

The Two Measures of Clinical Productivity and What They Mean

Question:

When it comes to clinical productivity, I have heard agencies in the same geographic area talk about major differences in nursing productivity. One agency says their nurses' average 3.8 visits per day while another says their nurses average 6.5 visits/day. Does that mean that nurses in the second agency are nearly twice as productive as those in the first?

Answer:

Not necessarily. Since the beginning of home care, there has been confusion over clinical productivity and it has only gotten worse under PPS. Before you can compare, you have to know what type of measure the agency is using. There are two. One is easy to compare; the other is not.

The first is the Management RN Productivity Measure. Management Productivity is defined as the number of visits a nurse is credited for doing in any given day. Most agencies actually average productivity over a week or month. For example, if a nurse is credited with 4 visits one day and the next day credited with 6 visits, her average for those two days is 5 visits. Most agencies use this averaging principle except they do it for the week or month.

Management Productivity is used by agencies for the express purpose of managing nurse productivity. While it can be used to compare nursing productivity in a single agency, there is a serious problem when it comes to comparing agencies. Why? Because agencies use a variety of standards when it comes to "crediting" productivity!

Some agencies count an OASIS visit as 1.0, others 2.0, and others 3.0. Some count supervisory visits while others don't. Some credit staff attendance at trainings as 1 or 2 visits, others don't. An agency that counts an OASIS visit as 3 visits and says that their nurses are averaging 6.0 visits/day may actually have nurses doing less actual visits than the agency who says that their nurses average 5.0 visits/day but only count OASIS as 1 visit.

The second way of measuring productivity is the Financial Productivity Measure. While not normally used as a daily management tool, it is an excellent way to compare average productivity. Developed by NAHC in 1997, this measure counts all visits as one, does not credit supervisory visits or trainings and doesn't worry about whether you are hourly or salaried. Per

diem is measured differently or not at all. To calculate the Financial Productivity Measure, take a specific month and use the following formula:

Start with the total “billable” visits made by salary and hourly RNs (those documented on submitted claims) for a specific month. Divide this number by the total hours worked by RNs during that period. To standardize the number to an eight hour work day, divide by 8. Now you can compare!

The resultant figure gives you an accurate means of comparing your agencies Financial RN Productivity Measure to any other agency in the country.

Now comes an interesting fact! Thanks to BestWorks® National Best Practice Benchmark Management Service and some Financial RN Productivity studies, we can trend and compare Financial Productivity Measures over a number of years. Consider the following:

Comparative Findings of Home Care Nurse Productivity	
Study	Patients per Day
Caie-Lawrence, 1990 <i>a</i>	5.0
C.S. Hedtke, 1992 <i>b</i>	4.8
Spoelstra, 1996 <i>c</i>	5.0
NAHC, 1997 <i>d</i>	4.5
Fazzi BestWorks® 2004 <i>e</i>	4.1
Sources: a. Caie-Lawrence J.A. Time Study of Home Care Nurses Poster Presentation, Sixth National Nursing Symposium-Home Health Care, May 17, 1990; Ann Arbor, MI. b. Hedtke S.C. "How do home care nurses spend their time?" Journal of Nursing Administration. 1992; 22(1):18-22. c. Spoelstra S. "Productivity of Registered Nurses in Home Health Care: A Nationwide Survey." CARING Magazine, 1996. d. National Association for Home Care Home Care and Hospice Productivity Survey, 1997. e. Fazzi Associates, BestWorks® Analysis 2004.	

Note 1: Other than BestWorks®, all of the previous studies occurred under home care's fee-for-service system AND before OASIS.

Note 2: BestWorks® number represents averages. Productivity levels for BestWorks benchmark agencies – those scoring in the top 25% for either financial or quality outcomes differ.

What the Financial RN Productivity comparison does is provide you with a means to accurately compare your real productivity standards with those of other agencies. And by combining these insights with newer management and accountability systems, you have the foundation for improving productivity, financial and quality outcomes.

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If you have any questions, are interested in information on any of our services or would simply like to share some insights, please call (800-379-0361) or email the Benchmark Email Manager, Molly Welch mwelch@fazzi.com.

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