Gaining Key Insights for a Single Vendor Application Platform



The leaders of a highly regarded regional health care system with significant growth goals were facing a major, enterprise-impacting business decision: whether to migrate the organization to a single vendor application platform from the organization's current, multi-vendor system.

Problem to Solve

To combat decision fatigue, several renowned business leaders purposely limit their "non-strategic" decisions, like what to wear or eat daily, to save their decision-making energy for when it really counts. Other leaders rely for decision-making on the keen insights of experienced aides and consultants.

The leaders of a highly regarded regional health care system with significant growth goals were facing a major, enterprise-impacting business decision: whether to migrate the organization to a single vendor application platform from the organization's current, multi-vendor system.

There would likely be several long-term advantages from this potential change, including simplifying the health care system's technical environment, improving care coordination and staff satisfaction, and enhancing patient safety and the overall patient experience. In addition, standardizing applications to fewer select vendors could strategically boost the health system's long-term plans to expand market share within a growing population region.

On the other hand, the health care system's leaders knew this application change would cost well into eight

figures, take years to complete and disrupt operations across the enterprise, no matter how well-executed. At what point do the potential gains of a major business decision so significantly outweigh its costs and obstacles that it clearly becomes the “right” decision?

In preparation for making a final decision, the leaders of the health care system engaged Freed Associates (Freed) to assess key market, financial and operational impacts. Freed was chosen for this work based on its extensive experience advising clients on assessing, selecting and optimizing the use of several industry-leading application platforms. Additionally, it would not have been possible for the health care system to devote enough internal resources to gain the objectivity, analysis and market insight it needed regarding this matter.

Freed’s work involved four principal tasks:

- Assessing the current state of the system’s application approach
- Defining the potential future state of a single vendor application platform
- Developing a seven-year Total Cost of Ownership model
- Analyzing and giving feedback on all associated benefits vs. constraints regarding this decision

Strategy and Tactics

For consistency of analysis pertaining to the current and future states of the health care system’s applications platform, Freed confined its assessment to seven primary areas of focus. These were:

1. Patient experience, safety, satisfaction and consumerism
2. Care and administrative team satisfaction and operational efficiency
3. Care continuum and coordination
4. Standardization and streamlined interoperability
5. IT staff optimization and retention
6. Market growth and innovation
7. Cost savings and financial benefits

Freed’s current state analysis revealed a complex mix of vendor solutions across the health care system’s applications environment. Principally, maintaining two separate EMR-associated vendor platforms across the health care system’s hospital and medical groups continuously strained the system’s user and support bases, adding to ongoing operating costs and compromising system-wide operational efficiencies.

A contextual analysis of the health care system’s principal competitors and the health care market in general confirmed what was already suspected: that the organization risked significantly lagging behind its competitors and the industry by continuing to support a multi-vendor system.

© 2012-2021 Freed Associates, Inc.

By adopting integrated application platforms, the health care system's competitors were more readily able to share capabilities across multiple entities, providing them with greater functionality and more opportunities for implementing new technologies. From a consumer perspective, these new technologies were directly meeting expectations for patient experience and consumerism.

Conversely, Freed's analysis found that adopting a single vendor application environment aligned directly with the health care system's planned business and IT strategic objectives. These included plans to:

- Enhance data governance, risk mitigation, security and informatics
- Standardize and streamline interoperability across all business units
- Increase market share growth capacity
- Improve the efficiency and cost-effectiveness of IT operations
- Support and improve physician alignment

In sum, Freed's analysis revealed multiple benefits for adopting a single-vendor applications platform that directly met all seven of the health care system's primary focus areas. For example, from a patient care perspective, a single platform would create efficiencies and improve the overall coordination of clinical care and reduce the likelihood of records-related errors. It would also provide an array of enhanced patient-facing tools demonstrated to increase patient engagement, retention and loyalty, and overall satisfaction with the patient experience.

From a strategic, operational and clinical standpoint, it became abundantly clear the health care system and its patients would significantly benefit from having a single vendor application platform. The key next questions then became "When?" and "How?"

Results and Conclusion

In addition to supporting the health care system's decision toward adopting a single applications platform, Freed also provided the client with a comprehensive overview and recommendations for implementation and timing. This information gives the client an invaluable "game plan" it can readily apply as it plans for initiating and adopting the recommended single-vendor solution.

Leaders from the health care system were pleased with the depth and degree of analysis, insight and recommendations provided through this engagement. In addition to confirming the client's preconceptions about these plans, this work also revealed several new areas of focus and attention that the organization had not previously considered.

The system's leaders can now confidently make a more definitive, accurate decision regarding their applications platform. They also now have vital insight into navigating the complicated multi-year process for adding and adopting enterprise-wide a single new system.

© 2012-2021 Freed Associates, Inc.