

# Monitoring the financial efficiency of clinical decisions

How North Middlesex Hospital Trust uses iSLR to identify efficiencies and save money

For NHS Trusts to meet the demands of high-level care provision and efficient use of resource and funding, it is crucial that clinicians gain visibility of the financial implications of their clinical decisions.

North Middlesex Hospital Trust discovered that full cost absorption Service Line Reporting required vast amounts of resource to produce and was not being used by clinicians in the manner intended. In order to gain cost efficiencies from a more holistic use of SLR, the finance team needed to produce profit and loss reports in a more timely and manageable manner using data that clinicians understood. They also needed to gain buy-in from clinicians and consultants.

The Trust approached QuintilesIMS to help them reduce the burden and engage with clinicians by using internal trading methodology that would be quick and easy to use. They needed to separate volume/case mix issues from efficiency issues to clarify why a particular service is more or less profitable than another. The iSLR system integrated with their existing BI platform to provide actionable insights in a timely manner. This allowed clinicians to access the data relevant to their own budgets, and to see where more efficient use of services could be made across departments. Identifying champions among the clinicians facilitated a successful roll out and guaranteed support from colleagues.





*“iSLR supports managers and clinical leaders to drive evidence-based and efficient changes on the frontline. iSLR transparently shows you what the income and costs of the service are and gives you the ability to drill down into the data to see, for example, which consultant ordered which pathology test and how many per month.”*

*“With this system we are able to devolve budgetary ownership to frontline staff so ultimately we get them to identify potential efficiencies and save money for the trust.”*

**David Paris**

Deputy Director of Finance  
(Financial Planning)

North Middlesex University  
Hospital NHS Trust

 Resource	 Process time	 Deliverable	 Frequency
<b>1st generation full cost absorption PLICS based SLR</b>			
2- 3 WTEs	Minimum 4 weeks	<b>Data:</b> 8 + weeks old and hard for clinical and operational leads to fully interpret and understand	Quarterly
<b>2nd generation iSLR</b>			
1 WTE	24-48 hours	<b>Insights:</b> Previous months data available 24-48 hours after month end close down and produced in a format that clinical and operational leads fully understand	Monthly

## North Middlesex Hospital NHS Foundation Trust turned to QuintilesIMS to help them achieve full clinical use of Service Line Reporting.



### Situation

- The Trust were not engaging clinicians with their existing service line reporting platform, which was resource-heavy and required interrogation by the end user.
- Cost savings were missed due to complex outputs not reaching the relevant departments in a timely and understandable manner.
- The finance team needed a quicker, easier, smarter way to compile and distribute reports.



### Solution

- iSLR operates on an internal trading methodology based on a set of standard tariffs for activities such as radiology, pathology, pharmacy, theatres, wards etc. and creates recharges between provider departments and services.
- Ensures that the costs associated with a department or service are transparent, identifying the difference between volume and price related variances.
- Integrates with the General Ledger (GL) providing the end user with a single performance report.



### Impact

- Primary financial tool and is used to quantify the financial performance of Clinical Business Units. All proposed business cases must make reference to iSLR to calculate any impact on the bottom line. iSLR is also one of the foundations of the Trusts “Improving Financial Delivery” metrics report.
- Increase of clinical awareness on financial impact of clinical decisions regarding service use.
- iSLR has dramatically reduced the time in which it takes to deliver reports to end users. Reports can be generated in as little as 24 hours after month end close down.

## Integrated Service Line Reporting

*Continuously engage with all stakeholders to improve service efficiency*

### Information

Report quickly using minimal resource. Review performance easily using fresh data just days after month end

### Integration

Extract insights from a single performance system

### Collaboration

Increase clinical awareness of the financial impact of clinical decisions regarding services and patient activity

To find out how iSLR can save you resource, increase value and improve outcomes, contact us: +44 (0) 1785 238 009 or [nhssolutions@quintilesims.com](mailto:nhssolutions@quintilesims.com)