



WHITEPAPER

# Why Cloud Computing Makes Sense for Ambulatory Surgery Centers

## Executive Summary

As an industry, healthcare institutions have traditionally invested in technology at a rate which is far less than other sectors of the economy spending roughly two percent of their total operating budgets on IT. The reason for this reality is simple: Technology expenses in healthcare have traditionally had little impact on the ability to grow revenues. By way of comparison, the banking industry spends more than 10 percent of its operating budget on technology because ATMs and online banking services are must-haves for their customers.

It is doubtful that healthcare consumers would refuse service because their physician used paper charts instead of an electronic health record (EHR); however, being able to shift IT costs from a capital expense to an operational expense is a game changer for the industry and one of the primary reasons cloud computing is so compelling.

This white paper describes the benefits cloud computing offers to the healthcare industry, in particular ASCs. It also explores the considerations for deploying clinical and management applications in the cloud.

# Introduction

For many years, large businesses -- including corporate ASC companies -- have looked to centralize IT operations in an effort to lower costs, standardize data and operations, improve security, and increase reliability. This was achieved using software typically acquired on a traditional license-and-support model using client-server applications not designed for the Web. IT departments within these businesses were responsible for all aspects of server support including providing and maintaining the servers, operating systems, firewalls, backups, and performing application updates.

With the advent of cloud computing, the classic client-server model is replaced by enabling facility staff and physicians to access information remotely without having any locally installed applications. Perhaps the easiest way to understand cloud computing is to imagine that you're taking your server out of your facility and putting it in a professionally-managed data center; however, you still have continuous access to applications and information regardless of your location. The vendor is responsible for all aspects of server support. The end user is simply responsible for providing the PCs, handheld tablets, printers, scanners, and Internet access.

While much of the talk around cloud computing focuses on the utility offered to consumers, many businesses, healthcare companies in particular, have long embraced the concept of using the Internet to distribute standardized mission-critical applications. They typically referred to this concept as Software as a Service (SaaS). Whichever definition you prefer, the delivery model is embraced because it offers companies at least two distinct advantages: The ability to standardize business practices across geographically distributed workplaces and the ability to shift IT costs from a capital expenditure (CAPEX) to an operational expenditure (OPEX).



# The Time is Now for Cloud Computing

In healthcare IT, the advent of cloud computing comes at an opportune time for surgery centers as demand for more robust clinical applications is on the rise. The paradox facing many surgery centers today is one which puts the desire to implement a paperless clinical solution against the practical reasons for doing so. Often-cited reasons for not implementing an online clinical solution are:

- ◆ Physical space constraints found in most ASCs (limiting the ability to house a data center)
- ◆ Demand by clinicians to maintain a high level of data security while also allowing for remote access to review and edit clinical data.

Cloud applications address this paradox by shifting IT operations out of the facility and into a secure virtual environment. In doing so, all stakeholders are given access to business and clinical applications while the only space that is required is a shelf to store idle laptops or tablets. Data security is addressed by ensuring the vendor's cloud maintains a professionally managed data center which is monitored 24x7 with redundant power systems, multiple communication networks, automatic fail-over to backup equipment/co-location servers, and fire suppression systems. In other words, cloud computing provides security standards which often surpass many well-run in-house data centers.

Cloud deployments enable ASCs to get up and running quickly with reduced upfront investment as the only thing needed is a broadband Internet connection. IT resources are provided for you, removing the burden and costs associated with purchasing, monitoring, and maintaining the applications and servers. Vendors guarantee almost 100 percent uptime and are responsible for managing all the patches, upgrades, and backups allowing facilities to focus efforts on patients and physicians, not on technology. Security risks are better managed as well. Additionally, cloud computing offers an easier path to upgrade to more advanced software solutions including an electronic health record (EHR) system.

New and improved Web-enabled applications offer the potential to eliminate many of challenges ASCs face in deploying and managing on-premise servers and will drive future growth. Trends that have supported the growth of cloud-based services include:

- ◆ *Acceptance of Cloud-Based Applications:* The popularity and success of Web-based applications such as email, social networking sites, downloadable apps, and so on, have given users more confidence in trusting mission-critical functions to the cloud and continue to spur vendor investment.



