



Bridging the Gap Between Nursing and Finance

A Case Study of Mountain States Health Alliance

Ask any Finance Executive and they will likely tell you that **reducing Labor Spend and Increasing Productivity** are top of mind when planning for the future viability of their organization. A Nursing Executive, on the other hand, might list initiatives such as **improving Quality and Increasing Staff Satisfaction**.

MSHA Finance and Nursing Working Side by Side to Achieve

- » \$4.5M savings on prior labor spend within 18 months
- » Integrated 24/7 staffing office coordinating activities across 12 hospitals
- » Unit managers making resource decisions based upon daily productivity results
- » Project expansion beyond nursing to include all clinical areas and ancillary departments

As Marvin Eichorn, FACHE, and Kathryn Wilhoit, PhD(c), RN, NEA-BC, FACHE, will tell you, it is possible to achieve both! As the Senior Vice President & CFO and Corporate Vice President, respectively, these Mountain States Health Alliance (MSHA) executives championed a collaborative approach to standardized workforce management within this 13-hospital system based in Johnson City, TN.

In this post-reform era of razor-thin margins, increased competition, and little room for uncertainty, MSHA – a not-for-profit healthcare system serving residents in 29 counties in Kentucky, North Carolina, Tennessee, and Virginia – has learned that bridging the gap between financial and clinical goals is the key to successfully and dramatically reducing operating costs. The Flagship, Johnson City Medical Center, has achieved and maintained Magnet designation from the ANCC.

Since their 2007 partnership with Avantas, an Omaha, NE-based healthcare consulting and technology firm, MSHA has revolutionized their staffing and scheduling process. Using Smart Square, Avantas' web-based Labor Management Solution, MSHA experienced a \$4.5M savings within the first 18 months after Go-Live.

MSHA has optimized their nursing labor resources, standardized their daily staffing process, gone completely paperless, and given over 7,000 team members 24/7 access to schedule information, a communication framework, and crucial decision-support data. Smart Square's Business Intelligence capabilities, including a robust set of Dashboards that »»





The Avantas Solution

Streamlining your scheduling and staffing processes

With current changes to the healthcare industry cutting into profitability, many providers are looking for ways to cut costs. Labor makes up 60 percent of the average healthcare organization's budget, and caregivers have a direct impact on clinical outcomes. Therefore, it makes sense for labor management to be a priority.

The Avantas Solution is an integrated process that combines consultation, automation, and education to deliver significant savings in time and costs while improving your organization's quality of care.

We'll show you how your organization can achieve the financial, clinical, and operational outcomes you're looking for.

To learn how the Avantas Solution can help your organization, contact us at 888.338.6148 or info@eavantas.com.

synthesize Schedule, Payroll and Time and Attendance data, allow nursing managers to use actionable data to make timely labor decisions.

Using the Avantas Predictive Model, MSHA has been able to more accurately and proactively align resources with emerging patient demand. They've maintained an exemplary level of patient care for which MSHA has always been known, while reducing time spent in daily staffing and scheduling activities to return hours back to the bedside.

"In my role as CFO at MSHA, I've never experienced a project with a better return on investment. The financial impact was immediate."

Marvin Eichorn, SVP & CFO
Mountain States Health Alliance

For the 6th consecutive year, the ACHE annual survey has revealed the #1 overwhelming concern of hospital CEOs is financial challenges. With labor being the largest operating cost of any hospital – as much as 60% of total hospital spend – healthcare organizations across the country, like MSHA, have embraced the Smart Square difference by automating their enterprise Labor Management process, thereby bridging the gap between Nursing and Finance.

About Mountain States Health Alliance

Mountain States Health Alliance, a not-for-profit health care organization based in Johnson City, Tenn., operates a family of hospitals serving a 29-county, four-state region (Northeast Tennessee, Southwest Virginia, Southeastern Kentucky and Western North Carolina). MSHA offers a large tertiary hospital, several community hospitals, two critical access hospitals, rehabilitation, a children's hospital, a behavioral health hospital, home care and hospice services as well as a comprehensive medical management corporation. Its 13,500 team members, associated physicians and volunteers are committed to its mission of bringing loving care to health care. For more information, visit www.msha.com.

