

Game Changer – Why Sleep Labs are Shifting the Way They Operate and Why Those that Aren't, Should

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Examine the evolution of sleep record outsourcing and you will gain some key insights into the changing operational practices of sleep labs and hospitals. What began as a strategy to alleviate sleep study backlogs and prevent year-long-plus wait times for patient diagnosis, has now morphed into an ongoing, virtual partnership. Perhaps the most revealing indication of this once niche industry's recent maturation is how it has performed throughout the economic crisis. "Where so many industries have had to make cutbacks in the last three to four years, our business has been on the rise. It comes down to the fact that ours is one of those rare companies that actually help our partners save money in very concrete, immediate ways," says Natalie Morin, President and CEO of Sleep Strategies Inc.

Morin is encouraged by the resilience of sleep record outsourcing—an industry she helped found over 12 years ago. Forecasts indicate that what began as an economically-driven shift in business practices is likely here to stay. "It might have taken a recession to motivate sleep lab managers to con-

sider novel budget cutting measures, but now that they see how sleep scoring quality can improve while overhead is reduced, it just makes sense to make the change permanent," explains Morin. Prior to the economic crisis, sleep record outsourcing was certainly on the rise. "But at a slower pace," says Morin, going on to explain, "Hospitals were acknowledging that they needed expertise they didn't have in-house, specifically with finding qualified staff. Then the economic crisis comes along, and many sleep labs are forced to change their business practices by cutting labour costs and increasing efficiencies. So we saw a real spike in late-2008 and again in 2009 and then once again in 2010. At this point, it feels like the onslaught of new business is here to stay."

The concept is simple. Companies like Sleep Strategies house a large team of RPSGTs—who are all certified specialists in the scoring of sleep studies, which facilitate the accurate diagnosis of sleep disorders. With the ongoing rise of sleep disorders, the demand for quick turnaround of these studies



Pictured: Natalie Morin, president & CEO of Sleep Strategies, along with members of her management team are working to educate sleep laboratories on the importance and benefits of incorporating a sleep scoring service into their daily operations.

is essential. Many sleep labs and hospitals are opting to keep their operations patient focused—attending to the collection of data through overnight sleep monitoring—while diverting the analysis of data to trusted external partners like Sleep Strategies. The beauty of this arrangement is that it's mutually beneficial. The use of third-party scoring companies with certified technologists allows sleep labs to reduce recruitment, hiring, training and several other overhead costs. It's also become so widely adopted because the sole-focus nature of this sector leads to improved accuracy and efficiency, which ultimately allows these labs to improve patient care.

According to Morin, the trend should continue as hospitals realize that investing in training and locating qualified staff has begun to dominate operational budgets. An informal survey conducted by Sleep Strategies of lab managers indicates they are increasingly focused on business growth and patient care in what is a lingering recession. So if sleep record outsourcing is so widely considered the de facto method to streamline processes and get sleep labs back in the black, the obvious question remains: why isn't it universally accepted?

Chad Doucette, VP of Sales and Marketing at Sleep Strategies attempts to make sense of what some see as barriers to fully embracing sleep record outsourcing. "If we forget for a moment the natural reluctance to change that exists in most large organizations, we can see that some sleep labs don't outsource their scoring because they falsely believe that in-house anything is more cost-effective. Truth is, there are a number of hidden costs with in-house scoring," explains Doucette.

Locating, training and retaining qualified staff consume a surprising amount of monetary and human resources. The hiring process alone entails spending money for recruitment advertising, time on testing, interviews and other screenings. Then of course there is the training and supervision of new hires, not to mention the overhead on such concrete items as office furniture, supplies and space. This is all before salary, worker's compensation and medical insurance comes in the picture, as well as additional employee benefits such as vacation, sick days, personal days, maternity leave and pension, among others. All of these details need to be calculated into the total cost of retaining in-house staff what could easily be performed externally.

"It's difficult to focus on core competencies when you have to spend so much more time on the management side of a sleep lab," Morin says, providing one of the prime reasons for why larger sleep labs should recognize the benefits of sleep record outsourcing. Doucette knows that even obvious solutions are sometimes hard to accept. "We can see that part of the reluctance to embrace sleep record outsourcing on the part of those sleep labs who are defying the trend comes from a desire to keep the status quo and from inaccurate cost forecasting. There are also some legitimate concerns," Doucette goes on to explain. He's not afraid to admit that there are certain risks to outsourcing.

"There is a shady side to the sleep medicine industry that no one wants to talk about," Doucette confesses. The reality is that there are questionable sleep labs operating with untrained staff members who have very little knowledge of sleep medicine. According to Doucette, "There exists a segment of our industry—usually offshore operators—who conduct business without liability insurance, without trained or certified technologists, with little or no clinical or HIPAA knowledge or experience and at heavily discounted rates." The risks that come from partnering with such sleep scoring

outfits far outweigh the benefits. These risks also help to explain why some hospitals and labs remain trepidatious.

"I understand the hesitation. In fact, I encourage it. The more diligence sleep lab managers' conduct in their selection of a sleep record outsourcing partner, the more likely these questionable operations are to go out of business. That hesitation shouldn't lead these same managers to write the industry off wholesale," explains Doucette.

