



IT Outsourcing in a Large Physician Cardiology Practice

New Mexico Heart Institute Albuquerque, New Mexico

There are many good reasons to use a professional IT Outsourcing firm to manage IT service delivery. For New Mexico Heart Institute (NMHI), those reasons included the belief that automation would improve the performance and cost of delivering their services.

For a rapidly growing organization like NMHI IT issues inevitably arise. Unfortunately, many organizations like NMHI have underestimated the strategic importance and tactical complexity of IT, and developed limited IT capabilities by using local underpaid staff.

The Challenge

Although NMHI executive management and IT leadership agreed on the importance of IT, the groups did not share a common approach to implementing business-driven IT initiatives. Communication was a significant problem – bits and bites versus an entrepreneurial philosophy supporting growth, profitability and high-quality care.

Differing philosophies and priorities led to problems between executive management and IT that needed to be resolved if NMHI was to move confidently into the future. The organization had a long list of projects yet to be started, and some projects still to be completed.

NMHI needed to upgrade and improve its infrastructure, IT operations, WAN/LAN network and security. They also needed to prepare for the expansion and application growth anticipated in the next year.

- The LAN/WAN infrastructure to support ten clinics was not optimally performing, nor was it as secure as it should be.
- Clinics were being moved, an EMR implementation was underway and a major upgrade to the billing system was scheduled.
- The business office function was spinning off as a separate corporation in order to support growth strategies.

- NMHI's phone system was in horrible shape. Even though it was a relatively new voiceover IP solution, it had been poorly engineered.
- New applications had been purchased to upgrade primary systems (Allscripts and NextGen applications) and complete the implementation of an EMR system.

The bottom line: NMHI was faced with a very aggressive schedule of IT activity needed to improve its network, phone system and overall IT operations.

The Phoenix Solution

Phoenix Health Systems' 5-year contract with NMHI began on November 1, 2006. Dedicated to the small and mid-sized healthcare market, Phoenix offers IT Outsourcing, Strategic Consulting and Revenue Cycle Management services. For NMHI, Phoenix leveraged components of each service line to offer a value proposition that made economic sense for this provider. The Phoenix solution:

- Provided project management services for two major projects: the consolidated business office move and related NextGen practice management system software upgrade;
- Upgraded IT operations including policies and procedures, SLAs, communication with the client and project management;
- Stabilized the phone system and implemented a major

overhaul of the system including a comprehensive maintenance program;

- Selected and implemented an improved WAN strategy including hardware and the use of MPLS lines;
- Implemented major improvements to network security;
- Expanded the Help Desk by relocating tier one responses to the Phoenix Leveraged Service Center in Texas;
- Anticipated cost savings by initiating a consolidation of long distance and circuit vendors into a single vendor;
- Worked with NMHI to establish a project priority list based on client ROI and impact with an understanding of resource constraints (both user and IT);
- Phoenix replaced IT staff members due to the loss of several employees, including the new CIO who retired for health reasons;

"We see our partnership with an experienced national company like Phoenix as a means to enhance service levels for our rapidly growing cardiovascular practice. Phoenix will provide us with dependable and reliable IT services to support the cardiovascular services NMHI provides across the state."

**Mike Bukowski, Chief Executive Officer,
New Mexico Heart Institute**

Overall Benefits to Our Client

NMHI believes they can now move ahead with their growth strategy and benefit significantly from the leveraged approach Phoenix is providing. Solution benefits include:

- Professional IT operations, including better documentation, policies and procedures
- Improved communications between IT and the business
- Improved network stability, performance and security
- Project management
- Project completion
- The ability to support client needs (resources, technical advice, negotiations, IT experience, etc.)
- Resources and support for larger projects
- Rational pricing based on client size and need

About New Mexico Heart Institute

The doctors of NMHI have a 30-year history in New Mexico. The original partners developed and built the heart programs at Presbyterian and St. Joseph's hospitals, and now their expertise also benefits the new Heart Hospital of New Mexico. In 1994, three leading cardiac practices joined to become NMHI, and today the organization offers

cardiovascular services throughout New Mexico and surrounding states. The Institute has two office locations in Albuquerque, as well as offices in Los Lunas, Santa Fe, Las Vegas, Los Alamos, Gallup, Farmington, Roswell and Alamogordo; and provides clinics in Cortez, Colorado, Taos, Raton, Silver City, Ruidoso, Grants and Socorro. Along with direct patient care and cardiology diagnostic and treatment services, NMHI offers prevention, education and research services benefiting patients and health care professionals.

For more information, visit www.nmhi.com.

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.