

# *Using The Life Sciences Database: An End-to-End Solution for E-Financials*



Building all Electronic Financial Systems



# End-to-End E-Financials

- Providers need end-to-end financial management to improve cash flow and avoid lost invoices and failure to pay claims
- Providers must comply with HIPAA
- *Use HIPAA to initiate and all electronic financial environment*



# Return On Investment

- Improved Cash Flow
- Reduction in cycle time for receivables
- Reduction in lost invoices and claims
- Dramatically reduce administrative costs
- Get integrated financial, clinical and administrative data
- Improve decision making



# ROI Calculation for E-Financials

- 2% to 8% of days outstanding of receivables are uncollected
- Assume \$50M of Revenue at risk:
  - \$1,000,000 to \$4,000,000 of lost revenue
- Assume \$100M of Revenue at risk:
  - \$2,000,000 to \$8,000,000



# ROI Calculation

- Expense: \$5,000,000
  - \$3,000,000 of systems
  - \$2,000,000 of services
- ROI:
  - Loss \$2,000,000/yr  $\approx$  Return = 2.5 years, 40%/yr
  - Loss \$4,000,000/yr  $\approx$  Return = 1.25 years, 80%/yr
  - Loss \$8,000,000/yr  $\approx$  Return = 0.62 years, 160%/yr



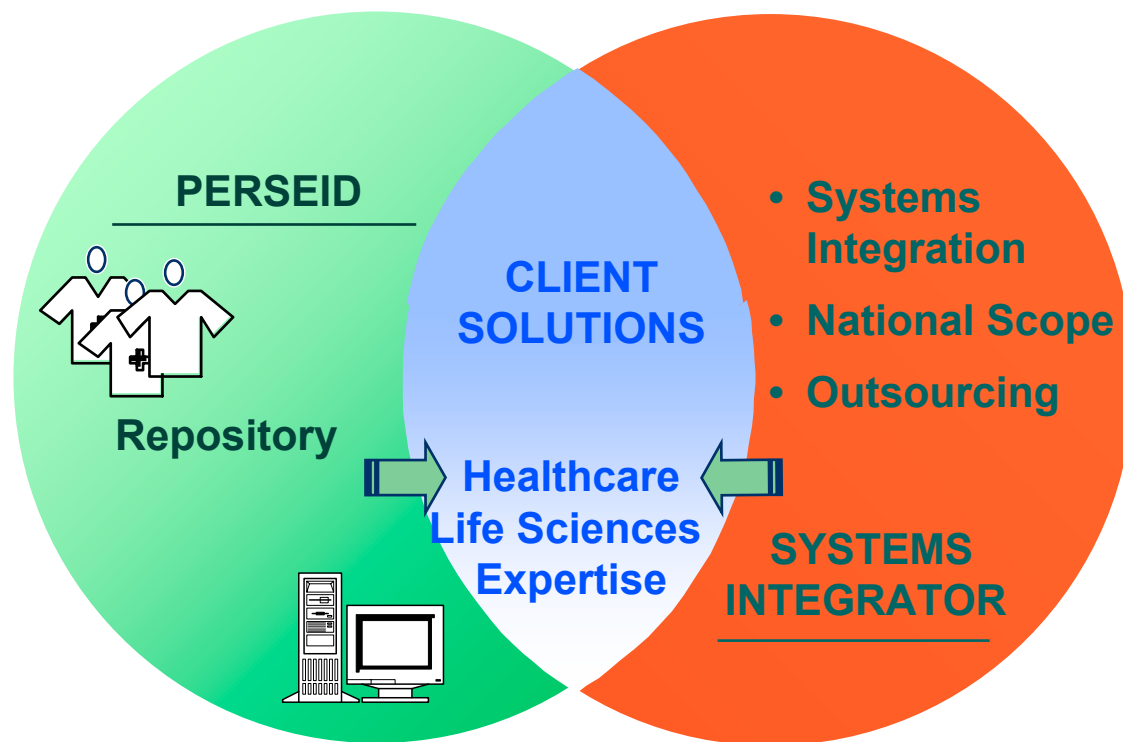
# What Is the Process?

