

# California Health Improvement Project (CHIP) Technology Coordinating Group (TCG) Redesign – A Value Proposition

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## Obtaining the Greatest Value in Medical Equipment Purchases

The Technology Coordinating Group's (TCG) capital equipment purchases have been based on historical precedent and yearly budget cycles resulting in a costly waste of resources. Declining health care reimbursement and increasing technology costs make changing to a strategic, data-driven approach an imperative.

Capital Equipment Purchases Based on Yearly Budget Cycle and Historical Spend



Capital Equipment Purchases Based on Data-Driven, Strategic 5-Year Plan

## TCG Redesign

Northern California Kaiser-Permanente's Technology Coordinating Group's structure and processes will be redesigned to support capital equipment purchases based on fleet inventory, utilization, and maintenance data rather than historical spend. This evidence-based, value-driven approach will be used to achieve long-term strategic objectives over short-term budget savings.

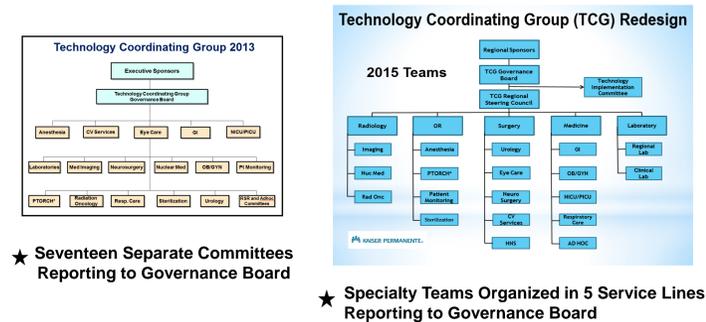
## Goal and Objectives

**Goal:** To improve the value of capital equipment purchases, especially new technology, in Kaiser Permanente Northern California.

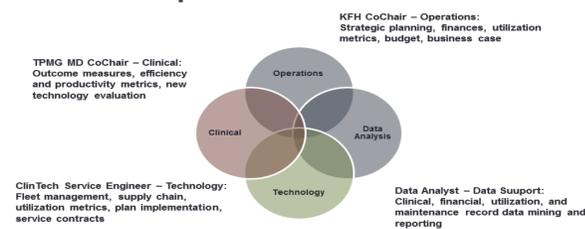
**Redesign:** Create new TCG leadership structure and specialty-specific subcommittees to emphasize collaboration between clinical, operational, technical, and data acquisition specialists by Q2 2014. Develop standardized, data-driven processes for developing strategic, long-term plans for capital equipment purchases by Q3 2014.

**Capital Planning:** 75% of the 2015 capital equipment spend plans submitted by the TCG Subcommittees in Q4 2014 will contain the data elements essential for value-based purchasing: Current fleet, equipment utilization and maintenance, benchmark life expectancy, and technology trends. These plans will also include the projected 5-year spend for capital equipment and new technology.

## Outputs & Outcomes

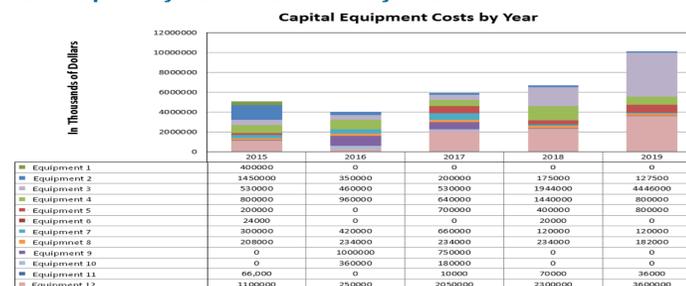


### TCG Subcommittee Redesign: Roles & Responsibilities

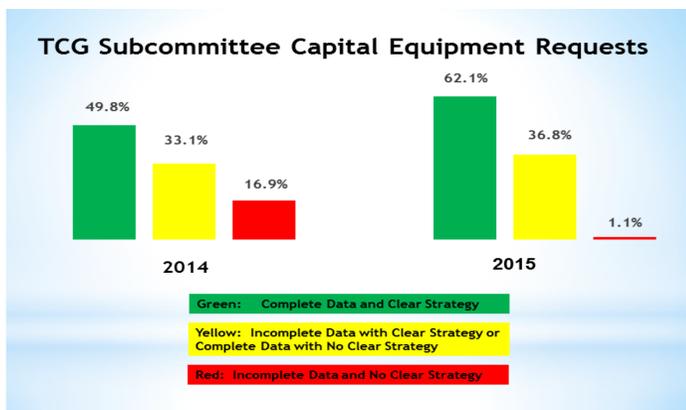


★ TCG Stakeholders Developed Committee Membership, Responsibilities, and Standardized Processes

### 2015 Specialty Service 5-Year Projections

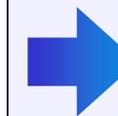


★ New Committee Strategic Plans Included 5-year Projected Spending

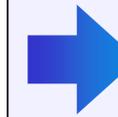


★ Higher Percentage of 2015 Committee Plans Included Complete Data and Clear Strategy

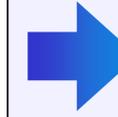
## Lessons Learned



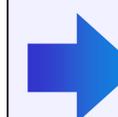
Achieving value in health care purchasing is essential in today's environment of declining reimbursement.



Change management is easier if stakeholders are included in the decision making process.



Strategic planning is essential in performance improvement, but execution of the plans is equally important.



Improvements in organizational structure and processes can have a significant effect on organizational success.



## About My Organization and Me

Kaiser-Permanente Northern California is a managed care consortium (health plan, hospitals, physicians) that provides health care for 3.5 million members. The Technology Coordinate Group is responsible for the planning, purchase, installation, and maintenance of all capital equipment. It is also responsible for the evaluation, approval, and introduction of new technology.

I am an orthopedic surgeon with specialty training in Sports Medicine, and have been with The Permanente Medical Group for 24 years. I have served in several physician leadership positions and now represent the physician group in product and technology support.

## Contact Me

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**CHCF HEALTH CARE LEADERSHIP PROGRAM**

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