### CareGauge Case Study





**Client:** 170-bed medical center in Texas



Length of Stay: Avg length of stay was reduced by half a day



**Cost Savings:** \$5M Total Savings over first 10 months

#### The Problem

#### 80%

of all costs in a hospital are controlled by physicians.

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visibility for physicians on what their orders cost.

It is estimated that **30% of all medical care delivered in the US is unnecessary**.

This waste adds up to **\$750B annually**.

Like many hospitals, a 170-bed medical center in Texas was frustrated with their efforts to better control their cost. Knowing that physician orders are the main driver of hospital cost, they tried many different initiatives to contain cost and improve their margins.

The problem was without the right data at their fingertips, physicians can prescribe treatments that are unnecessary, wasteful, and don't actually provide better care.

Hospital leaders feel torn between reducing costs and helping physicians deliver better care.

This is why the medical center partnered with EvidenceCare and their innovative tool, **CareGauge**, that gives **zero-click cost transparency to physicians** to provide better patient care.

## EvidenceCare







#### **CareGauge Results**

CareGauge ran for five months, and during that time, the medical center saw a **reduction in average cost per discharge of \$584** as well as a reduction in the average length of stay.

After an additional five months, the medical center's **average cost per discharge was reduced by \$1,035**, and the **average length of stay was reduced by half a day** per discharge.

During the ten-month period, the medical center saw **total cost savings of over \$5M** and variable cost savings of around \$2.3M.

#### We believe:

- The physician should be the decision-maker on care.
- The physicians are the real drivers of hospital cost.
- Total transparency benefits everyone.
- Real-time, actionable data is the key to improvement.

#### How it works:

CareGauge shows physicians a **real-time view of their clinical variation in the EHR**. It's the only software showing physicians the true costs for everything they order by using existing EHR data to provide cost analytics and clinical guidance to doctors.

The gauge moves in real-time as each order is entered. Quite simply, the course of treatment maps in green when the cost is below the average cost, yellow when trending near the average, and red when significantly higher than average. \$1,035 average reduction per discharge

1/2 a day reduced in average length of stay

\$2M variable cost savings directly from CareGauge

SCHEDULE A DEMO

# EvidenceCare

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