1. Engage PwC and partners for assessment
2. Install systems to create HIPAA transactions
3. Install Repository for all data and documents
4. Feed documents to Repository
5. Feed billing transactions to Repository
6. Use repository to link documents to data
7. Install real-time adjudication systems
8. Improve DSO through outsourcing or re-engineering of back-office processes

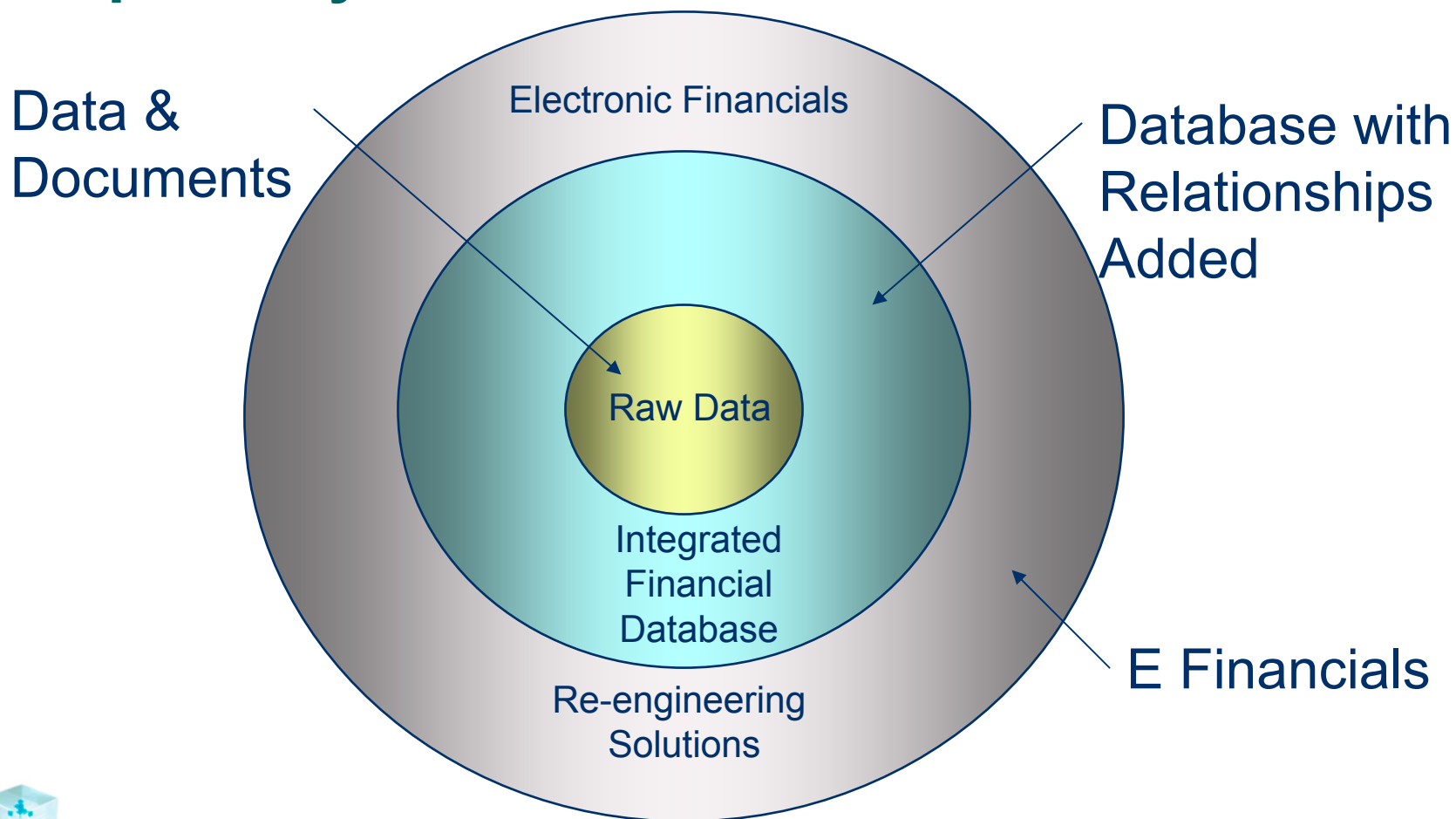


# Solution Strategy using Systems Integrator

- Perseid and its systems integrator partner focus on using technology as a lever to solve critical business problems in the regulated systems market.
