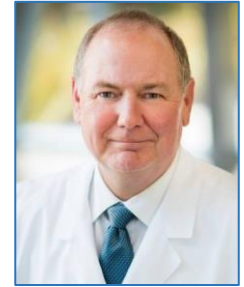


Thomas Buchholz, MD tells a story about Strategic Planning

Dr. Buchholz served as Executive Vice President and Physician in Chief from 2014-2017). In an interview conducted in 2018 he tells this story of MD Anderson's implementation of the Epic electronic medical records system. His narrative is presented to encourage discussion of the strategic planning model laid out in *Play To Win* by A.G. Lafley and Roger L. Martin.



Epic in the Context of the Financial Crisis (2014-2018)

[Epic] contributed in some ways. Once Epic becomes kind of part of your workflow and part of your standards, I think the way we used to do financial, the revenue cycle, you look back and go, wow, that was archaic. We're poised now to be in a much better place moving forward. What we didn't do well, we were really sensitive about the pain aspect. During this period of time, we really increased our hiring. We're going through Epic. Everybody's feeling the stress. Our clinical providers were feeling the stress. There was a perception that they were providing all this clinical work. They're working harder. Their revenue's not coming back to them. It's going for the Moon Shot program. It's going for some presidential initiatives that they may or may not felt connected to. And why can we spend \$75 million over here, but then if I need an additional mid-level provider to help me where all the revenue is generated, why can't I get approval for that? And it's a very commonsensical question, and it's one that I used to ask myself when I was an assistant professor. Organizationally, you have to think about things differently, that, sure, if we get a \$200 million gift for the Moon Shots we're not going to hire a nurse to see patients with you. We have to have an agreed-upon budget that, within radiation oncology, we're responsible for giving this back, and we have to have a positive operating margin in our unit, independent of whether we're doing the Moon Shot programs or not. And so there was a little bit of confusion on people's minds, but it's easy to see that, hey, there's a real need.

Decreased productivity. We slowed the engine down to do this major change in workflow. I think one of the things that we didn't do very well, was because of this turmoil with our physicians, because of this lack of trust with the leadership, there was a sense, like, wow, we have been working really hard. You've been telling us that we have to do more every year, and I'm working hard, and now you're throwing this new change management thing... And so we're going to slow everything down.

Strategic Problem

Winning Aspiration

Where will we play?

How will we win?

What capabilities must be in place?

What management systems are required?

Cont...

Strategic Problem

In the private community, if everybody's income depended on it, people would learn and recognize the urgency of learning this and getting on, because we have to move. But we didn't have the discipline to say, "Okay, we're going to do that, and we're going to bounce right back." We didn't have the recognition across our providers of saying, "We could only do this for two months." And so we got into a new normal. That's not just the physicians. It's the schedulers. It's what do the templates look like. So we kind of got a little bit, "Oh, yeah, we're not back to 100% yet. Let's take our time."

Winning Aspiration

Where will we play?

The second avenue: revenue leaks. If you talk to the revenue people, they would say, "Wow, this is the best system ever. We're getting our bills out so much quicker. We're getting paid so much quicker. We have a greater degree of clarity. It's working fantastically." One of their frustrations was they weren't in charge of the revenue. The central treasurer at Epic didn't have a reporting structure that got into all aspects of billing. The billings were done locally, and there wasn't that huge degree of local accountability when it comes to financial performance. There weren't a lot at risk at the local level, so if something went wrong at Epic locally, they would just say, "Well." Life would move on. If there was a deficit at the end, it didn't necessarily affect anybody's pay at the local level. It would just be part of the bigger picture. So eventually, we developed standard operating procedures that say, okay, every department has to do this, and prove that you're doing okay. I think we got through that, too. We identified things that we were doing wrong as an institution, not surprisingly, and we identified things that previously we hadn't been capturing this revenue that we now can capture.

How will we win?

What capabilities must be in place?

What management systems are required?

This interview clip was taken from an in-depth interview conducted for the Making Cancer History Voices Oral History Project. This ongoing project currently contains almost 500 interview hours with MD Anderson institution builders.

The transcript has been edited from the original.

The content is available for public use.

Interview link: <https://mdanderson.libguides.com/BuchholzT>

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Interview Subject's name, Date of Session, Historical Resources Center, Research Medical Library, The University of Texas MD Anderson Cancer Center.

To request an audio file, photographs, or for information about the interview and photo collections, contact:

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