

Strategic Vendor Partnership & Team Approach are Keys to Project Success at Baptist Healthcare System (KY)

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With all the attention being paid to EHRs and meaningful use, it's equally important for hospitals to keep other key priorities firmly in sight.

That's the advice from Jackie Lucas, vice president and CIO of Louisville, KY-based Baptist Healthcare System, Inc. (BHS). "There are so many changes that are going to occur, particularly on the revenue cycle side, and you have to have a system that's going to prepare your organization to meet those changes."

Like most hospital systems these days, BHS has quite a full plate with a variety of clinical implementations, including EHR, CPOE, and bedside barcoding. However, in the midst of that, Baptist Hospital Northeast, a 120-bed hospital in La Grange, KY, became the first in the six-hospital health system to simultaneously implement both the access and business management modules of McKesson's Horizon Enterprise Revenue Management (ERM) solution in August. The solution combines rules-based software and connectivity services to improve revenue management.

"One of the critical things we're doing with the Horizon ERM is putting a good patient-centered foundation under our EMR," explains Lucas.

With an eye on the ICD-10 compliance deadline, BHS completely revamped its financial processes with a system that they believed offered much more than its previous system. "We wanted to go beyond installing just another financial system. We saw this as a real opportunity to get a truly patient centered revenue cycle system," says Lucas.

BHS takes a partnership approach with its strategic vendors, creating what Lucas believes is a win-win scenario. "As our partner, McKesson approached us with the opportunity to be a development partner with them. Baptist Hospital Northeast was a beta site for both the access and revenue management products," she says.

Horizon ERM's access management module allows healthcare organizations to collect appropriate financial information on patient treatment to help meet regulatory requirements

and collect full payment for services at the beginning of the patient interaction process. The business management module supports the creation of charges, distribution of claims and receipt of payments.

BHS has partnered with McKesson since 1999 and the partnership approach is one that Lucas believes contributes to the ease of the implementation. "This time in particular, everyone involved made the comment that it was really one team working on this implementation — no finger pointing, no fault-finding. People just jumped in and said 'let's get it done.' It really was one of the smoothest implementations I've ever been through."

BHS's partnership agreement with McKesson includes a master contract, drafted eleven years ago when the partnership was established. The master contract serves as the basis for product purchases and is modified but not rewritten for each purchase, which Lucas says avoids much of the conflict that can come up during the negotiation process.

But, she admits, the master contract is only a piece of paper. What really matters are the people involved and the relationships that have developed after years of working together.

"We don't nickel and dime each other. We don't keep a scorecard of you owe me, I owe you," Lucas says.

"For every time McKesson has to help us out with something, it seems like somewhere along the line, we've helped them out as well. That's really a change in the way people think. We have an enterprise project manager from McKesson on site who has an office in the same hallway as my directors. He interacts with us all the time. It's really been a relationship that's evolved over time."

Implementing the Horizon ERM took about a year from start to finish, according to Lucas. By starting with Baptist Hospital Northeast, its smallest hospital, healthcare system leaders were able to identify implementation best practices that they will use in the next two to three years as the system is rolled out to the remaining hospitals.

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“While it’s small, Baptist Hospital Northeast is really a microcosm of everything you can have at a larger, full service facility,” Lucas says.

BHS used a time-tested project management process that dates back to its early partnership days with McKesson. A project governance committee included Dennis Johnson, administrator at Baptist Hospital Northeast, Carl Herde, BHS’s chief financial officer, and Lucas, as well as System Project Owners (SPO) from each functional area, including access management, medical records, patient financial services, and information technology. The SPOs in turn headed up their own working teams.

The structure has worked well for BHS. “Those SPOs are really the functional owners. That’s been a large contributor to our success. IT is not leading functional process improvement. We’re there to support, not lead, in those instances,” says Lucas.

In the nearly two months since go-live, Lucas says Baptist Hospital Northeast has already begun to see its benefits. “Our clean claim rate is already 10 percent better. It takes our registration staff a third of the time it used to take to admit a patient. And we’re seeing better workflow all around.”

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