

Hospice achieves 46.5% savings with incumbent payroll processing provider

CLIENT Hospice

COST CATEGORIES

Payroll/HR Administration

SECTOR Healthcare

\$94,400 SAVINGS HELPS COMPENSATE FOR LOST MEDICARE/MEDICAID PAYMENTS

EXCELLENT 10-YEAR RELATIONSHIP WITH INCUMBENT

The client is a hospice with multiple sites in Kentucky. As a recipient of shrinking Medicare and Medicaid payments, the hospice is looking at across-the-board cost-cutting measures in its G&A overhead expenses. However, it's also important to continue to provide quality end-of-life care.

The hospice asked Consultants with Expense Reduction Analysts (ERA) to review its annual \$200,000 spend for payroll processing services for its 850 staff members - even though the client enjoyed a long-term relationship with its provider.

THOROUGH ANALYSIS LEADS TO SIGNIFICANT SAVINGS

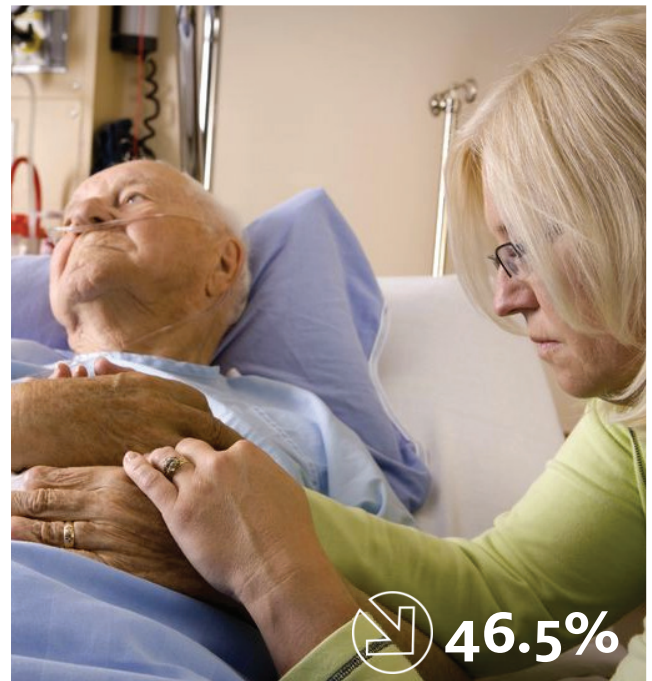
ERA industry experts analyzed data and reviewed supplier agreements before issuing a detailed RFP. Their comparative analysis of bids examined weekly, monthly, quarterly and year-end processing fees; discounts; reporting requirements and costs; data access charges; and GL interfaces. ERA Consultants also calculated per payroll processing charges; delivery fees; benefits and Cobra administration; and W-2s.

The hospice ultimately remained with its incumbent provider, but at greatly improved rates.

BENEFITS OF AN ERA REVIEW

- Realize improved functionality along with great savings from improved rates.
- Upgrade payroll systems with an easy-to-use suite of services that meet current and future needs.

- Transition seamlessly using a simple web-based system to ensure savings are made without disruption.



PROJECT INFORMATION

Expense:	Payroll/HR Administration
Industry:	Healthcare
Hidden Savings:	\$94,400
Supplier:	Incumbent
Savings:	46.5%