

CGI and River Logic team up

delivering next-generation enterprise planning, decision support and business intelligence solutions for healthcare providers and payers

Healthcare payers and providers are seeking better ways to manage resources, reduce costs, improve net revenue, increase forecast accuracy, and improve collaboration. CGI has partnered with River Logic to deliver Healthcare Enterprise Resource Optimizer (HERO)[®]—a suite of enterprise planning, decision support and business intelligence (BI) solutions designed specifically to meet these needs.

HERO is a highly differentiated solution built on River Logic's unique fifth-generation programming language. HERO provides clients with the ability to tackle the crucial questions about planning and future decisions that have a profound impact on an organization's ability to survive and establish a competitive advantage.

INNOVATIVE PLANNING AND DECISION-SUPPORT

HERO is a next-generation planning system that allows constraint-based modeling and has the ability to generate a matrix without specifying equations. The solution supports the most expansive "what-if" capabilities in the industry and incorporates financials and operational optimization out of the box. The HERO engine is backed by more than 20 years of market development and field testing by an organization with a deep understanding of analytics platforms and planning and decision support.

TRUST IN THE RESULTS

Organization

- Hospital system
- 1,110 beds across multiple sites
- More than 1,000 physicians
- Institute for musculoskeletal health and wellness: 600 employees, including 36 physicians

Business challenges

The hospital system was unable to quantify the financial impact of orthopedic procedures, including ancillary activities, and had limited visibility into activity drivers and system capacities. Legacy BI and financial planning systems lacked intelligent support for "what-if" analyses and provided stale and inaccurate information. The hospital system was experiencing significant revenue and profit erosion due to defective planning and associated decisions.

BENEFITS OF HEALTHCARE ENTERPRISE RESOURCE OPTIMIZER

- Improve decision accuracy, predictability, and accountability
- Increase business alignment by sharing performance management strategies across the enterprise
- Quantify business risk and rapidly adapt to meet evolving business requirements
- Improve operational efficiencies, thereby reducing operating costs
- Maximize profitability

Results

With the implementation of HERO, the hospital system has been able to:

- Reduce cost of care delivery between 2 to 5 percent
 - Identify financial impact and renegotiate supplier contracts
 - Improve resource utilization across the system
 - Establish policies to eliminate high-cost activities (e.g., high-cost implants)
- Improve net revenues by 10 percent and profits by 40 percent
 - Design new, profitable product lines through realistic “what-if” analyses
 - Increase net revenues by \$1,000-2,000 per doctor per day through doctor-generated activity verification
 - Improve practice decisions, including physician hire/fire and compensation
 - Optimize the referral network
- Increase forecast accuracy
 - Link physician activity with financial budgets and forecasts
 - Identify unexpected financial impact from activity fluctuations in near real-time
- Enable close collaboration between physicians, their partners, and hospital administrators

HERO FEATURES AND FUNCTIONALITY

Scalable, integrated models

- Financial models integrated with business process models
- Forward-looking, detailed unit/customer-level analysis
- 64-bit support with no matrix limits
- Calculations optimized for computational efficiency

Visual programming

- Drag and drop, object-oriented modeling with visual tools
- No equation building or sequencing
- Extensible language-based rules

Robust decision support

- Extensive and rapid “what-if” analysis
- Mixed integer optimization
- Multiple objective functions

Embedded expert knowledge

- Unique proprietary analyses: marginal profitability, non-linear continuous curves, integrated process and financials, ratio/pooling/blending constraints
- Extensive data checks and error checking
- Built-in seasonality with flexible time periods

ABOUT CGI

At CGI, we're in the business of satisfying clients by helping them succeed. Since 1976, we've operated upon the principles of sharing in clients' challenges and delivering quality services to address them. A leading IT and BPS provider, CGI has approximately 31,000 professionals operating in 125 offices worldwide.

ABOUT RIVER LOGIC

Founded in 2000, River Logic provides strategy, operational planning, and analytics solutions, built on the Enterprise Optimizer® (EO) platform. EO drives our differentiation and yields significant commercial advantages to partners and clients. We work with Solution Partners to develop white space solutions, built on the Enterprise Optimizer® platform, to address business issues not well supported by technologies available today.

For more information, visit www.cgi.com/health