

A New Approach to Evaluating Systems: How Jackson Healthcare is Lowering their TCOR with a New RMIS

Jackson Healthcare — a family of highly specialized healthcare staffing and technology companies — reached out to Redhand Advisors when the company needed to rethink its RMIS and risk information strategy. Redhand took a fresh approach to the evaluation that focused on business outcomes. Jackson Healthcare now has a RMIS that boosts their risk department's efficiency and lowers their Total Cost of Risk (TCOR).

When David Robertson joined Jackson Healthcare — an organization of 15 healthcare staffing and technology companies — as their Senior VP of Risk, he had great visions of how he wanted to reduce the business' risk.

Robertson was happy with Jackson Healthcare's robust risk management team. However, there was an opportunity he needed to solve — the organization's underutilized RMIS.

For starters, the team had an over-reliance on manual processes and used unique Excel spreadsheets to manipulate much of the pertinent risk data. From claims data to insurance policy information, all data was largely being manually entered into the RMIS.



In addition to the under-utilization of the RMIS, there was a lack of integration between the various systems they relied on — a major downside considering the complexity of the organization. Jackson works with several thousand physicians across 50 states with varying risk profiles. Robertson and his team needed a comprehensive, integrated source of risk

information. It was clear that Jackson Healthcare needed to reevaluate its RMIS.

“We were prepared to embark on what a RMIS could be,” said Robertson. “We wanted to make sure we were fully leveraging the technology, so we didn't have to unnecessarily increase the risk management team's headcount.”

Jackson's current RMIS vendor

offered to conduct a needs analysis and propose how their system could better fit Jackson's needs. But Robertson wanted to take a step back.

"We wanted someone that had an objective opinion of all the RIMS systems available," said Robertson. "We needed to take a holistic approach — we were seeking someone who understood the end result we wanted and could make informed recommendations."

That's when Robertson turned to Redhand Advisors for guidance on their RMIS.

Business case first approach

Once engaged, Redhand's Founder and President Patrick O'Neill set out to perform a review of the current environment, interviewing Robertson and key stakeholders at Jackson to understand not only the risk department's goals and processes but also the CFO's perspective on what they wanted to achieve.

Redhand developed a "business case first" set of recommendations that focused on innovation and process improvement versus traditional requirement gathering,

which focuses on features and functions. The fact is, the top tier RMIS solutions have a very similar functional footprint that will meet the requirements for most organizations.

O'Neill concluded that the current RMIS could be upgraded to address the recommendations but since it would require a substantial investment of both time and money, other options should be considered as well. With a clear sense of Jackson's RMIS goals, vendor analysis was next.

A new approach to evaluating systems

The traditional next step would be a request for proposal where the vendors would tick the boxes of most functional requirements. This approach does little to ensure the success of the project and the outcomes required.

To help Jackson assess their options, Redhand created an evaluation process that focused on linking the organizational outcomes to the selection criteria in order to ensure the best chance of success.

The incumbent vendor and potential new vendors were provided

the roadmap that Redhand developed for a new RMIS. It contained the key findings and detailed the business outcomes that Jackson wanted to achieve.

Redhand's evaluation framework went beyond a checklist of

**We didn't know
what we didn't know...**

Robertson said.

features and functions into how the solutions would address the desired outcomes and what would be the potential impact.

"We didn't know what we didn't know, especially since we didn't have an internal risk information advisor," said Robertson. "Pat helped us navigate the vendor analysis by setting up group meetings, reviewing the proposal responses, and even estimating the return of investment for each one with us."

Based on this new approach, Jackson's team made the call: they were going to switch to a new system.

Implementing a new RMIS

Initially, Redhand Advisors was engaged to help Robertson and his team identify their needs and make recommendations on a go-forward plan. But soon after Jackson began

implementing their new RMIS, Robertson realized that Redhand could help his team optimize the new RMIS at that stage, too.

"We needed someone to work as a go-between between us and our new RMIS vendor," said Robertson. "Pat could both decipher the implementation stage for us and make recommendations to the provider as well."

To help Jackson get the most out of their new RMIS, O'Neill compared the vendor's implementation progress to the initial recommendations and roadmap he made during the earlier phase. From there, he recommended avoiding significant customization even if it meant changes to their current business processes. This approach would reduce potential implementation

risks and allow Jackson to take advantage of best practices and business process improvements that the system could offer. O'Neill also offered Robertson and his team advice about how to best utilize the services in the vendor's statement of work.

"We went back and forth with our new RMIS vendor on different points in the contract, like our service hours," said Robertson. "Pat helped us tweak the final stages. He provided continuity between the client side and the technician side."

Now, Jackson was ready to go live with the new RMIS.

