

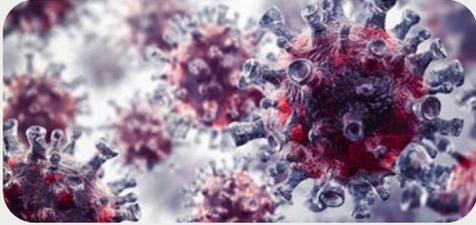


# WE WERE READY FOR COVID

## California Hospital System Achieves Proactive Financial Response to COVID Thanks to Decision Support Relationship

### KEY POINTS

- Some hospitals stepped into the COVID-19 pandemic well-prepared.



- A California research and teaching hospital system was one of these, thanks to early action that prioritized streamlined data and communication across all systems.



- This approach helped them leverage the data collection capabilities of their EPIC installation and empowered their leaders to navigate the pandemic with minimal additional vendor support.



- It also allowed them to easily conduct the internal and external reporting necessary to demonstrate lost utilization to FEMA.

*Many hospitals and health systems have been left scrambling to adapt their financial reporting in the face of a pandemic — but not all.*

*This large California research and teaching hospital system was prepared to address costing, government reporting, and labor analysis challenges with minimal vendor support because of their proactive choice to partner with an accuracy-focused decision support system for their financial reporting needs.*

### Strategic Decisions Before the Pandemic

Almost 10 years before COVID-19 became an issue in their state, hospital leadership decided to prioritize fluid communication between their complex systems and to streamline their approach to data.

At the time, they were navigating a transition to Epic, which meant their EHR and general ledger weren't communicating. Reporting was further complicated by recent acquisitions of two other hospitals and the existence of multiple clinics whose reporting and data would need to flow seamlessly for optimal decision-making.

They addressed these issues by starting a relationship with Oi Health — not knowing that the partnership would be one of their greatest assets in a future pandemic.

### WHY Oi

- Minimal vendor support and consulting services needed after initial install
- Enablement of disparate source systems to ingest data and provide additional, diverse reporting
- Modules consolidate information critical to improving the patient experience, enhancing quality, and identifying opportunities to reduce cost of care
- The need for honest data and fluent communication between EHR, GL, and cost accounting

### Why This Hospital System Was Ready for COVID-19

When COVID-19 hit the California region, hospital leadership had to make minimal adjustments.

### A Patient-Centric Focus on Applying Data

Their transition to Epic had enabled extensive data collection, but even in cases where fields were available there were many situations where processes were not in place to populate them. Their partnership with Oi provided insight into how they were using Epic, providing ongoing gap analysis even in the middle of a fast-evolving crisis.

Accounting has built three new pandemic-specific cost centers to capture COVID-related expenses without the delay of waiting on vendor response.

## High-Level Reconciliation and Reporting

Since financial leadership implemented [Oi Cost Accounting](#), they've been able to perform extensive, high-level reconciliation and costing — for example, tying gross charges, and accounting for cost functions that were critical as elective procedures dropped off and COVID-treatment increased.

From the first warnings of the pandemic, roles from the analyst level to the CFO have been enabled to independently design and perform the ad hoc reporting necessary to understand utilization and associated statistics during a pandemic.

## Enabling a Vendor-Independent Response to COVID-19

Without the delay of waiting on vendor response or the additional expense of consultants, system leadership has used the Oi platform to create tabular and graphical reports and quickly reconfigure the chart of accounts and patient classifications to capture COVID activity. Since data flows in automatically, they can create a complete picture by the next day using consistently fresh information.

Financial leadership has additionally established a list of routine reports based on data that lives within Oi modules. They are also developing scheduled reports that can be automated for delivery to the CFO and other financial leadership.

Leadership has continued this refinement process without vendor support, a benefit that's common for Oi partners.

### Oi Modules Undergirding COVID Response: [Cost Accounting](#)

Enables hospital leadership to match utilization with resources and track results as the pandemic has progressed

### [Labor Productivity](#)

Facilitates in-depth labor analysis as post-pandemic staffing challenges emerge

## Internal and External COVID Reporting

At this time, with 85 identified cases, COVID's impact in their area has not been as severe as expected. While this has been a positive for their community, their reporting needs have still increased.

Within the organization, accounting has created three unique, pandemic-specific cost centers along with a new COVID-19 service line and the associated flag to enable simple reporting.

Externally, they have received requests from FEMA for utilization impact reporting to demonstrate lost utilization because of decreased elective surgeries. Thanks to their use of Oi, they've been able to provide the agency with detailed trend reports with minimal effort — the CFO has been ecstatic about the type and quality of data they've been able to pull for government reporting. While there was some initial trepidation around

submitting incorrect information, now they have confidence in how numbers are calculated and have been proactive in letting Oi know how far their abilities have evolved over the relationship.

## A Post-COVID Financial Future

The system has recently renewed their contract with Oi, with plans to conduct more detailed labor analysis through the [Labor Productivity](#) module. This will enable them to track every employee across every pay period for dollars and hours, allowing managers and finance to quickly and easily evaluate resourcing through simple points and clicks.

Leadership is looking forward to developing an even deeper understanding of all the moving parts of the system's financial health as they continue to be shaped by the challenges that COVID poses to patients, clinicians, staff, and the entire organization.

The CFO also anticipates further leveraging Epic's extensive data collection capabilities in conjunction with Oi's accuracy-focused decision support and added insight into data collection practices.

## Lessons for Other Hospitals

**The factors that enabled success in the age of COVID are not particular to a pandemic. Hospitals that are interested in making similar preparations should consider a few, emerging trends:**

- **A New Age of Financial Initiatives:** There is general, informal industry consensus that, post-COVID, hospital leadership will find it necessary to create a new breed of financial initiatives.
- **Business Will Become the Norm:** Almost overnight, hospitals have been forced to prioritize cost accounting and cost containment. Healthcare has lagged in this area but now is being forced to function with a more business-like focus, while still prioritizing patient well-being.
- **The Need to Monitor KPIs on a More Timely Basis:** To achieve this new cadence, shadow systems will have to be reconciled to ensure their accuracy, necessitating tools that can ingest data and present it with minimal support.
- **The Importance of Forecasting Future Utilization:** To support repayment of government aid in the form of loans, hospitals will need the ability to forecast future utilization through tools that can budget at a case-based level.
- **Value in Conducting Margin Analysis:** Hospitals will need to understand profitability from their major procedures, shifting their focus from a pure revenue, reimbursement, and market-share perspective to profitability per case.

*For hospitals invested in real change, Oi Health delivers on the promise to marry financial and clinical departments. That's because Oi Health is the only healthcare data analytics partner who knows this journey is more than software. Oi stays by your side to guarantee efficient financial management processes, clinical engagement, and honest data. Contact us to learn more. 800.750.0201 or [info@oihealth.com](mailto:info@oihealth.com)*