- Combination of strengths to quickly, flexibly, reliably and cost effectively meet client's needs



## Pulling Claims and Documents into a Repository is the foundation for E-Financials



# Data “Islands” Inhibit Financial Systems

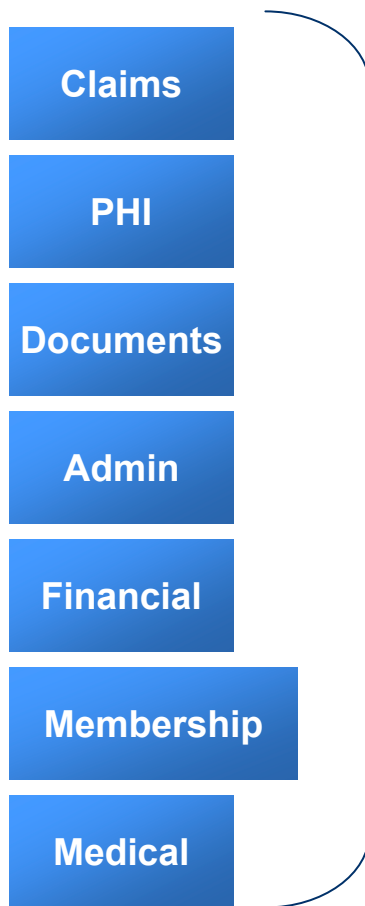


## ◆ What’s Wrong Today?

- Separate, heterogeneous data systems
- Hard-wiring systems together to mimic current work flow
- No flexible links among data, e.g., clinical-administrative-financial
- No audit trail of who has seen or changed information
- No flexible way of managing unstructured data about persons and claims
- Very difficult to handle all electronic claims processing for providers

