

Becker's Podcast interview: Claudia Douglass and Deirdre Dillehunt

Transcript

Erica Spicer-Mason:

Hi everyone, this is Erica Spicer-Mason with Becker's Healthcare. Thank you so much for tuning into the Becker's Healthcare podcast series.

So today we're going to talk about how healthcare leaders are improving operations and care to strengthen financial performance amid economic pressures. And joining me for this important conversation are two leaders from Grant Thornton. We have with us Claudia Douglas, Principal and Healthcare Industry Growth Leader, and Deirdre Dillehunt, Principal and Healthcare Strategy and Performance Improvement. Claudia, Deirdre, welcome. Thank you so much for making time for Beckers today.

Claudia Douglass:

Thank you, Erica.

Deirdre Dillehunt:

Glad to be here.

Erica Spicer-Mason:

Thrilled to have you both with us. And before we get into the discussion, I thought it might be helpful to learn a little bit more about you both and Grant Thornton, just to kind of kick things off, have folks know where your perspectives are coming from. So, Claudia, do you want to kick us off with just a brief introduction and a little bit more about yourself?

Claudia Douglass:

Sure. So, I've been in healthcare a little over 30 years. I've spent half my time in the healthcare provider space as a chief operating officer and strategy leader for health systems. I spent the rest of my time in consulting, where I work on strategy projects, operational transformation and digital, and help clients achieve their goals.

Erica Spicer-Mason:

Fantastic. Claudia, thank you so much. And Deirdre, just tell us a little bit about yourself.

Dierdre Dillehunt:

Sure. Hi, I'm Deirdre Dillehunt. I'm a principal at Grant Thornton, and I have focused on improving experience for patients as consumers of healthcare and designing the strategy, process, model, and leveraging technology to make that happen.

Erica Spicer-Mason:

Wonderful. Well, it sounds like you are both bringing so much great experience to this conversation. I know we're covering a lot of ground here, talking about operational and care strategies. And Deirdre, I know you just hit on technology too, which of course factors into a lot of how healthcare organizations are solving these pressures today. But just want to start a little high level here.

Claudia, can you just give us a snapshot of the current regulatory and financial landscape for hospitals and health systems? And how are you seeing those organizations respond to many of those challenges?

Claudia Douglass:

Sure, thanks, Erica. I think it's fair to say that providers are navigating one of the most complex and uncertain environments we've seen in years. Margin pressure continues to be a top concern, and it's not just about revenue and cost anymore. It's about the sheer volume and velocity of change hitting the system all at once. We're seeing a convergence of policy shifts, that individually would be significant, but together can create heightened pressure that needs to be planned for proactively.

For example, with the One Big Beautiful Bill that just came out, executive orders that have been coming out throughout the year, and other policy changes that touch on site-neutral payment changes, declining Medicare and Medicaid reimbursements, Medicaid work requirements, and price transparency mandates, you start to see how all these policies are reshaping the economics of care delivery.

And it's not just reimbursement. For academic medical centers, the proposed cap on indirect cost recovery and changes to NIH funding are deeply disruptive to the research enterprise. And at the same time, tariffs are driving up the cost of medical supplies and pharmaceuticals, and we're all watching to see what happens with this, adding more strain to already fragile supply chains. So, all this is happening while providers are grappling with workforce challenges, whether it's labor shortages coming out of the pandemic to rising wage pressures.

So, the question becomes, how do you build margin resiliency in this kind of environment? Some of the organizations we're working with are stepping back and reassessing their system strategy. Across the board, we're seeing a renewed focus on scenario planning, helping leaders prepare for multiple futures, not just one. Because in this environment, readiness is everything. And it's not just about reacting to change, it's also being positioned to lead through it.

So as a part of this reassessment, clients are thinking about how their operating model supports agility, efficiency, and access, and others are diving into broad-scale cost optimization efforts, using data to identify where they can reduce waste, improve throughput, and enhance care, quality, access, and experience. So providers can't rely on the same playbook we've used in the past. I've been doing this for a long time and to innovate, not just in care delivery, but in how you structure your organization, how you make decisions, how you adapt to change. Evolving culture is key and staying close to the consumer and patient and caregivers is really paramount.