So, how exactly can a hospital based sleep lab ensure that a suitable service provider has been selected? To begin with, sleep labs should make themselves aware of the industry leaders. Alternatively, they should determine who the preferred suppliers of local or well-known sleep labs are. Secondly, they should evaluate the industry standard when it comes to cost-per-test. "When a sleep lab contacts us to engage our services and the first question they ask is "how much?" I can pretty much guarantee that this relationship will not be long-term," says Doucette. "While cost effectiveness is key, it should never be your main reason for engaging this business model." The reason offshore operations have flourished is because they severely undercut their competitors. Yes, there are many freelance scoring techs offering scoring for well below this amount, but remember, these freelancers are not a full-service operation with policies, procedures, a quality assurance department, general liability and errors and omissions insurances, expertise and scalability," explains Doucette.

It would appear that sleep record outsourcing works best when it is viewed as a virtual extension of an existing sleep lab. In other words, it should be seen as a long-term partnership, not a hasty solution. When properly integrated, a sleep scoring service can ensure that managers are doing what they are supposed to be doing—managing a sleep lab. Daytime scoring positions normally revolve around performing other tasks such as MSLTs or general office duties that can take them away from scoring. Having a service to specifically address this task will only improve overall productivity.

The sleep medicine landscape is changing and labs looking to stay on top need to adapt. "If you look around at the largest and leading sleep labs you will see that the majority have moved to sleep record outsourcing. They have successfully incorporated scoring services and realize the important benefits to such a degree that to discontinue the use of this service would cause a major disruption to their daily operations," says Morin. As the industry matures, specialists emerge. What most medical directors of sleep labs acknowledge is that fewer errors and guaranteed short-term turnaround times come from those who do sleep scoring best—that is, sleep record outsourcers.

Leading the way in Sleep Scoring Services – Sleep Strategies is the Go-to-Company for Hospitals and Sleep Labs Looking to Cut Costs

Sleep Strategies has become the leader in sleep scoring services because of the stable corporate culture it has developed. For many scoring companies their only focus is on hiring any technologist to score the studies. With some of the most rigorous hiring practices in the industry, Sleep Strategies prides itself on hiring the best of the best. Our HR practices supersede those of any hospital or sleep lab. For many sleep labs if a technologist is an RPSGT then they are hired. The reality is that many RPSGTs have been night techs for the majority of their careers and their ability to score accurately is questionable. Sleep Strategies hiring involves scoring several test studies,

conducting inter-rater reliability comparisons, online multiple choice testing and previous employment references. With a minimum of 5 years requirement as a clinical experience RPSGT, Sleep Strategies requirements for experienced techs has raised the standards for other scoring services. When you are a scoring technologist at Sleep Strategies you can say you are the best of the best.

But having the best RPSGTs is just one of the pillars at Sleep Strategies. Our internal quality assurance department ensures that our clients are receiving the highest quality of sleep scoring available in the industry. Our quality assurance department is an industry first and remain unmatched by other scoring services. This team of seasoned RPSGTs oversee our team of scoring technologists and ensure that they remain top of their game. But it doesn't stop there – Sleep Strategies has put in place an executive team that is visionary in the growth and customer service it needs to maintain in order to ensure that it remains on top. Running a successful scoring company is very complex. It involves a seamless integration for a sleep disorders centre from the onset. Sleep Strategies has developed a flawless integration process so a centre can easily transition to our scoring services with no interruption to the sleep facility. "Making the change to a scoring service can be very daunting for many sleep labs. The sheer thought can make a lab manager change their mind. Not knowing how to transition is one of the mysteries that Sleep Strategies helps its clients' solve. The reality is bringing on a scoring service can happen seamlessly and with minimal stress. Our staff, from our sales to our technical department to our physicians to our quality assurance personnel makes it as quick and effortless as possible.

Sleep Strategies scores thousands of sleep studies each month making it the largest scoring service in the industry. Our clients are the sleep medicine industries leading hospitals and sleep labs, who have realized that partnering with Sleep Strategies has enabled them to cut operational costs, improve efficiency and maintain the highest level of scoring of their sleep studies.

When a sleep lab signs on with Sleep Strategies they are signing on with the industry's top scoring techs and industry experts – they are not just hiring techs to score studies – they are hiring a team of sleep medicine experts that can assist on numerous aspects of improving the operation of a sleep lab. The reality is once a sleep lab realizes not only the cost benefits but the quality that we provide we will rarely see a sleep lab bring the scoring back in-house.

Sleep Strategies has grown tenfold in the last few years as sleep labs look for ways to streamline operations. As well, the growth of at-home sleep studies is fuelling the company's marketing share as the demand for the scoring of these studies surges. Sleep Strategies has signed on some national accounts with some of the largest homecare companies to service the growing at-home market segment.

Our mission is to become the sleep medicine industry's go to company for all sleep scoring needs. The sheer number of clients and studies we score per month, coupled with the recognizable client roaster and industry renowned medical directors attesting to our services speaks volumes. It is one thing to believe you as a company are providing the highest quality of service but it is another thing to have our clients tell us it on a regular basis.