Electronic Document Management Improves Your Bottom Line

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Many businesses and healthcare organizations have already discovered how Electronic Document Management and Automated Document and Data Capture will reduce the costs associated with Processing Payables, Managing Purchasing and Human Resources documents, and any other document and data intensive business process in your organization today.

Our presentation today will discuss the benefits that can be obtained from these systems, and how this is accomplished.
Electronic Document Management Improves Your Bottom Line

Or...

The Future of Paper is Highly Overrated

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Electronic Document Management Improves Your Bottom Line

Or...

The Future of Paper is Highly Overrated (?)
What is Electronic Document Management?

• First, let me ask you a few questions...
• How many of you are familiar with Electronic Document Management or EDM?
• How many of your facilities are using EDM today – either in the Administrative office or for patient records?
• How many of you have heard of the EMR? Are any of your facilities using this system?

What you hear today will help you learn how to gain even more benefits and efficiency from your systems.
What is Electronic Document Management? A (brief) Definition

For the benefit of those who are not familiar with Electronic Document Management (EDM), I will give you a brief summary...

• AIIM has defined EDM as “the use of a computer system and software to store, manage and track electronic documents and electronic images of paper based information captured through the use of a document scanner”.

• Many acronyms and terms are used in our industry – EDM – Electronic Document Management, ECM – Electronic or Enterprise Content Management, Document Imaging, Document Archiving, electronic records management and others are frequently used to refer to the same thing – systems that automate and manage the data and documents required to conduct business and document daily transactions.

• Today we are using the term Electronic Document Management to encompass all of these.
• One significant point... Many of you said you had heard of, or are using an Electronic Medical Record or EMR

• Before we get to our main message today, I just want to clarify that there are distinct differences in the EMR and EDM. The two are not mutually exclusive... and in fact frequently work in harmony to provide a total solution for patient records and facility Administration records

• This topic alone could be a complete course, but today we will focus on the benefits of an EDMS as it applies to Administration applications in a healthcare facility, and how EDMS can Improve Your Bottom Line
What is EDM

An EDMS is simply:

- A computer based system which securely indexes, stores and provides immediate access to literally any type of electronic file
- Allows any authorized user to access any document immediately
- Allow documents to be routed to a specific user for immediate review
- Provides a way for users to electronically add notes and approve a document from literally anywhere that person has access to the internet.

“These systems have evolved since the mid-1980’s to encompass [all types of] electronic documents, collaboration tools, encryption security, workflow, and auditing capabilities”.

So the technology is older than some of you in the audience today.
What it is NOT
Problem: Silos of Information

1 Process – 4 Searches

E-Mail

PC file

Paper

ERP/EMR data
Solution: Electronic Document Management

One Central Point of Access for All Documents
Retrieve documents directly from within your AP system

Allows knowledge workers to work more efficiently
Some Document Management Benefits

Eliminate Lost or Misfiled Documents - Removes paper clutter from desks across the facility
Reduction of Space Required for Filing - Reduces cost of document ownership while improving document-dependent business processes
Simultaneous multi-user access over networks - Provides easy access to stored documents on demand. Speeds the distribution of documents for work processes
Reduces risk, exposure, and costs relating to government regulation non-compliance, legal eDiscovery failures, and lost/misused critical business information
Password Security to Control Access
Audit Trail for all user and system activities
Empower employees to focus on the result rather than on the task
Documents are the lifeblood of any organization

- They represent the ability of a company to communicate and interact with other entities
- They establish the verification of services rendered or actions taken
- They provide legal evidence for the obligation of a payment
- They provide a history of progress of an event or series of events

The ability to control and manage business documents efficiently plays a major part in an organizations’ ability to maintain profitability and to succeed
Hospital Administration
Multiple Applications

- **Accounting**
  - Accounts payable
  - Accounts receivable
  - Record keeping

- **Sales**
  - Proposals
  - Customer requests
  - Orders
  - Customer files

- **Human Resources**
  - Resumes
  - Credentialing
  - Personnel-related documents