I'd also like to add, you know, technology, as we talked about, plays a key role in many of these transformations, which is why over the last 15 years, I've really focused on learning how to enable strategy better through technology or performance improvement. And as organizations are scaling AI and other technologies, having an overall system-wide governance and approach to review these projects, including human-centered design, realistic goal setting, clear communication, and celebrating successes are key. So those are some of the things we're seeing in the market.

Erica Spicer-Mason:

Yeah, really appreciate the overview, Claudia. A phrase that you said really struck me. You said providers are dealing with the sheer volume and velocity of change. That couldn't be more true.

And it really helps me recall some discussions that I heard at Becker's annual meeting in April. You know, we're hearing about health systems implement things like command centers just to keep an eye on executive orders and be able to respond to them swiftly. And then, of course, that goes along with other cost optimization strategies, technology, culture, as you mentioned. But really, there's so much going on. So, I appreciate how you kind of tied all of that together.

So, Deirdre, as you think about what we've just talked about with Claudia, what approaches are health systems using to respond to build margin resiliency and improve quality and experience? Can you touch on that?

Dierdre Dillehunt:

Yeah, I think that's a topic that we've been discussing with different health systems literally on a daily basis. I think it's top of mind for everyone.

In reality, there's really no silver bullet, but what we're seeing is that the most successful organizations are taking a multi-disciplinary, multi-dimensional approach that really integrates clinical, operational, and strategic levers to drive both financial as well as quality outcomes. And it's fueled by this cultural transformation to get the buy-in that they need and enabled by emerging technology. At the core is the need to lower the costs, whether that's the cost per discharge, labor costs, supply chain, inefficiency, or administrative waste that's prevalent. Those are the things that people are really tackling.

And then also simultaneously improving access, improving patient experience, improving provider and clinician experience and also focusing on clinical outcomes and leveraging technology, AI, automation across the ecosystem effectively. And that's a tough balance to strike unless you're really looking at the full picture.

We take kind of a comprehensive look across five key dimensions that have been differentiators for the organizations that we work with. The first is looking at revenue growth, the second around cost optimization and efficiency, quality enhancement and clinical excellence, patient-centered care delivery, and then leadership and talent experience. Each of these areas offer a different lever that you can pull, and we help organizations prioritize that based on where they're going to get the greatest return, both financially as well as when they look at the clinical outcomes associated with it.

We kind of start with a rapid diagnostic, a data-driven assessment that benchmarks the organization and the organization's performance against its peers and best practices. We look at everything from revenue cycle metrics, clinical variation, workforce utilization, and patient access metrics, as well as the tools and technology that are in place already within the system,

as well as those that are available in the market. What are kind of the emerging tech that could be leveraged? And how do those tools, how those tools can be used to kind of maximize benefit?

And that really gives us a clear picture of where the opportunity lies and where the biggest opportunity lies. From there, we kind of develop a prioritized recommendation list and a roadmap that's tailored to what the organization's unique priorities are. We've talked with some health systems that are focused on reducing surgical length of stay. So we look at how we can optimize their OR throughput and reducing surgical complications, while others are focused on boosting revenue and maximizing reimbursements. And so there we're looking at maybe how they reduce denials, how they improve charge capture,

But really what's important is that we're not just the static list of ideas. We're helping organizations to build the infrastructure needed to execute and sustain those improvements. So that's not just a one and done and people move on, but that they are actually sustained improvements and benefits that they're seeing. And that includes kind of aligning leadership, engaging cross-functional frontline teams, and embedding accountability to that performance into daily operations.

And the most impactful performance improvement efforts that we've seen are those that are data-informed, strategically aligned, and culturally supported. And when you bring those elements together, you don't just improve margin, you really build a more resilient and high-performing health system.

