



**University of  
Illinois**  
Medical Center

Reference Laboratory

*Serving the needs of the Healthcare Community*



## **UIC BRINGING ADMINISTRATORS TOGETHER CONFERENCE**

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**Administrative Director**  
**Pathology Laboratories**

# Personal Background

- Undergraduate and graduate degrees in Medical Laboratory Sciences and Pathology from UIC.
- MBA from another university.
- Served as a corporate executive of four national healthcare companies and many regional hospital and commercial laboratories.
- Worked in consulting, investment banking and venture capital.
- Returned to UIC about seven years ago.

# Pathology Laboratories

- Performs anatomic and clinical pathology tests from tissue and various body fluid samples. (13 areas of scientific specialties)
- Operates 24 hours, 7 days per week.
- Performs about 2.9 million tests per year.
- Annual operating gross revenue is about \$200 million/net revenue \$77 million.
- Supported by 280 FTE's and 20 doctoral level pathologist's and clinical scientists.
- Operates an extensive outreach program.

# Outreach Purpose

- Essentially had a small community hospital laboratory trying to support an academic medical staff and mission.
- Hospital was looking for alternative sources of revenue.
- COM wanted to upgrade its faculty and clinical services.
- Strong medical leadership was hard to attract in the existing environment.
- Most equipment was over 20 years old with a normal lifespan of 5-7 years.
- Referred testing expense was very high.
- Overall, unit expense was high.

# Outreach



# Initial Planning Process (Business Plan)

- Opportunity Assessment > Go/No Go
- Marketing Sub-Plan
- Operation Sub-Plan > Go/No Go
- Financial Sub-Plan > Go/No Go
- Implementation Sub-Plan
- Monitoring Plan
- Partnership Agreement

# Performance Monitoring

- Previously hired a financial coordinator for the department.
- Refined department financial statements to correspond to operating units.
- Later developed outreach specific financial statements.
- Developed benchmarks.
  - Monthly sales goals
  - Contribution expectation
  - Revenue per test
  - Cost per test
- Developed performance incentive program.

# Benefits

