will soon no longer reimburse for hospital-acquired wounds, and the change, said Nelson, will greatly impact most hospitals. To handle this new challenge, DCS developed a consulting service that allows its wound care experts to go into a hospital, diagnose the challenges, and recommend a course of action.

“It’s complementary to our existing outpatient centers, and we incorporate I-Heal into the process,” said Nelson. “We use our corporate-level resources to come in, assess, make recommendations, and follow through in evaluating the hospital’s progress. It leverages our current infrastructure and gives us an opportunity to further assist our customers.” - Amanda Gaines



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