Raising Laboratory Service Quality with Flexible Financing

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Clinical laboratory services are considered the backbone of any hospital. Fast and accurate testing is essential in order to provide patients with the best care possible. Research indicates that a more effective use of laboratory tests can directly improve patient outcomes and ultimately significantly reduce the final cost of care [1]. Much like the rest of the healthcare system however, medical laboratories are under increasing pressure to constrain costs wherever possible. The demand for laboratory services continues to increase as aging patient populations and mounting protocol-driven test volumes propel the need for rapid testing and diagnosis. The result is a widening gap between the demand for lab testing services and the resources available to satisfy the needs. Clinical laboratories play a crucial role in the delivery of high quality treatment. In the face of stringent budgets, they must demonstrate their value to physicians and patients. Failure to do so could result in a system that will impact on clinical efficiency and reporting accuracy.

One way for medical laboratories to demonstrate their value and contribution is to enhance service quality through investment in up-to-date equipment. For instance, state-of-the-art technology platforms that allow labs to run several tests simultaneously would reduce client turnaround times – a huge competitive advantage – as well as allowing them to cope with peak volumes at especially busy times. Automation is also key to generating results fast, improving patient outcomes and cutting costs. Innovative automation systems for processing lines enable laboratory facilities to increase sample throughput while reducing the need for manual work and the risk of errors. Productivity can also be improved through solutions that use robotics with dynamic sample management to provide the optimal mix of chemistry and/or immunoassay analytics with one-touch sample management, resulting in improved flexibility, efficiency and workflow capabilities.

By incorporating modern technological measures, staff's knowledge and skills can be reallocated so that they can get out of processing tasks in the lab and focus on quality management, innovative thinking, services improvements and healthcare delivery. Medical laboratories are particularly vulnerable to retaining outdated technology which can greatly impact capability, productivity and efficiency. Harnessing technological innovations can not only bring laboratories cost savings, it can also help optimise processes and raise healthcare standards.

Keeping pace with technological advancements however requires considerable capital expenditure. In times of budget cuts and austerity, acquiring the latest laboratory technology may seem out of reach for many healthcare providers. In many instances the medical laboratory sector is caught in a predicament where budget limitations are hampering the ability to make essential investments which play a primary role in increasing the productivity and efficiency of testing services. To this end, asset financing techniques such as leasing and renting are emerging as an increasingly popular, cost-effective investment-enabler.

Such financing techniques spread the cost of the equipment over an agreed financing period, with monthly finance payments arranged to align with the expected efficiency gains enabled by the use of the latest technology. This removes the need for a large initial capital outlay and enables immediate access to up-to-date equipment despite tight budgets. Medical laboratories can thereby deploy precious funds in other areas to improve service quality. Financing arrangements can also cover other costs such as installation, maintenance and service as well as introduce the flexibility of future technology upgrade in line with technology developments.

Such tailored, all-encompassing financing packages tend to be offered by specialist financiers who have an in-depth understanding of medical technology and its applications. They understand the profound impact up-to-date technology can bring to the daily operation and can expertly evaluate any associated risks. They are therefore more inclined and more able to create customised financing packages that fit the specific requirements of each individual organisation – for instance, by flexing the financing period to suit the customer's cash flow. This contrasts with the standard financing terms usually available from generalist financiers who often lack a thorough understanding of the medical laboratory sector as well as technical expertise.

The spillover effect of a constrained budget within the health system is making it even harder for medical laboratories to deliver the best possible care to patients and the system as a whole. Clinical laboratories need advanced equipment to offer diagnostic accuracy while maximising productivity and efficiency. Farsighted medical laboratories are looking to smart financing to acquire new capacity as a means of meeting targets and raising service quality. Using alternative financing techniques, laboratories can stay at the forefront of technology without compromising financial efficiency. Instead they can deploy limited financial resources in key areas such as training and research, which will bring longstanding beneficial effects to the healthcare sector as a whole.

References

1. Robert L. Michel, 'In the United Kingdom, Medical Laboratory Professionals Gather to Explore Disruptive Diagnostic Technology, ISO 15189, and How Labs Can Add Value', 30 January 2015