Erica Spicer-Mason:

Yeah, Deirdre, thank you so much for kind of giving a sense of these multidisciplinary approaches that you're seeing, and then how Grant Thornton is viewing those five key differentiators and kind of helping organizations start with that rapid diagnostic and then going from there. I would love to know, too, any success stories that potentially illustrate those strategies in action. Claudia, do any case studies or successes come to mind?

Claudia Douglass:

Yeah, Erica, I have a couple in mind. One is, you know, we've been working with the health system for a while, and we had a really impactful project to reduce waste and improve throughput and length of stay. And this organization has been on a journey to be as efficient as possible. And working with them reduced \$150 million of total spend across the system over a series of time.

And as part of continued length of day work, we looked at identifying and quantifying operational waste tied to how equipment, supplies, patient, and team members move throughout the system. And we found a way to retrain even more money and lost value and improve day-to-day performance for caregivers and patients alike. And it started by obviously setting a vision for the future and conducting interviews across the system. And we combined that with data analysis and process mining to uncover inefficiencies. And we found even nurses spending after some throughput work, still spending 15 minutes or more to search for equipment per shift delays in patient transport or diagnostic imaging or lab to missed therapy appointments due to scheduling breakdowns.

And in this case, we found 16 million for inefficient movement in the areas we reviewed and a lost revenue of about 9 million and 180,000 hours of wasted time for these areas that we reviewed. You know, equipment location can be a major driver. It sounds like a small piece, but when nurses and therapists are spending thousands of hours just trying to find the tools they need to care for patients, that can account for \$15 million in waste, depending on where you look in the size of the area reviewed. We also looked at real-time location systems and other pieces. You know, we talked a little bit about AI. And if you have computer vision and predictive analytics, you can reduce delays in diagnostic imaging. You know, we found about 7 million in lost revenue there. And working with their EHR and secure chat and ambient dictation, you can streamline coordination and reduce delays. We also found in therapy, scheduling inefficiencies that were costing about 3 million in missed revenue and wasting clinician time.

So that's related to the computer vision, NLP, and predictive analytics I mentioned earlier. And it's the collaborative approach, working side by side and making sure that we had a clear roadmap that balanced quick wins with long-term transformation. And at the end of the day, I think the most important piece is the caregivers felt empowered. They were heard. They're continuing to speak up and look for ways to be more efficient so that they can see their patients. when transport is seamless and all patients are on time, the culture shifts. So, this operational excellence becomes a multiplier for clinician and financial performance. So, for any health system looking to improve throughput, reduce waste, and enhance caregiver and patient experience, this is a strategic investment in your people, your process, and your future.

Erica Spicer-Mason:

Yeah, and Claudia, so much of what you said really does underscore that need for really close collaboration. It sounds like there's intention embedded in every step of the framework that you've described. And I'm just curious to what that, how that translates to kind of those early stages of this transformation. Deirdre, maybe you can speak to this. How can we prepare

leaders and frontline teams to really deliver on this transformation that you and Claudia have both described?

Dierdre Dillehunt:

Yeah, because I think none of that would be possible if there wasn't that cultural transformation and leaders and frontline teams were not able to deliver against this, right? And so at the end of the day, transformation isn't just about strategy or technology, it's about the people. And the organizations that are seeing the most sustainable results are the ones that are investing in their people, their leaders, as well as their frontline staff and caregivers, so that they have the skills to drive change from within. And for leaders, it starts with building accountability around a shared vision. That means clearly defining what success looks like, not just in financial terms, but also in terms of patient outcomes, workforce well-being, and community impact.

It's also about a vision for the use of technology, including AI, right? And understanding how to use it effectively and trusting in its use as well too. And then consistently communicating that vision in a way that inspires and aligns the organization. Leaders need to create structures and forums for collaboration and the skills to drive transformation around that vision. We've seen great success when organizations establish cross-functional teams bringing together clinical, operational, administrative voices to identify improvement opportunities, share best practices, and track progress in real time. And these teams become the engine of transformation.

