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Driving
ROI

The Business Case for Proven Healthcare-Specific Governance, Risk Management, and Compliance Solutions

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Managing risk and complying with regulations and standards is more difficult in a constantly shifting market where operating margins are pressurized. A recent study shows that health systems must comply with 629 discrete regulatory requirements and spend $7 - $9 million per year on the administrative activities associated with compliance.[1] To survive and thrive, health systems require healthcare-specific governance, risk management, and compliance solutions that streamline healthcare operations and mitigate risk while improving care quality and patient outcomes.

Hobson & Company (H&C), a leading research firm focused on return on investment (ROI) studies, worked with symplr, a leader in healthcare-specific governance, risk and compliance solutions, to explore market challenges and learn how industry leaders are responding.

H&C conducted independent research consisting of six in-depth interviews with symplr Governance, Risk Management, and Compliance customers using the symplr Contract and/or symplr Compliance solutions. The research revealed that symplr addressed specific customer challenges to deliver a quick and compelling ROI.

In one year, customers generated a:

598% ROI

The effects of symplr's Governance, Risk Management, and Compliance Solutions are strategic and measurable.

Based on H&C and symplr's analysis, a health system with 1,538 active employees, managing 3,000 contracts and $318 million in net patient revenue would pay back the cost of using symplr's solutions in less than three months and generate an ROI of 598% in one year.

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Governance, Risk Management and Compliance Challenges in Healthcare

Customers interviewed for the study said that there are consistent and increasing challenges to effectively managing their contracts, compliance, and risk exposure. Below are some of the most universal concerns.

Complex regulatory environment

Health systems face a significant regulatory burden in today's environment. The consequences of regulatory non-compliance are severe and range from large fines with legal fees to reputational damage that can lead to lost business.

Decentralized data storage

Our research found that health systems often store their contracts, policies, and related documentation in disparate systems, which makes accessing, aggregating, analyzing, and reporting on the data time-consuming and inefficient. One customer reported having contracts managed in seven different systems.

Customer research identified six benefits of symplr's governance, risk management and compliance solutions across two key business objectives:

Streamline Healthcare Operations
and
Mitigate Risk

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Streamline Healthcare Operations

Reduce time spent managing documents

symplr Contract provides a central repository for all healthcare-related contracts allowing users to quickly and easily access critical contract information directly from the contract landing page. symplr Compliance's Document & Policy Management enables healthcare organizations to create, manage, and store important documents, such as policies and procedures, plans, correspondence, and other files that represent evidence of an effective risk and compliance program.

Customers interviewed reported:

50-60%

REDUCTION in time spent managing documents

> **"Prior to having symplr Contract, I would spend 10–15 hours per week scanning and uploading contracts, and now I spend 3-4 hours per week and can focus my time on drafting contracts."**
> *- 5-hospital, 310-bed health system in the Western United States*
>   *Legal Contracts Administrator*

Reduce time spent on reporting

symplr Contract's reporting automates the process of identifying, managing, tracking, and notifying business owners of expiring contracts. symplr Compliance's automated reporting elevates the data from the day-to-day management of the compliance program into real-time, actionable information with embedded IBM Cognos reporting. The result: organizations generate compliance reports quickly and easily for the board and other key stakeholder presentations.

Customers interviewed reported:

90%

REDUCTION in time spent on reporting

> **"It would to take us at least 8 hours to gather and validate all of the data for our reports and now we are able to get them done in 2 minutes, and we are able to report each month instead of just quarterly."**
> *- 4-hospital, 440-bed health system in the Southeastern United States*
>   *Interim Chief Compliance Officer*

Reduce time spent managing and tracking compliance issues

symplr Compliance's Issue & Action Management enables organizations to manage any activity, event, issue, or investigation related to compliance, audit, and risk activities from one central solution. This gives organizations unprecedented visibility into and precise control over critical issues across the entire enterprise.

Customers interviewed reported:

45%

REDUCTION in time spent managing and tracking compliance issues

> **"I use the Issue and Action Management module for all of my projects to help track all of the incidents we are working on. symplr makes us much more efficient and saves us time."**
> *- 10-location health system of Federally Qualified Health Centers in the Western United States*
>   *Compliance Manager*

Reduce the chances of penalties or fines

symplr Contract helps avoid penalties and fines with simplified data gathering, activity monitoring, and compliance reporting, so organizations can evaluate and manage vendors and associated compliance risks, track provider time reporting, avoid conflicts of interest, and record gifts or other non-monetary compensation. symplr Compliance's Risk Assessment Management module helps organizations know their regulatory stance even as the volume of regulations continues to grow exponentially. It provides clear visibility into an organization's risk landscape and offers deep insight into vulnerabilities with real-time dashboards and powerful, built-in IBM Cognos reporting.

