



INFINIT-O

Endless Opportunities

PROFESSIONAL HEALTHCARE RESOURCES *Case Study*

Healthcare Outsourcing:

*Operational Efficiencies and Cost Savings
Result in Significant Improvement to Margins*

SUMMARY

Professional Healthcare Resources (PHR), the largest independent home healthcare provider in the Baltimore-Washington DC-Northern Virginia corridor, with a network of seven locations that serves the DC area and over 20 key counties and independent cities in Maryland and Virginia, engaged **Infinit Outsourcing (Infinit-O)** to serve as their partner in the Philippines to provide various corporate and administrative functions to scale with growth, improve efficiency and reduce corporate expense.

THE CHALLENGE

PHR has a track record of de-novo branch start-ups and selected acquisitions since its founding in 1994. Over its history, the Company has opened six new locations and has made three acquisitions. Starting initially as a hospital staffing agency, PHR developed growth initiatives to enter the Medicare home health and Medicaid-waiver home care programs. They also entered the hospice market in 2007. PHR has successfully integrated its acquisitions and start-up operations, applying corporate best practices and efficiencies.

With these developments, management needed to identify strategies to support continued organic growth and acquisition growth. These strategies had to protect the company's margins which they see declining due to several factors, such as increasing corporate expense due to expansion/ acquisition and a decline in overall reimbursements by their main payer, Medicare.

OUR SOLUTION

When PHR engaged Infini-O for their services, they were very clear about their goals. Using those goals as the blueprint, Infini-O designed a customized offshore business process model that met and exceeded their goals.

Because Infini-O believes that trust is the most important element in any relationship, we started by sharing our “open-book pricing” where partners can see each component of costs. This approach builds trust by making the economics of the relationship transparent and our “value added” element more prominent.

Infini-O leveraged low-cost, Philippine-based labor and our highly efficient cost structure to provide a professional team and resources for PHR that reduced labor costs significantly.

Since the beginning of the engagement, Infini-O focused on optimizing and increasing efficiency across all processes. Infini-O reviewed the PHR operating model to simplify production, reduce lead and turnaround times, improve operational planning, and practice more effective performance management.

The project-wide optimization exercise and continuous focus on process improvement resulted in a range of savings year after year.

As a result, operating expense decreased by an average of 30-50%.

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OUR SOLUTION

To ensure that PHR received only top-caliber resources, Infinit-O utilized its 5-Step Recruitment Process to source and hire staff members:

1. *Candidates are screened based on the requirements that were pre-defined during the conceptualization process.*
2. *Candidates are invited for a face-to-face interview session with one of the assigned Recruitment Specialists, with the aim of assessing the candidates' inter-personal capabilities.*
3. *As soon as the candidates clear steps 1 and 2, they are given project-specific test sets. This is to gauge their overall knowledge and abilities on the subject matter.*
4. *If the candidates pass steps 1-3, he/she is then scheduled for a sit-down interview session with the Hiring Manager. This is done to ensure that the hiring manger can work with the candidate and the candidate will thrive in the team's over-all culture.*
5. *As soon as the candidate clears all 4 steps, he/she is scheduled for a final interview. Although partners usually do not interview, they are given the option to conduct the final interview with the candidate before he/she gets hired.*

INFINIT-O'S 5-STEP RECRUITMENT PROCESS

1 Phone/Paper Screening 

2 Human Resources Interview 

3 Project-specific Exam Set 

4 Operations Interview 

5 Final Interview 

OUR SOLUTION

To guarantee continuous process improvement, Infini-O utilized business controls as part of our ISO Standards, tight Performance Management, plus the application of Six Sigma methodologies.

Infini-O provides services to PHR via a dedicated team and has the scale, infrastructure and access to lower labor cost needed to support the Healthcare Industry. Relative to PHR's local service markets, the Philippines labor market offers high quality, highly educated labor at lower cost. For example, PHR is able to outsource certain clinical matters including medical coding and OASIS review to Registered Nurses at significantly lower hourly wage rates vs. the U.S. equivalent.

The U.S.-Philippines time difference also offers certain operational efficiencies. For example, PHR uploads patient case information daily to the Company's central servers and this information is transmitted to Infini-O. Infini-O Staff members review PHR's patient case information, the patient's needs, number of visits provided to date, evaluate compliance and make recommendations to PHR. Based on this recommendation and the patient's needs, PHR is able to quickly schedule or reschedule missed visits and drive effective and efficient compliance.