On the front lines, it's about empowerment and engagement. Clinicians and staff need to feel like they're not just being asked to implement change, and this change isn't being just thrust upon them, but they're being invited to help shape it. And they often know the issues better than we do because they live it day to day. And when they're involved in co-designing solutions, they bring insights that leaders often miss. And we're far more likely to embrace the changes that follow when they're involved in the solutioning as well. One of the most important things we do is to help organizations build a culture of trust as well as a continuous learning. And that includes leadership development programs, coaching, and feedback loops that reinforce the behaviors and mindsets and instill the muscle memory needed for transformation. It's about creating safe space for innovation where teams can test new ideas, learn from failure, and scale what works. And finally, sustainability for all of these changes and for this transformation comes from embedding accountability into the day-to-day. And that means having clear metrics, transparent dashboards, and regular check-ins to ensure progress is being made.

People are watching that progress and celebrating that progress. When people see their efforts are making a difference, it builds momentum and reinforces the culture that you're trying to create. Transformation isn't just a one-time training and a top-down directive. It's part of an

ongoing process of alignment, empowerment, and really collaboration. And when it's done well, your culture can be your multiplier for that transformation, one that drives the outcomes you're aiming for, and it can drive stronger margin as well as an improved experience when it's led by the next generation of leaders.

Erica Spicer-Mason:

Thank you so much, Deidre. So well said. And just going back a little bit into your response, I love what you said about having all of the stakeholders who are involved in the transformation, especially those frontline teams, treating them as the engines of transformation. I think that's such a powerful way to frame it. And I just really appreciate the takeaways that I've gotten from you both and also the actionable steps and kind of what this can look like in real life for organizations and some of the outcomes that you're seeing. So helpful for listeners.

Claudia, I just want to turn it over to you to close us out here. Any final takeaways or resources that you'd recommend for health systems as they're thinking about embarking on transformations like this?

Claudia Douglass:

Yeah, sure, Erica. If there's one thing we'd emphasize, it's the transformation doesn't have to be massive to be meaningful, but it does have to be intentional. You know, the most successful providers and health systems we work with are those that start with the clear vision that we've talked about, engage people early, and commit to building the infrastructure that supports sustainable change. You know, you need to believe, and you need to belong, and then you start building to be able to perform and transform. And, you know, helping organizations with that, whether it's a discovery session to line on goals, rapid diagnostic to identify high-value opportunities, or a roadmap that's tailored, the data-driven approach and bringing empathy with that is just as much about people as it is about process. And you build a more resilient, more human-centered health system.

Transformation is not a one-size-fits-all. And every path forward should embrace your unique culture, your people, and your community. And we've seen when you do that and you listen, it really is powerful. Also, connecting the dots between strategy and execution is really important between performance and culture. And when you align those elements, as Deirdre said earlier, you have a multiplier effect. And you start to see not just improvements in financial, but also teammate experience, team engagement, patient experience, and clinical outcomes. And often, they're of course the leading and lagging metrics you're watching.

So, as you look at this, it's a continual process, not project with a start and end date, and building that muscle to adapt and innovate and sustain progress over time is really important. I think I'd like to end on, you know, really investing in leadership development and training those next, that next group of leaders is really important. And we've done that with organizations, and really it creates space for cross-functional collaboration and embeds accountability in the day-to-day and helps you ask the right questions, uncover the right opportunities, and build a system that's not just high-performing, but also deeply human-centered.

Erica Spicer-Mason:

Fantastic. Claudia, Deirdre, can't say thank you enough for all of the insights today for our listeners. There's a lot of wisdom in this conversation. So, thank you again for making the time for Becker's and our listeners today. Thank you. Appreciate being here. Yeah, and we'd also like to thank our podcast sponsor today, Grant Thornton. Listeners, be sure to tune into more podcasts from Becker's Healthcare by visiting our podcast page at beckershospitalreview.com.