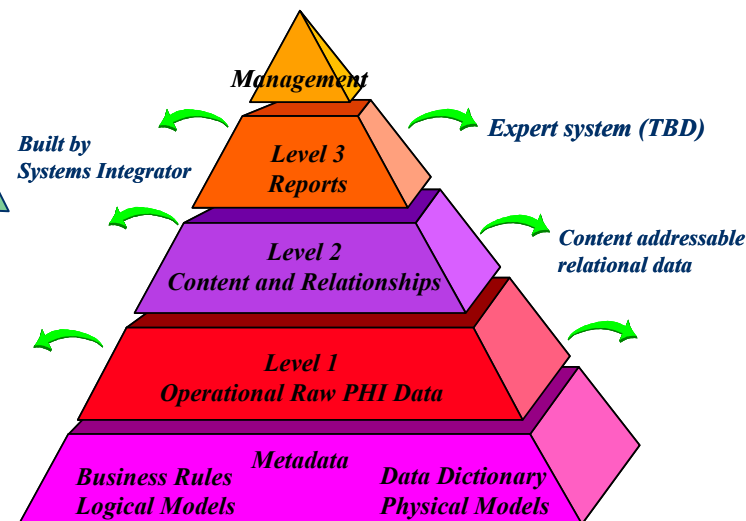


# New View of Data Integration



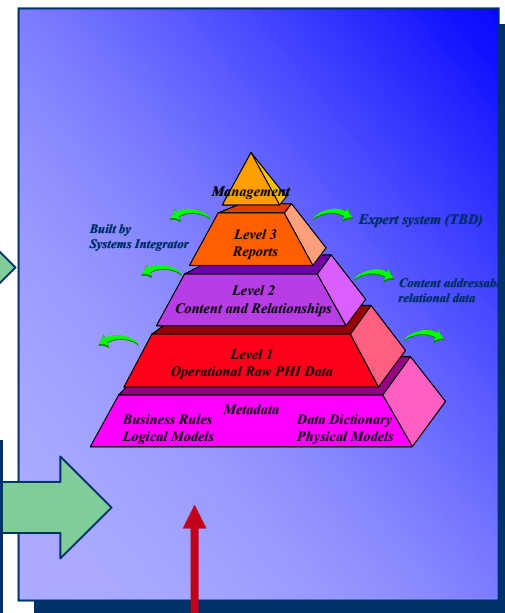
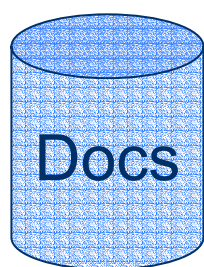
## ◆ What's New Today?

- Capture all key entities
- Link them using relationships
- Use your own vocabulary to define data
- Keep an audit trail of who has seen or changed information
- Plan for electronic medical and financial management



# New View of Data Integration

## Step 1: Load Foundation



*Infrastructure for Data Management  
(Claims and Documents)*

**Establish the  
Foundation**

**Achieve Cost &  
Time Savings**



# Integrate through PwC

*Integrate Data*

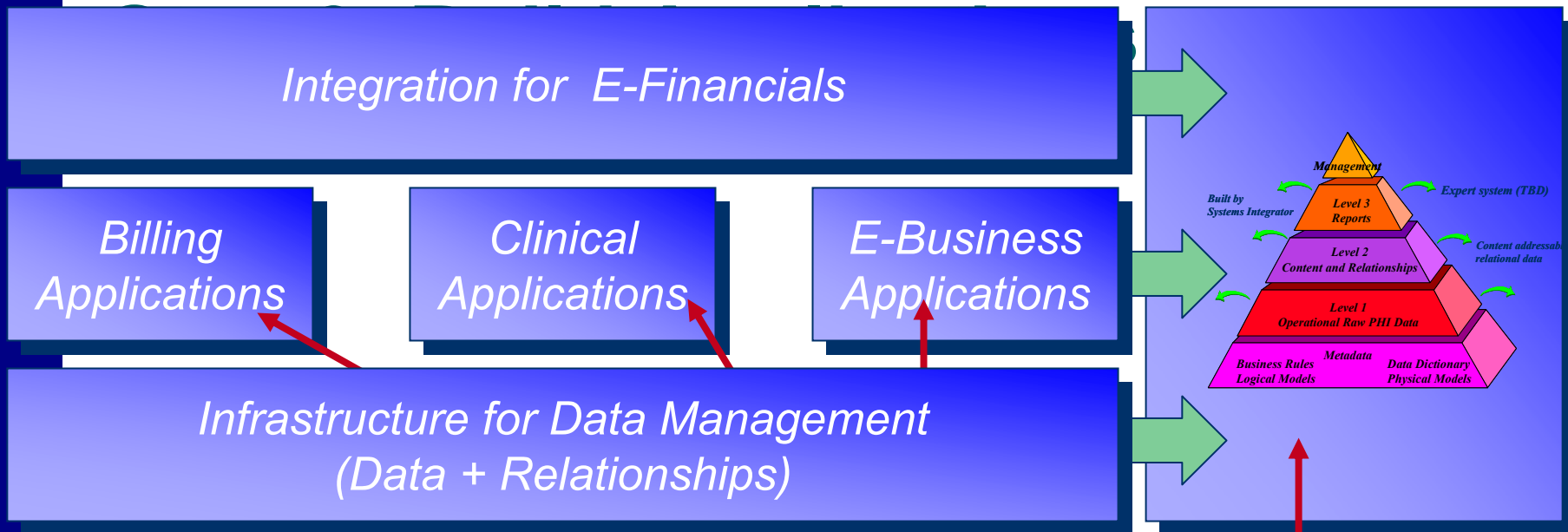
*Infrastructure for Data Management  
(Data + Relationships)*