Increasing efficiency and data visibility thanks to a new RMIS

Jackson has been using their new RMIS for less than a year. But even in that short time, Robertson and his team have realized several key benefits from their new platform.

The risk management department is working much more efficiently by eliminating manual processes and replacing them with their new RMIS' automations. Instead of collecting and entering

data, Robertson and his team now focus on data analysis and turning their findings into action.

"Our data is really driving decisions," said Robertson. "Auto-population of previously entered data, universal search capability, searchable diaries, and integrated document management capabilities with both claims and policy management are just a few of the time saving features that our new, advanced RMIS provides. The automations have eased our administrative workload, so now we have more time to analyze our information."

The new RMIS' process improvements don't just save Jackson time — they also mean Robertson doesn't have to increase headcount for simple tasks that they can automate.

"We don't have a headcount reduction plan, but we do have a headcount efficiency plan," said Robertson. "My expectation is that the efficiency gains from the new RMIS will not only reduce the overall risk management team's costs but as importantly enhance our effectiveness with our Companies. This has allowed us to continue to scale for growth."

How do I know when I need a new RMIS?

Jackson Healthcare isn't the first organization to consider switching systems. You may feel like you need to scrap your current platform, too.

While a new RMIS is sometimes the best way forward — as it was for Jackson — it isn't your only option. You've already invested significant time and money in your current RMIS, and you'll need to devote more resources to finding a new one. Your best bet is to make sure you need a new solution before draining your resources.

Here are a few questions to ask:


1 Would additional training help solve some or all of your RMIS issues? If your team is struggling with a RMIS feature or overall systems optimization, training might help everyone learn how to better use it. Reach out to your vendor to see if a specialist from their team could offer this training.

2 Are there new features or updates from your RMIS that you haven't adopted? Too often when risk teams are strug-

gling, we find they aren't taking full advantage of their RMIS. While it's hard to keep up with all of the recent RMIS add-ons, they're worth learning about because they can often optimize your risk management. Ask your vendor for a list of the most recent updates to make sure your team isn't missing upgrades that would help you get more from your RMIS.

3 Are your internal RMIS processes inefficient? It doesn't matter what RMIS you're using — if your current protocols make it difficult to collaborate and share data, chances are a new RMIS won't help either. Meet with your risk management team to outline your current processes and discuss exactly what leads to your current RMIS problems.

If you answered "no" to all these questions, chances are it's time for a new RMIS. Before jumping ship, there are often a few alternate solutions you can try instead of making the plunge to a new tool right away.

For more guidance on evaluating your current RMIS, check out our blog post "You don't have to fire your RMIS vendor!" 

Along with increasing efficiency through automations, Jackson's team now finally has a comprehensive view of their data in their RMIS. Tracking historical exposures to maintaining a master policy information, claims activity tracking and management and more. Thanks to the platform's data consolidation, the team can see both claims and exposure data.

With a comprehensive view of their risk data, the team can make informed, cost-effective decisions and better support Jackson's oper-

ations — leading to a lower TCOR.

“We can correlate claims with exposures in the RMIS, so we know what locations and physician specialties are costing us disproportionately,” said Robertson. “We can also create more accountability around lowering TCOR by tying risk costs to metrics, like hours and revenue.”

To visualize their data, Robertson and his team utilize their new RMIS' dashboards. The dashboards allow the team to compare their company data with national

industry benchmarking data.

“When we overlay the benchmarking data with ours, the dashboard tells us a story about how we can improve,” said Robertson. “We have a lot of data but stepping back and seeing it in a dashboard helps us become more insightful.”

Overall, Robertson and his team say their new RMIS has improved business outcomes.

“We couldn't meet our 2023 goals without our new RMIS' capabilities,” said Robertson. “The platform gives us data at Jackson's enterprise and company levels, so we can measure progress toward KPIs across the entire organization.”

Jackson stays on top of RiskTech with Redhand as their trusted advisor

Looking ahead, Robertson doesn't want Jackson to fall behind on technology again. That's why he plans to keep Redhand Advisors on in an ongoing advising capacity, long after RMIS implementation.

“We want to be focused on the next generation of RiskTech, but that sector is constantly changing. So, we like having a trusted advi-

sor like Redhand,” said Robertson. “Tech changes so fast. The idea of having a trusted advisor in a tech firm like Redhand that knows us and can continue to help us think about things for the future is proving to be a helpful strategic move that every risk management team should be considering.”

As a risk manager of a fast-growing healthcare company, Robertson knows he's not alone in his quest to understand his business' risk to effectively reduce it.

“My team recommends the work of Redhand to any risk management department out there — especially ones that are interested in enhancing their processes with tech. Pat has helped us think through: How are we going to collect the data? How do we make the data helpful to our business?” said Robertson.

Have a question about Redhand's RiskTech consulting services?

Book a call today. 

