

A Journey from Chaos to Order

The Montgomery County Hospital District Health Care Assistance Program's Conversion to Paperless Operations

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The Montgomery County Hospital District's (MCHD) Health Care Assistance Program (HCAP) had a problem. In a word the problem was: "paper." Or more precisely the various problems that arise from handling, accessing, storing, securing and disposing of the large amount of paper that arose from its operations.

Although patient files and other paper flow items were scrupulously managed and maintained, there was always a chaotic element just beneath the surface. Misplaced or lost papers or entire files were always a possibility and sometimes happened. Archiving, securing and tracking the massive amount of paper added potential problems and failure opportunities to the process. Also, document management placed a significant burden on the HCAP staff productivity and burdened other resources.



In short, the document management process being followed by HCAP was costly and fraught with potential problems.

In keeping with its organization-wide commitment to continuous process and quality improvement, MCHD leadership recognized HCAP's document management problem and sought to find an effective and efficient solution.

In 2004, MCHD Chief Executive Officer Allen Johnson and Deputy Administrator Kelly Curry – whose direct reports include HCAP – identified HCAP's document management system as a major organizational weakness deserving both the special attention of staff and the dedication of financial resources.

Ultimately it was determined that the most effective and efficient solution to HCAP's document management problems was to convert the operation to a paperless system.

With that determination as the starting point, leadership and staff worked closely together to research available solutions and to design the appropriate policies and procedures that would be required to move the HCAP operating division away from the old manual document management system.

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The approach which evolved greatly reduced the amount of actual paper that is used by HCAP and either converts all documents into digital images or simply avoids the creation of a paper document all together.

From the moment a potential client presents to the Intake Specialist a case record is created around which all actions and determinations regarding that individual will be built. Paper handling is kept to a bare minimum. The only paper in the eligibility process are those documents potential clients present as proof of eligibility and the correspondence that may need to be sent to clients requesting additional information. The former are themselves scanned into the paperless system and the resulting digital images are catalogued and notated (originals are placed in the secure shred bin). The latter are generated by the system, printed and mailed. However, no paper copy of such correspondence is maintained... it's all digital and in the system.

Another important feature of the new system is its seamless integration with HCAP's case management software and MCHD's telephone archiving system. The three systems work together as one. This allows authorized personnel instant access to ALL case-specific information including digital copies of documents, voicemails, telephone conversations as well as other verbal communications. Even incoming and outgoing faxes are created and maintained as digital images. Again, they generate no paper.

From the eligibility process onward everything is done electronically. Case-file data is entered, scanned or captured and becomes available to HCAP staff for their day to day operations. AND, as soon as a record hits the server it is available to the leadership for reporting, educating, benchmarking and performance analysis. It is all instantaneous.

From the user standpoint a remarkable thing about the new paperless system is its transparency. For the most part, staff and leadership are relieved of the burden of creating, locating, and maintaining individual documents and files. All of those functions are handled by the paperless system's software and hardware which provides complete, accurate, and secure records for HCAP operations and for regulatory requirements (such as HIPAA).

For HCAP the benefits of the conversion to a paperless system have been many. Documented positives include:

- Digital client information is instantly available to all using the system.
- Accuracy of information has been improved because there are fewer transfers or transcriptions of input.
- Workflow has been streamlined, and the volume of staff activities has been reduced .
- Time spent searching for misfiled or misplaced information has been eliminated.

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- File space requirements have been reduced (Originally over 100 linear feet of four-drawer file cabinets were eliminated...now, over 350,000 files are kept digitally on just 65 gigabytes of disk space).
- Cost of document storage and recovery has been reduced by tens of thousands of dollars per year.
- There is less paper in...there is less paper out. (Most correspondence is sent electronically.)
- Reporting is now centralized.
- Documents are easily searchable by keywords.
- Documents are multi-indexed with a single scan.
- Data is accessible from remote locations.
- Multiple users can access a document without having the original removed from storage.
- Information can be accessed quickly, allowing speedy response to questions and requests.
- Information can be archived more efficiently and much more securely.
- In case of a natural disaster or emergency, computer backups enable immediate full recovery.
- Privacy and security have been improved through the use of encryption, passwords and other security measures.
- Regulatory compliance has been facilitated.

On the other hand, change rarely comes easily and revamping long-standing policies and procedures can be challenging. MCHD learned much while converting HCAP to paperless. Those lessons include:

- Determine your needs and objectives. Take advantage of the experience of trusted consultants and vendors who may be involved in the process by getting their advice early on.
- Commit unequivocally to doing what you need to do to accomplish your objectives.
- Plan thoroughly. Set a schedule, but be flexible if certain steps take longer than you originally estimated.
- Use a phased approach to implementation. Give people time to adjust to change.
- Conduct short, hands-on training sessions with immediate on-the-job practice to ensure skills mastery and retention.
- Implement your system starting with current documentation. Go back later and convert old paper files if you must.
- As affirmed by significant research of MCHD's legal counsel, by law reproducible electronic documents have the full effect of the original so it is not necessary to maintain a digital copy AND an original.
- It is best to have a confirmed off-site backup of original documents before authorizing the destruction of the originals (HCAP confirms its off-site backups nightly).
- Test your system completely before placing ultimate reliance on it. (HCAP's paperless system ran in "parallel" with the old system for six months before destroying any original documents.)
- Be patient and enjoy. The new system will be well received, and it will work for everybody.

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With a dedicated and committed effort from HCAP staff and leadership each challenge of the conversion was met and overcome.

For the HCAP conversion, MCHD employed the services of Indigent Healthcare Solutions (IHS). IHS worked closely with all involved to design and develop the paperless component as well as to bridge the various technology and human elements into one integrated system. So successful was the undertaking that IHS now includes the paperless office concept in its product offerings.

HCAP's conversion to a paperless solution took place four years ago and the economics and technology have certainly improved. However, in general, an indigent healthcare program looking to make its own conversion can expect the following costs:

- High quality scanners (one for each eligibility work station and others as required) can be bought for under \$1,000 each,
- Digital storage hardware is available for about \$5,000 (disk array size and ultimate cost are dependent on volume of information to be stored), and
- Special server hardware for managing data collection and dissemination as well as coordinating communications will cost around \$4,000.

There will also likely be licensing and software fees.

At MCHD, finding ways to improve service and quality, while lowering costs, is an ongoing quest. By those measures, HCAP's paperless office system has been a success. Cost savings generated by the changes over the last four years has helped MCHD keep alive its string of seven straight years of tax rate reductions. However, there is one more benefit to the paperless approach. Deputy Administrator Curry notes, "One performance measure that is up significantly is employee job satisfaction. Everyone feels that they are far more efficient now that the entire operation is tied together. They cannot even envision going back to the old way."

There can be no doubt that the improved operational efficiency arising from the paperless system has benefited the HCAP staff and clients, but the ultimate winners are the MCHD taxpayers. In return for the upfront capital cost of implementing the new system the taxpayers have seen many thousands of dollars saved in annual operating expenses not to mention the reduced risk of litigation and regulatory action.

For more information regarding this case study, please contact Kelly Curry at (936) 523-5010 or kcurry@mchd-tx.org. For more information regarding the paperless software solution offered by IHS, please contact Robert Baird at (936) 756-6720 or robertb@indigenthealthcaresolutions.com.