

## **BENEFITS REALIZATION**

### **WHERE'S THE VALUE?**



You have made a significant investment in Information Technology for your organization that may include software, technical infrastructure and hardware. Most importantly, you have made a significant and long-term commitment in human capital (resources) and education.

Your organization's expectation to achieve real benefits from the technology you invested in has never been higher. For the maximum impact to be achieved, there is significant preparation that must be made.

We believe that benefits are not realized unless you know precisely what your expectations are, how you plan to achieve them and most importantly benefits management after "go-live."

### **There are two common mistakes made when attempting to achieve real benefits:**

- The first is that the potential benefits are not defined early in the process. We believe that the early identification of benefits is essential to achieve your return on investment. You must know what you want to achieve in order to be successful.
- The other common mistake is to lose focus on the benefits after "go-live." This is the point in which the focus should be increased. From our experience, we have found that focus on benefits realization/return on investment decreases just before "go-live" and will typically not pick back up after "go-live."

This is the point in which a re-focus must occur and benefits must be managed. Healthcare Informatics Associates' (HIA) comprehensive plan calls for the integration of the benefits realization plan with:

1. System Selection
2. System Design & Implementation
3. Process/Workflow Design
4. Change Management

## The Process and Methodology

The process that HIA uses is a straightforward but effective approach. The general description is depicted in our Value Measurement Process Diagram below:



As you can see, the driving force of our approach is your Organization's Initiatives. The system you choose should fit the culture and needs of your organization and most importantly, it should assist in the accomplishment of your initiatives.

## Organization of Benefits

To achieve desired benefits, there must be a methodical approach to organizing benefits before achievement will occur. Benefits Realization can be categorized into four fundamental types of benefits that can have significant operational and financial impact on your organization. Examples of the four major categories and samples are:

### Cost Reduction

- Staffing Alignment and Optimization
- Improved Effectiveness
- Productivity Enhancement
- Reduced Length of Stay (LOS)
- Reduced Overtime
- Reduced Agency Utilization
- Reduced Employee Turnover

### Revenue Enhancement

- Decreased Lost Charges
- Improved Billing Effectiveness
- Reduced Accounts Receivable Days
- Reduced Denied Claims

### Quality and Regulatory Improvement

- Improved Outcomes
- Pathway Compliance
- HIPAA Compliance
- Joint Commission Compliance
- Core Measure Enhancement
- Patient Safety

### Satisfaction

- Physician Satisfaction
- Patient and Family Satisfaction
- Employee Satisfaction
- Patient Throughput

HIA has a team of professionals experienced in working with clients to define and measure key indicators/metrics in all four of the benefit categories.

## Case Studies

A few examples of how our clients have utilized our Benefits Realization services to achieve value at various stages of their projects are:

### Pre- and Post- System Selection:

- Define financial goals (e.g., improved reimbursement, reduction in denied claims, etc.)
- Justify capital expenditures at the executive and board level
- Define performance baselines and opportunities for improvement
- Define Key Process Indicators and Metrics that will facilitate the measurement of value

- Drive standardization in management of supplies and materials
- Prioritize implementation sequence/priority for the technology solutions being acquired based on the benefits to be realized

### System Design and Build

- Define clinical pathways and standard treatment protocols
- Create alerts to reduce medical errors and adverse drug events
- Develop clinical documentation templates to capture and document assessment and treatment information so it is easily accessible to all healthcare providers
- Define new processes to improve patient throughput and to achieve benefits

### Post “Go-Live”:

- Measure pathway compliance/variance and the impact on LOS
- Monitor change management and process design
- Monitor throughput in the Emergency Department
- Track and report system utilization and adoption levels
- Determine job impact and retention metrics
- Identify areas where additional efficiencies and improvement opportunities are possible
- We perform a complete assessment at 90 days post go-live to compare pre- and post- go-live metric measurements.
- Training assessment is performed with additional training applied as warranted.

Our services have been used in large and small projects. A couple of case studies are provided below to assist with distinguishing the level of detail that we can provide.

### Small Hospital

This case study consisted of a small urban facility with little strategic direction. We worked with them to determine a 5-year strategic plan and how the installation of a new system would assist in getting there. When the correlation between their vision and the information system was made clear we began the process-mapping phase to dissect the areas that would most significantly impact the achievement of their goals. The process-mapping phase consisted of mapping approximately 20 primary processes. These processes were then reviewed with “champions” from within the organization to define the appropriate change that needed to occur.

The benefits were then defined that ultimately yielded approximately \$5 Million over three years.

### Large Tertiary Medical Center

This case study was a large urban medical center with high levels of activity. We were provided with a strategic plan, organizational initiatives and specific goals. HIA was involved in the system needs assessment and system selection thus allowing the organizational initiatives to drive the system selection. From this basis we mapped approximately 200 processes throughout the entire organization. Each potential improvement from the process maps were then linked to one or more organizational initiative. This ensured our focus was only on the desired goals of the organization. We then defined key metrics and baselines for post go-live measurement.



**In the end, HIA provided the client with the following:**

1. Training assessment is performed with additional training applied as warranted,
2. Impact Matrix to define specific benefits including “roadmaps” as to how to achieve the benefits,
3. Human Resource Plan to outline how attrition or reduction in resources could be accomplished,
4. Change Management Plan that outlined the change that was to be made and the timing of each,
5. Database with a comprehensive listing of all processes and benefits defined as well as relationships with the initiatives and the key metrics that were to be measured, and
6. Key Metric Report.

The benefits that were identified and measurable were an aggregate value of \$50 Million over 5 years.

**Why HIA?**

HIA has experienced and seasoned operations, clinical and technical staff. The typical HIA consultant has a variety of skills and professional experience including:

- Most consultants have 15+ years experience and are certified in their specialty
- Backgrounds include nursing, finance, pharmacy, laboratory, dietetics, ancillary services, management engineering, education and hospital administration.
- Proven methodology and track record of success.

Consultants are available on a full or part time basis to lead or assist in the identification and measurement of benefits and ROI. The HIA process includes both on and off site consultation and analysis. This combination of on and off site allows the client to save significantly in travel expenses, allowing you to receive maximum benefit on an economical basis. Through a combination of on-site visits and remote support, HIA consultants can provide assistance in the following areas:

- Provide management consulting.
- Be a resource for answering questions and assisting on an as needed basis without the cost of a full time consultant.
- Development and maintenance of the benefit targets and database.
- Development of the change management plan.
- Presentations to staff as needed.

**To assist your organization in obtaining the benefits of your investment, HIA can provide the necessary staffing resources and management tools on a full or part time basis to assist you in developing a high quality ROI/VOI Program.**