- **Purchasing**
  - Purchase requisition forms
  - Product information
  - Contracts

- **Production**
  - Assembly instructions
  - Output controls
  - Pick sheets

- **Logistics**
  - Proof of delivery
  - Shipping documents
  - Customs documents

- **R&D**
  - Research release notes
  - Project-related documents
  - Public announcements

- **Quality Assurance**
  - Test reports
  - Notifications
  - Contracts

- **Controlling**
  - Planning
  - Record keeping
  - Financial Reports

- **Records Management**
  - Knowledge Management

- **Cross-departmental**
Use Cases

- **Accounts Payable**: invoices, correspondence, contract management
- **Business Office**: EOB, UB-92 and other billing forms, check payments, collection and other correspondence, RAC materials
- **Collections**: late-charge reports, dunning notices, payment agreements
- **Financial Counseling**: social-work assessments, Medicaid application denials, documents for charity care approval
- **Human Resources**: applications, résumés, performance reviews, credentialing, counseling records, separation paperwork; archived personnel files, contracts
- **Legal/Risk Management/Compliance**: Demand letters, disciplinary review and action records and confidential communications, contracts, release of PHI, response to enforcement actions
- **Management Approvals**: refund requests, adjustments and cash transfers
- **Materials Management**: inventory records, warranty documents, maintenance records, routine inspection records
- **Quality Assurance/Improvement**: A/I investigations, improvement projects
- **Research**: consents, forms, treatments
For too many organizations, AP remains challenged by inefficient processes and a blizzard of paper based and emailed electronic invoices that limit the speed, accuracy and compliance controls critical to successful management of a company’s outgoing payables.

Recent research from the Aberdeen Group suggests the average cost of processing a paper invoice now exceeds $10, and for some organizations, can exceed $20.
Survey results and more than seven years of research findings indicate that -

Imaging & Workflow Automation (IWA) solutions that streamline the invoice ‘receipt-to-pay’ cycle, and address new requirements for efficiency and control have matured and have become mainstream technology.

PayStream Advisors Study 2009
Purchase Requisitions, Purchase Orders, Shipping Documents, Vendors Invoices and the Vouchers and Checks are scanned with a high speed scanner, indexed, and stored on a Document Server.

Indexing is performed by manual key entry, or by data transfer from a delimited text file that is copied to the Document Server from the Accounting system and then used to populate the index fields of the invoices.

Automatic indexing and data capture via the intelligent indexing capabilities of today’s automated data capture systems can increase efficiency significantly.

Documents are automatically stored and indexed on the Server and are available for retrieval.
Our Objective today

Provide convincing information that EDM is a mainstream business application and process that

- Will contribute to increased productivity in your business today,
- Provides a way to take advantage of early payment discounts,
- Helps you reduce costs associated with processing payable invoices and gain all the benefits previously discussed, while...

Increasing your Bottom Line !!!
How Does EDM Help Improve the Bottom Line?

This brings us to our central message today...

• Electronic Document Management can provide much more efficient, secure and accurate methods of processing business documents, but...

• Indexing these documents and further - capturing important data from these documents - has caused many EDM implementations to stall or even fail.

• So there must be a better way – right?
How to improve the bottom line

Automated Document & Data Capture !!!
The technology to effectively scan, sort, index, store and retrieve documents digitally,

using optical character recognition to identify and allow instant access,

has been tested and proven over and over again for the past twenty-five years.

It works.

And it can save you money.
Now, Coleman Groves will describe how the automation of capturing indexing and content data from scanned documents is performed, and how this can significantly reduce manual data entry for many of your business applications with a higher level of accuracy than you have today.
Hospitals, clinics and healthcare providers are changing the way that they capture and manage medical data. Regulations like HIPAA have impacted organizations and forced new standards to be enacted.

New legislation is encouraging the adoption of records management solutions, including scanning and data capture to increase accuracy, lower overhead costs and streamline processes.

The ability to capture and store medical records, automatically process invoices and forms, and even lab results is a key factor in the modernization of healthcare organizations.