RESULTS

Once all processes were implemented, the engagement yielded the following results:

PHR has been able to achieve its growth without sacrificing margins. Since they were able to have access to lower labor costs, manpower requirements were met while reducing corporate expense related to salaries and wages.

PHR was able to scale due to their engagement with Infini-O. Despite an average growth rate of 10%, PHR was able to reduce corporate expense by an average rate of 1% per year.

Eileen DeCesare, RN,MS, CNAA, LNC, NE-BC

President/CEO Emeritus, PHR

Testimonial



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Professional Healthcare Resources came to Infini-O in 2006, hoping to get an answer to a simple question. Can a small, family-owned company realize the benefits of off-shoring in the same way that large companies have been doing for years? We started small, moving a limited set of repetitive, easily automated data entry tasks to the Infini-O team. The team proved very dependable and the results were immediately apparent. Quality and volume of work were high and offered a significant cost savings to the company. We were quickly emboldened to expand our involvement with Infini-O, identify even more complex tasks to off-shore and greatly increase the size of the team. Today, the Infini-O team has some degree of involvement with nearly every department in the company: Admission, Billing, Payroll, HR, IT, Reporting, Clinical Review. Infini-O offers a consistently high quality and stable workforce and continues to be one of our most valued partnerships. Infini-O can be relied on and they go over and beyond expectations. They are absolutely part of our TEAM.

RESULTS

The engagement also shielded PHR from the huge reduction in Medicare reimbursements that started in 2011.

Patient satisfaction has been consistently positive. Though Infnit-O has no direct hand in this, it enables PHR to focus on its core business – delivering top-notch patient care.

Operational Efficiencies were also realized in (but not limited to) the following areas:

Medical Billing:

Because the company's cash flow heavily relies on reimbursements, it is a must for the Medical Billing department to be highly efficient. Outsourcing the billing tasks to Infnit-O gave PHR access to highly specialized personnel, who are HIPAA-compliant and governed by ISO and Six Sigma standards. These personnel also undergo Performance Management assessments on a regular basis. This ensured that no claims are rejected. This yielded to an Aging report of <30days, which by any Medical billing standards, is excellent.

Information Technology:

Because the PHR field staff relies heavily on their tablets to perform their tasks, it is essential for them to get the support they need every time they are with a client. Before outsourcing this task, a ticket had to wait an average of 60 minutes before it gets addressed. When PHR delegated the task to Infnit-O, resolution time went down to an average of 30 minutes. This was possible because of the caliber of the personnel at Infnit-O and PHR's ability to scale the IT Department due to lower labor costs.

Medical Coding:

Having in-house medical coders requires a lot of investment and overhead, not to mention their scarcity in the US. The Philippines has a good bench of AHIMA/AAPC certified medical coders without the hefty hourly costs. This was also leveraged by PHR. Infnit-O made sure that all charts were coded 24-72 hours after they were scanned into the system. This allowed the billers to submit the claim to the payer in no time.

Industry: Healthcare

Offering: Business Process Outsourcing

- Saved 30% to 50% of operations costs compared to cost of the client's internal and external contract resources
- Expanded capacity by leveraging a trained and experienced team at a fraction of the cost of internal resources
- Fluid Cash flow
- Continued rise in Patient Satisfaction
- Significant increase in Employee Satisfaction
- Acquired an offsite business continuity option
- Increase in overall company valuation



Medical providers — whether they are Healthcare Payers, Healthcare Providers, in the Software-as-a-Service (SaaS) Industry, or Pharmaceutical Industry — encounter a number of financial challenges. The Healthcare Industry faces increasing pressures on matching labor supply with the demand for quality service. The industry reform in the US resulted to an exponential growth in staffing needs and stretching of resources because of 32 million newly-insured Americans seeking healthcare coverage. Companies are not just focusing on meeting the accelerated demand for healthcare services, they are also looking into how they can provide better healthcare at a lower cost. And that's where healthcare outsourcing comes in.

Healthcare outsourcing isn't just about medical billing and coding services anymore; it can refer to a myriad of other services. Infinit-O's talent pool can handle claim processing or end-to-end processes and other individual functions at a fraction of the cost of an in-house staff. We can provide a dedicated team for the healthcare service you need to be done efficiently and accurately so you can focus on other essential business functions.

With Infinit-O's reliable and cost-effective outsourced processes, you can once again focus on providing quality healthcare without worrying about the administrative tasks that go along with it.

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