



Integrated IT Outsourcing and Strategic Consulting Services

# Client Case Study

## Mitigating Risk and Optimizing the Hospital's Information Technology Investment Gila Regional Medical Center Silver City, New Mexico



*Rural community hospitals across the United States are struggling with rising costs and reduced reimbursement. They face the challenge of attracting skilled clinical and IT staff as both novice and experienced professionals leave their communities. These hospitals are constantly held hostage by a lack of knowledge and financial resources, which impacts the special mission of these health care organizations. In each of their respective communities, these hospitals are often the largest employer, an anchor business serving friends and neighbors, and a catalyst for creating healthy people and healthy communities. Research has shown that a strong health care component in a rural community will serve to attract and retain health care and other professionals. Gila Regional Medical Center (GRMC) in Silver City, New Mexico, is one of these community hospitals. This is exemplified by GRMC's mission statement: "We work for the health of our neighbors."*

### The Challenge

On a fast track to improve health care in southwest New Mexico, GRMC had recently opened the Surgery Center of the Southwest, an 8,000 square-foot facility containing two new state-of-the-art operating rooms, and had contracts in place to open a new Cancer Center in May 2007.

In July 2006, GRMC realized they did not have the time or resources to upgrade their MEDITECH system, including their electronic medical record (EMR) or hardware infrastructure, to support the May 2007 Cancer Center opening. They also needed to build out a new data center to house IT.

As the only hospital located within a 100-mile radius of Silver City, a town of about 15,000 people, these challenges became clear:

- The hospital needed a firm with deep MEDITECH experience to assist with the MEDITECH Magic version upgrade. The hospital had failed to complete two previous attempts to upgrade from version 5.4 to version 5.6. They needed strong, expert consulting leadership.
- GRMC especially needed access to skilled technical personnel. Finding skilled application system, network and server personnel is an issue in any community, but it is especially acute in a frontier community of 15,000.

- With a lack of available infrastructure companies to provide data center hosting services, this remote hospital decided to build out an existing space within the facility. This posed two problems: 1) selecting a site inside the hospital would result in the loss of valuable health care delivery floor space; and 2) the project would have to go through a selection process conforming to the New Mexico state procurement code, an effective but lengthy process. This nine-month effort would certainly impact the construction schedule and subsequent opening of the Cancer Center.

Hospital management realized that all these projects would have to be done in a serial manner due to project dependencies. This meant that the Cancer Center opening would potentially be delayed three to six months.

### The Phoenix Solution

Understanding the needs of rural hospitals, Phoenix Health Systems has successfully created a set of integrated services for small and mid-sized hospitals like GRMC. Phoenix provides new choices to these sometimes isolated and resource-constrained organizations. Additionally, these solutions provide an opportunity to bundle the costs of separate contracts into one contract and spread the cost over time. A reasonable component of capital costs can then be managed as operational costs.

For GRMC, the Phoenix solution included:

- A MEDITECH Magic version upgrade from 5.4 to 5.6. The solution began within a solid analytical framework during an applications and process review. A successful implementation is measured in terms of a successful integration of software system, revised process and well-trained staff.
- Data center managed services that incorporated access to data center facilities, network and server administration. While the MEDITECH analysis was being performed, a new hardware infrastructure from IBM was shipped directly to the Phoenix Leveraged Service Center in Richardson, Texas. At the appropriate project milestone, the MEDITECH system was copied to the new hardware to allow the v5.6 upgrade activities to proceed in an environment separate from the MEDITECH v5.4 system in operation at GRMC.
- Network design services, including design and provisioning of the wide area network between GRMC and the Phoenix Leveraged Service Center. Phoenix had to overcome limited communications infrastructure solutions available in the Silver City region and worked through multiple partners to engineer a redundant, physically diverse network to meet availability and reliability requirements.
- Leveraged access to skilled operations, network and server personnel working remotely to support GRMC. Understanding the importance of jobs within the hospital to the community, and although harder to design, a Phoenix solution explores ways to add capability and enable the hospital to deliver higher IT service levels while mitigating the need to add staff.

### Overall Benefits to Our Client

Along with providing new choices to rural hospital management, this integrated approach:

- Supported optimization of the hospital's MEDITECH and information system investment, positively impacting clinical, administrative and financial operations.
- Provided the hospital with a cost-effective alternative to building their own data center.
- Provided both a capital and operational cost-based

*"Gila Regional Medical Center is a sole community provider in a frontier region and the largest acute care facility in a nearly 100-mile radius. In choosing to partner with Phoenix for our MEDITECH and data center infrastructure upgrades, we were confident in Phoenix's ability to deliver the services we needed on-schedule and on-budget. Their efforts made more than an enormous contribution. It is not an exaggeration to say we would have been facing significant infrastructure outage risks and our MEDITECH v5.6 upgrade could have been delayed by as much as one year without their involvement. Thanks to Phoenix's leadership and expertise, we now have the training and the tools that will help our caregivers continue to deliver world-class care to the people of southwest New Mexico. Time and again, the Phoenix 'can-do' attitude resulted in success, and whenever something unforeseen arose during the projects they never once said 'We'll write a new statement of work for that.' Phoenix certainly proved worthy of our confidence and our trust."*

**David Furnas, Chief Information Officer, Gila Regional Medical Center**

solution consistent with and tailored to the hospital's financial position.

- Offered flexible data center managed service solutions to help GRMC meet their short and long-term business and clinical objectives.
- Established a framework for greater IT services capability, reliability, and accountability.

### About Gila Regional Medical Center

Established in 1983, GRMC is the largest hospital in a radius of nearly 100 miles and provides a wide range of services to the people of southwest New Mexico, including Grant, Luna, Hidalgo and Catron counties. Owned by Grant County and managed by Quorum Health Resources, GRMC is a non-profit hospital with more than 600 employees. The hospital is known for its friendly, patient-centered care and is the only Planetree-affiliated hospital in the state of New Mexico. For more information, visit [www.grmc.org](http://www.grmc.org).

### About Phoenix Health Systems

Phoenix Health Systems provides an integrated set of professional, technical and business services that focuses on the business goals of all departments within the healthcare organization. Through strategic consulting, IT outsourcing and revenue cycle management, Phoenix can help any healthcare organization achieve its long-term objectives of administrative cost reduction, increased cash flow, improved patient safety, and regulatory compliance. For additional information, visit [www.phoenixhealth.com](http://www.phoenixhealth.com).