For healthcare providers, everything from patient on-boarding to initial examination, treatment plans, tests and medical claims represent some of the most labor-intensive aspects of providing quality healthcare to their patients.

Automating data entry from these processes can eliminate the "heavy lifting" of these workflows, increase accuracy while reducing costs and help organizations to maintain HIPAA compliance.
88% of organizations average spending more than $12 to process each invoice.
Some facts…

Over 40% of all organizations process more than 10,000 invoices per month.
Some facts…

78% of organizations had their invoice volume remain the same or INCREASE!
A majority of organizations have more than 70% of their invoices in paper form.
Some facts…

80% of organizations **do not** use OCR for automating the AP process
Some facts…

Consider the cost of these resources!
Why Automate AP Processing?

Benefits of Invoice Automation

- Early Payment Discount: 18%
- Supports Compliance: 10%
- Greater Visibility: 11%
- On-Time Payments: 18%
- Less Data Entry: 22%
- Fewer Errors: 21%

- 2% - 10 is like getting 30%+ interest
- Fewer data entry staff
- Good vendor relations
- Over or under payments are huge expense
What is Electronic Document & Data Capture?

Documents can be captured by:

- Scanning using MFP's, desktop, departmental and production scanners and other capture devices - even your phone

- Importing electronic documents (text/pdf files, spreadsheets, video, etc.) for processing and archiving

- Converting existing electronic documents into unalterable Tagged Image File Format (TIFF) images
What is Electronic Document & Data Capture?

Data can be captured by:

• Extracting printed text through optical character recognition (OCR), reading barcodes, reading forms using optical mark recognition (OMR) and reading hand print through intelligent character recognition (ICR)

• Replacing paper documents with electronic forms that integrate with business applications and databases

• Exporting information to a repository, database or other data source
What is Document Classification?

• Managing multiple document types arriving from different sources of input is a complex, time-consuming and expensive task for organizations.

• Customer letters, invoices, purchase orders, contracts and more arrive by email, fax, USPS and web.

• Document Classification, also known as Intelligent Document Recognition (IDR), takes incoming content of different types from various input sources and automatically classifies and splits them in order for them to be processed down-stream by additional workflows, including automated data capture.
Why is Electronic Document & Data Capture and Document Classification Important?

• Healthcare providers need to cut costs and reduce the labor associated with capturing and processing documents and data in both clinical and business applications.

• Healthcare providers are striving to reduce or eliminate paper where possible.

• These are labor-intensive processes, including manual key entry and sorting, and are time-consuming, unsecure, subject to human error and costly.

• Reduce costs associated with sorting/routing, indexing, data entry and redaction by providing the foundation for automatic document and data recognition solutions (OCR/ICR, barcode, MICR, CAR/LAR, etc.) and auto-redaction.
What are the Benefits of Electronic Document & Data Capture and Document Classification?

• Reduces time and costs spent on manually sorting and distributing documents and manual key entry

• Boosts productivity with more efficient business processes

• Easily adapts to new or changing document types

• Improves document processing times and data accuracy

• Handles multiple input channels and input volumes

• Supports high volumes of all document formats (structured, semi-structured, and unstructured)

• Accommodates decentralized scanning with centralized classifying, data extraction and indexing
Government Incentives for Automation

- The Medicare EHR Incentive Program will provide incentive payments to eligible professionals and hospitals that demonstrate meaningful use of certified EHR technology.
  - Participation began as early as 2011.
  - Eligible professionals can receive up to $44,000 over five years under the Medicare EHR Incentive Program.
  - To get the maximum incentive payment, Medicare eligible professionals must begin participation by 2012.
  - Important! For 2015 and later, Medicare eligible professionals and hospitals that do not successfully demonstrate meaningful use will have a payment adjustment in their Medicare reimbursement.

* As of May 2013, more than 297,000 health care providers received payment for participating in the Medicare and Medicaid Electronic Health Record (EHR) Incentive Programs. In May 2013, CMS announced that more than half of all eligible health care providers had been paid under the Medicare and Medicaid EHR Incentive Programs.
Revenue Cycle Management (RCM)

• As you know, managing a healthcare organization - be it a large hospital or a single-provider practice - can be extremely difficult for physicians and Business Office staff.

