



Community Hospital Corporation (CHC) is a not-for-profit that specializes in providing hospitals with practical solutions that help community hospitals enhance efficiencies, improve quality of care, and strengthen financial stability to preserve and protect community control of hospitals.

#### //WE LISTEN

CHC works with an extensive network of hospitals – some of which it owns and operates and others which engage CHC for services, providing expertise in effective community hospital operations and financial management. CHC relied on manual, Excel-driven financial reports that were error-prone and could not quickly provide new data or answers to questions when making strategic decisions. The manually collected and consolidated reports prevented CHC and other hospital managers from having access to accurate monthly and annual reports. The mapping of internal general ledger accounts to the corporate standard chart of accounts proved to be quite problematic and in many cases led to unmapped revenue and expense items, resulting in incomplete financial statements. They also did not provide users with the ability to drill down into any financial details needed to make effective decisions, which resulted in inaccurate budgets and poor financial management.

An additional challenge was that CHC could not readily produce supporting documents and financial data analysis when negotiating with healthcare payers who traditionally maintain extensive patient financial records. This resulted in lost revenue. CHC knew it needed a system that could both support its claims and protect its intellectual property to improve negotiation efforts with payers.

In October 2008, CHC decided to implement a data automation system to solve their budget and reporting challenges. CHC selected a vendor that provided healthcare reporting models and tools, but chose to self-install the program. After trying unsuccessfully to implement the new reporting tool across the organization and its member hospitals, CHC re-evaluated its reporting needs and choose a new vendor that better fit its situation. CHC realized that its new solution needed to incorporate heterogeneous data sources and create flexible models to accommodate new and changing data sources.

#### //WE SOLVE

After re-evaluating their reporting needs, CHC decided that it would be most effective to build a solution that had customizable elements to meet the flexibility demands of disparate data sources. After reviewing two technology vendors, CHC decided to build a system based on IBM Cognos 8 BI and TM1 that would allow users to access web portals and leverage analytical cubes and enhanced reporting capabilities.

“CHC engaged JCB partners to assist in the solution’s development and deployment. We chose JCB based on their deep experience in healthcare planning, and ability to implement flexible solutions, and its health care performance management expertise.” - VP Information Systems, CHC.

JCB’s solution includes the initial models and reporting functions to fulfill CHC’s financial reporting requirements. CHC now offers an external client-facing application for the live collection, and real-time analysis and reporting of financial and statistical data. Through integrating financial data from all hospitals under CHC ownership or management, CHC now has increased visibility into all high-level corporate data to improve the annual budget review process. While initially designed to fulfill a high-level function, the tools also incorporate improved drill-down functions that allow decision-makers to examine data more closely when they have questions or concerns about a specific hospital or division. JCB’s solution automated much of the data collection process, reducing the risk of human errors that previously plagued CHC’s financial reporting efforts.

For the managed care component of the tool, JCB developed a solution that integrated all payer performance data into a single location and issues automatic quarterly reports to hospital management and CHC contractors. This allows CHC to have a more comprehensive view of financial performance and provides managers with the ability to make more effective decisions. This information is also reported in an annual scorecard that enables CHC to be in a better position when conducting its annual payer negotiations.

In addition, JCB’s solution allows CHC’s corporate office, its hospital managers, and hospital boards of directors to access quarterly hospital quality updates via a centralized balanced scorecard. This allows CHC to provide optimal care through its hospitals while improving financial performance. JCB successfully implemented the solution in three months allowing CHC to realize benefits quickly from its improved reporting capabilities.

#### //BENEFITS

This project provided CHC with the budgeting and reporting system needed to create centralized reports integrating information from all CHC hospitals. By having the ability to self-publish Excel reports to common web portals, employees and managers have better access to the most up-to-date reports available. Coupled with a new balanced scorecard system that provides corporate level quarterly financial and care quality reports, CHC has greatly improved management capabilities at all levels. CHC expects this will enable improved decision-making to reduce costs, improve care quality, and increase revenue.

Additionally, CHC’s automated managed care tool allows it to have a centralized analysis of payer performance. This provides hospitals and CHC contracting teams with quarterly updates needed to improve financial management. The managed care tool is leveraged into an annual scorecard that will improve annual payer negotiations and increase revenues.



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