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## CASE STUDY

## HEALTHCARE INDUSTRY

## Extendicare Health Services, Inc.

### A healthy approach to healthcare delivery

### CHALLENGE

- Inefficiencies in managing the more than 5,000 invoices per week received by Accounts Payable
- Seeking a way to integrate paper-based invoice processes with planned Oracle ERP deployment

### STRATEGY

- Installed eCopy ShareScan® • Deployed 130 eCopy Desktop™ licenses
- Created an eCopy Quick Connect™ integration to Oracle ERP for fast storage, indexing, search, and retrieval of invoices

### RESULTS

- All invoices are immediately accessible online
- Invoices can be viewed simultaneously by multiple people with no waiting
- Savings of $143,000 by eliminating manual invoice retrieval
- Additional savings of nearly $41,000 per year in the Reimbursement Services department
- Full audit trail now available for all scanning activities to facilitate regulatory compliance

### ABOUT EXTENDICARE HEALTH SERVICES, INC.

Extendicare Health Services, Inc., (EHSI) was formed in 1968 and operates 191 senior care facilities in the United States, offering nursing care, assisted living, and related medical specialty services such as sub-acute care and rehabilitative therapy on an inpatient and outpatient basis. EHSI also applies its operating expertise, extensive resources and economies of scale to provide purchasing, management, and consulting services to third-party providers. In addition, Extendicare's wholly owned subsidiary, Virtual Care Provider, Inc., provides a range of information technology solutions to long-term care providers.

*"The savings delivered by eCopy to one department alone—Reimbursement Services—will more than pay for the solution. And those savings are just a small part of the cost savings and process improvements we are seeing enterprise-wide."*

— **Kim Ostovich**
*PC Application Manager*
*Extendicare Health Services, Inc.*

### EXTENDICARE'S A/P DEPARTMENT PROCESSES MORE THAN 5,000 INVOICES EACH WEEK.

Paper and electronic invoices could be easily lost or misfiled, causing many problems including negative audit adjustments and inaccurate account analysis. Researching and retrieving invoices was also difficult, requiring a request form to be submitted to the file room and often incurring days of wait time for large requests while invoices were manually retrieved and photocopied. During that process, if the invoice was required by someone else, it was unavailable, causing additional delays.

As part of its strategy to revamp its A/P process with installation of Oracle ERP, Extendicare wanted to find an efficient way to integrate paper into the workflow. The company had been using eCopy for

some time, and after investigating alternative scanning solutions, determined that integration of eCopy with its Oracle deployment was the most efficient and cost-effective approach.

### USING ECOPY FOR ABOUT 5 YEARS FOR BASIC FUNCTIONALITY...

With its Oracle deployment, there was an opportunity to take advantage of the full range of eCopy capabilities to blend paper and digital files into one seamless workflow. Extendicare created a custom eCopy Quick Connect button in ShareScan to store scanned items directly to an FTP location on the Oracle server, linked to Oracle by voucher number. Staff can easily retrieve scanned invoice images while working in Oracle. In addition, Extendicare established an internal web site where employees can retrieve invoices without going into the Oracle system. Users key in a voucher or check number, and the corresponding invoice is returned in a PDF file. Multiple vouchers can also be requested simultaneously. The requested vouchers are placed together in a special directory with an individual PDF file for each voucher number. "It is not unusual to receive an auditor request for 2,000 invoices," says Kim Ostovich, PC Application Manager, "so you can imagine that this capability saves a great deal of time." Invoices can also be viewed simultaneously by multiple people with no waiting.

Extendicare is also using the eCopy solution across the enterprise for the benefit of many other departments, including Reimbursement Services, Customer Service, Facilities Management, Human Resources, Sales, Marketing, IT, and the Executive Team. In fact, more than 80% of Extendicare's corporate office staff utilizes eCopy to Scan to Mail, shared drives and other locations, with a minimum of one scanner on every floor.

### THE PRIMARY BENEFIT TO EXTENDICARE WAS A SIGNIFICANT COST SAVINGS...

"With eCopy in place, it is now much simpler to review invoices with fewer steps in the process, resulting in more accurate filing of invoices and significant cost savings," said Kim Ostovich, PC Application Manager. "With more than 25,000 invoices manually retrieved for review in 2007, we estimate an annual savings of $143,000 by making invoices accessible online."

Other departments have benefited as well. In Reimbursement Services, there are more than eight audits each year, requiring:

• 1,300 boxes to be called back from storage

• 1,700 hours to be spent pulling invoices, copying, and re-filing

• 6,300 copies of invoices to be made

"Our eCopy solution could save another $41,000 a year in the Reimbursement department alone," adds Ostovich. " And many other employees have told us that the eCopy solution has increased the efficiency of their work."

eCopy has also helped with regulatory compliance. As part of the healthcare industry, Extendicare is regulated by HIPAA, which strictly restricts the amount of patient information that can be shared with other individuals. "Our Medical Review department utilizes eCopy Desktop to 'white-out' any protected health information on claim forms," says Ostovich. "These documents can then be used for training to educate our facilities on specific technical criteria related to coverage and benefits in the Medicare program."

In addition, eCopy satisfies many business needs including scanning documents to meet retention requirements, marking up documents with eCopy Desktop, and more. "The best part is that eCopy is so easy to use, there is virtually no training required," concludes Ostovich. "We are confident that the eCopy solution will be flexible enough to meet our future needs and ever-changing regulatory demands."

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