• Like any business, poorly managed revenue in a healthcare facility can lead to significantly lower profit margins, clerical errors, problems with insurance providers and shortage of staff to fill requirements.
Revenue Cycle Management (RCM)

• Healthcare revenue cycle management means taking extra measures in administrative and clerical functions to ensure that the facility is paid all money owed to it by patients and their insurance companies, as well as ensuring that this is done in a timely fashion.

• At most healthcare facilities, the "revenue cycle" is defined as beginning the moment a patient schedules an appointment and ending when all money associated with the services rendered has been paid.
Revenue Cycle Management (RCM)

Applications for Automated Data Capture:

- Patient Registration
- Charge Capture
- Claims Processing
- Payment Posting
Automating the RCM Process

Big Data, little data.........it’s all about the DATA!

RNCOS reports that about $80 billion is now spent on HIT in the U.S.
Typical AP Process

**Manual Receipt & Handling**
- Receive invoices at AP Dept.
- Sort invoices
- Batching, sorting stamping with date rec’d, and assigning GL codes
- Send invoices to the AP Rep responsible for processing invoices

**Manual AP Process**
- AP Rep keys invoices into the ERP system. Line-item matching may be performed on PO-based invoices.
- Perform batch edit reporting
- Correct entries as needed or proceed directly to releasing batches for payment

**Manual Paper Filing & Retrieval**
- Send invoices to temporary on-site storage
- Send invoices to long-term off-site storage
- Pull invoices for audits and various other business requirements

Perform check run
Automated AP Process

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Step 1 - Process Images not Paper

Automate the capture of incoming paper and electronic documents from MFPs, desktop and departmental scanners as well as fax servers and email addresses.
Step 2 – Convert Images to Data

- Convert images to data
- Reduce data entry through OCR, OMR & ICR
- Increase data accuracy
- Apply business rules and automatic reconciliation for higher accuracy
- Auto-validate against databases further saving human intervention and key strokes
Step 3 - Export Data and Images

- Export Data in many formats to your Back Office system – EMR, EHR, PM
- Export to multiple destinations
- Export Images and Metadata to Document Management systems
THE ROI OF AUTOMATED DOCUMENT AND DATA CAPTURE FOR HEALTHCARE

• In general productivity terms, 42% of organizations have increased productivity by 50% from their scanning and capture investment, with most achieving at least a 20% improvement.

• Across the whole range of projects, 43% have achieved payback within 12 months, and two thirds within 18 months.

• Over 50% consider scanning and capture to give a “better” or “much better” ROI compared to other IT investments, with a further 40% saying “about the same.”

• One-third feel they are only scanning 10% of what could usefully be scanned, and another third only 50%.

• Improved access to information is by far the biggest business driver for scanning and capture investments, followed by compliance, productivity and improved customer service.

• Nearly half have achieved savings of 40% or more on paper storage costs.

Source: AIIM
Summary of Benefits of AP Automation....

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<tr>
<th>ROI Benefit</th>
<th>Business Benefit</th>
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<tr>
<td>Reduced labor</td>
<td>Accelerated processes</td>
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<tr>
<td>Reduced shipping/transportation</td>
<td>Better data accuracy</td>
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<td>Reduced handling costs</td>
<td>Content control</td>
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<td>Early pay discounts (Invoices)</td>
<td>Leverage existing IT investment</td>
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<tr>
<td>Lower storage costs</td>
<td>Improved access to data</td>
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<td>Increased productivity</td>
<td>Stronger compliance</td>
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<td></td>
<td>Improved customer service</td>
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<td>Shared access to information</td>
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<td>System productivity gains</td>
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**Quantifiable in Hard Dollars**

**Soft ROI**
Thank You for Your Time Today

If we have a few minutes we will address any questions you may have.

If you would like to discuss any of the Electronic Document Management or Electronic Data Capture Technology, please contact us at your convenience.