Customers interviewed reported:

60%

REDUCTION in the probability of penalties or fines

> **"symplr Contract helps us avoid 90% of potential penalties associated with non-monetary gifts to physicians."**
> *- 39-hospital, 6,000-bed health system in the Midwestern and Southeastern United States*
>   *Director of Legal Operations*

Reduce the odds of reputation damaging incidents

symplr Compliance's Risk Assessment Management helps reduce reputational damage by proactively identifying risks, while Issue and Action Management helps effectively manage investigations/corrective action plans/activities conducted as part of the compliance program helping to decrease issue resolution time. In addition, Document & Policy Management ensures that policies and procedures are up to date and made available to employees.

Customers interviewed reported:

Avoiding 1

reputational damaging incident

> **"Prior to implementing symplr, we had a situation with a whistle blower reporting us for a "false claims" situation that led to a $7.9 million penalty and led to us being placed on a Corporate Integrity Agreement (CIA) for 5 years. Both the local and national media picked up the story, and we were included on a "wall of shame" on the OIG website. I believe that our patients lost trust in us, thinking that we were trying to fraudulently receive payments from the Medicare program, which is not the case. But patients don't understand that, and our board was very upset as it was an embarrassment. symplr has helped us avoid these situations."**
> *- 4-hospital, 440-bed health system in the Southeastern United States*
>   *Interim Chief Compliance Officer*

Reduce cost of external risk assessments

symplr Compliance's Risk Assessment Management helps organizations reduce the frequency of expensive third-party risk assessments using an automated internal assessment process that integrates with Issue and Action Management to automatically create and track any issues found.

Customers interviewed reported:

Avoiding 1

annual external risk assessment

> **"Prior to implementing symplr, we were using a third party to conduct our 2019 risk assessment at a cost of $45,000. Part of the business case for symplr Compliance, was to bring that risk assessment work in-house with the Risk Assessment Management module."**
> *- 4-hospital, 440-bed health system in the Southeastern United States*
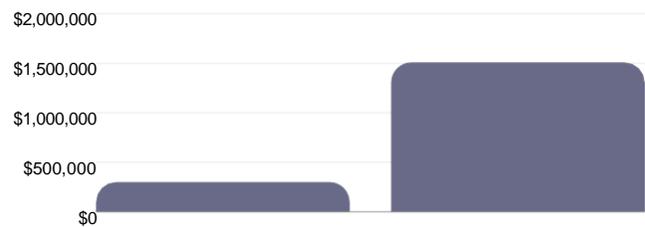>   *Interim Chief Compliance Officer*

Key Findings

Research Results

The ROI of a validated, healthcare-specific governance, risk management, and compliance solution is immediate and demonstrable. A sample hospital system with $318 million in net patient revenue with the following profile can realize significant financial benefits from an investment in symplr:
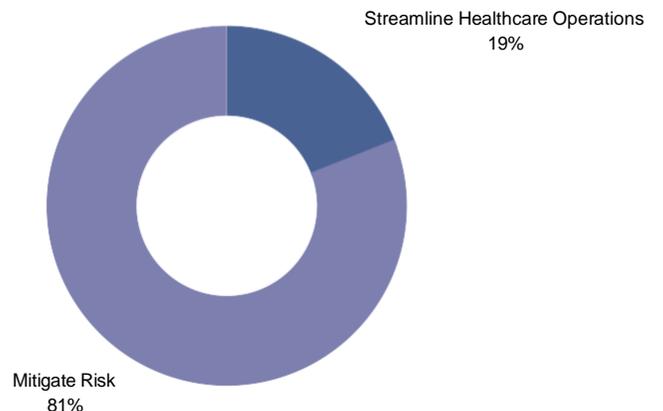
- 1,538 active employees
- 3,000 contracts

A health system with this profile generates a positive return in less than three months and a one-year ROI of 598%, with annual benefits exceeding $1.5 million.

Investment vs. Return

Benefits by Business Objective

Streamline Healthcare Operations
19%

Mitigate Risk
81%

Sources: 1- https://www.aha.org/guidesreports/2017-11-03-regulatory-overload-report

About symplr

symplr is the leader in enterprise healthcare operations software and services. For more than 30 years and with deployments in 9 of 10 U.S. hospitals, symplr has been committed to improving healthcare operations through its cloud-based solutions, driving better operations for better outcomes. Our provider data management, workforce management, and healthcare governance, risk management, and compliance (GRC) solutions improve the efficiency and efficacy of healthcare operations, enabling caregivers to quickly handle administrative tasks so they have more time to do what they do best — provide high-quality patient care. Learn how at www.symplr.com.

About Hobson & Company

Hobson & Company helps technology vendors and purchasers uncover, quantify and validate the key sources of value driving the adoption of new and emerging technologies. Our focus on robust validation has helped many technology purchasers more objectively evaluate the underlying business case of a new technology, while better understanding which vendors best deliver against the key value drivers. For additional information, please visit www.hobsonco.com.

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