- ◆ *Next Generation ASC Applications:* Newer Web-based applications designed specifically for ASCs outpace the older client server-based applications in capability and user experience.
- ◆ *Faster and More Reliable Networks:* The speed and reliability of public networks now supports mission-critical applications.
- ◆ *Security:* Encrypted communications are fully accepted as appropriate for confidential data including protected health information (PHI).
- ◆ *Cost Management:* The need to lower costs while improving performance and service is increasing.
- ◆ *Virtual Servers:* Virtual server technology securely supports multiple ASCs on high-powered servers.
- ◆ *Increasing Storage Demand:* EHRs and scanned documents exponentially expand data storage demands. Fifty gigabyte databases are now common and difficult to manage on a standalone server within an ASC.
- ◆ *Anywhere/Anytime Access:* Cloud computing offers the opportunity for vendors to provide access to applications and data on the chosen devices of users such as smartphones, tablets, and thin client PC workstations that require minimal investment and attention.
- ◆ *Interoperability:* Demand for ASCs to connect to physician systems, IDNs, HIEs, and other stakeholders will continue to increase. Based on our experience, a cloud-based platform is a superior platform for developing and maintaining interfaces.

The shift to cloud computing will change the way ASCs access and use applications forever. When you consider advanced solutions are available on a subscription basis with little upfront capital investment, it's a compelling value proposition. For ASCs under pressure to implement an EHR, challenged by increasing competition, changing reimbursements, and increasing oversight, cloud computing is very appealing.



# SourceMedical Vision OnDemand

When it comes to managing financial, operational, and clinical information and processes, ASCs require a customized solution tailored to their specific needs. Vision OnDemand answers this need while eliminating the expenses associated with deploying and maintaining software on a local server. Because it is a Web-based solution, the only requirement is an Internet connection and a laptop, PC, or tablet computer. Vision OnDemand also requires significantly less capital investment because clients simply pay a subscription fee based on usage which provides a faster return on investment.

Designed specifically for ambulatory surgery centers (ASCs), Vision OnDemand automates the management of patient information and facility operations while allowing secure anytime, anywhere access to information resulting in enhanced patient care and higher levels of service to system users and physicians. Vision OnDemand enables rapid deployment while eliminating financial and technical barriers.

Vision OnDemand provides an easier path to upgrade to more advanced software solutions including an electronic health record system (EHR), improving back office operations, and providing enhanced reporting. Vision OnDemand is highly customizable allowing ASCs to quickly and easily select desired modules as they are needed. Standard features include:

- ◆ Scheduling
- ◆ Remote Scheduling – Surgeon Portal
- ◆ Patient Registration
- ◆ Preference Cards
- ◆ Case Management
- ◆ Case Costing
- ◆ Inventory Management
- ◆ Accounts Receivable
- ◆ Auto Post – Electronic Remittance
- ◆ Electronic Document Management
- ◆ Facility Reporting Module
- ◆ Workflow Manager
- ◆ State Reporting
- ◆ Electronic Claims Support
- ◆ Advanced Collections Manager
- ◆ Customized Patient Tracking
- ◆ Quality Assurance Tracking
- ◆ Physician & Staff Credentialing

To learn more about the benefits of cloud computing and Vision OnDemand, please contact 800-719-1904 or visit us at <http://sourcemed.net/vision/sourceplus/vision-ondemand/>.



# About SourceMedical

SourceMedical is the largest provider of outpatient information solutions and revenue cycle management services for ambulatory surgery centers, specialty hospitals, and rehabilitation clinics nationwide. With 31 years of real-world experience, more than 5,200 satisfied customers, and the confidence of more than 250 consultants and management companies, SourceMedical offers the broadest range of solutions and enhancements available to the industry. The company's unique end-to-end systems improve operational efficiency and cash flow while enabling healthcare facilities to capture, exchange, and analyze data to deliver a higher standard of patient care. For more information, please visit [www.sourcemed.net](http://www.sourcemed.net).