**Establish the  
Foundation**

**Integrate &  
Organize**



# View of E-Financials Value Chain



**Establish the Foundation**

**Integrate**

**Leverage the Investment**

**Achieve Cost & Time Savings**



# How do we accomplish this now?

- Define entities that define your world:
  - Organizations
  - Persons
  - Providers
  - Claims
  - Documents
  - Contracts (healthcare and commercial)
  - Etc.



# How do we accomplish this now?

- Create relationships among entities
  - Organizations (build healthcare chain of control)
  - Persons (create families, dependencies)
  - Providers (offices, facilities, groups)
  - Claims (link to clinical data and administrative)
  - Documents (create CRM, PHI, claims attachments)
  - Contracts (healthcare and commercial)
  - Etc.



# How do I get started?

- Load your data
- Begin creating key relationships
- Begin linking documents for claims and medical management
- Drive up revenue and cash flow by all electronic claims and document management
- Build a clinical repository linked to financial & administrative data



# Solutions for E-Financials

## Data

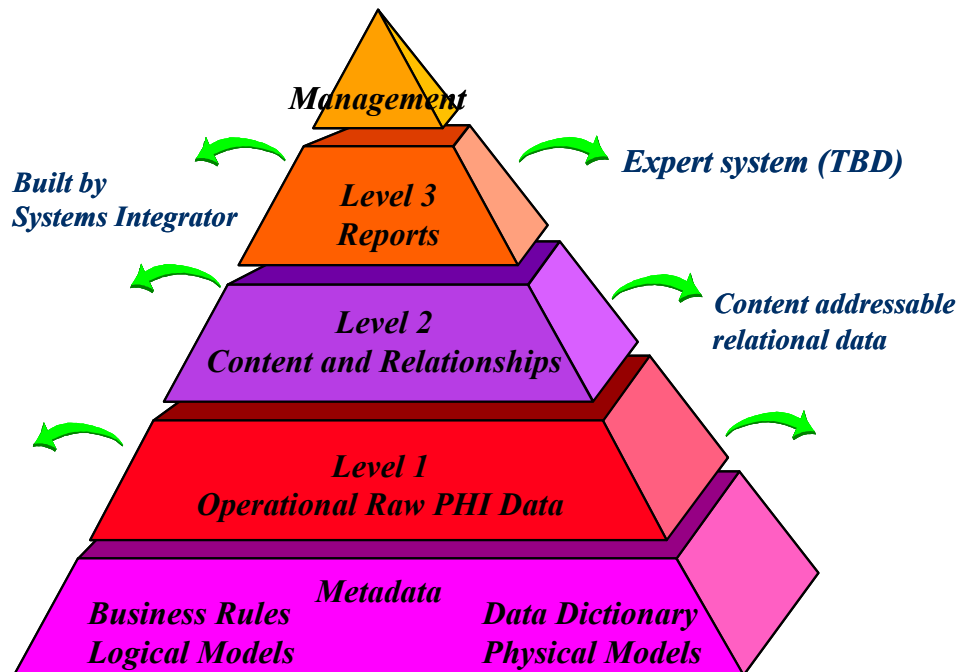
People	Organizations
Treatments	Providers
Claims	PHI
Clinical	Transactions

## Relationships

Part-of	Create Entities	Financial Management
Owms	Link Entities	Medical Management
Has	Model <u>Your</u> World	Clinical Repository

## Applications

Analyze
Report
Audit



## “Island” Integration



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