

## At a Glance

### Organization

- Texoma HealthCare System, Denison, Texas
- Beds: 263
- Five facilities
- Inpatient visits per year: 10,230
- Outpatient visits per year: 42,485

### Solution Spotlight

- Paragon Community HIS
- Horizon Patient Folder
- Horizon Business Folder
- Horizon Medical Imaging
- EC2000 Claims Administrator
- Pathways Compliance Advisor

### Critical Issues

- Multiple legacy products on proprietary architectures
- Costly maintenance and support
- Access and analysis of integrated data across the system

### Results

- Reduced software maintenance costs by \$285,000 per year
- Saved \$50,000 per year by reducing hard copy reports
- Reduced A/R days by 2.6 for a cash infusion of \$820,000
- Reduced HIM A/R days by 1.6 for a one-time benefit of almost \$525,000
- Reallocated 3 FTEs, saving \$88,000 per year

## Texoma HealthCare System Reaps Dividends from Building an EHR

### Profile

Positive change is sweeping across the plains of north Texas and southern Oklahoma. Texoma HealthCare System located in Denison, Texas, leads the change by building an integrated electronic health record (EHR) for the patients it serves in five counties across two states.

### Challenge

Texoma used three disparate legacy platforms for different aspects of the organization. The proprietary architecture made it difficult to extract useful data for analysis of patient care and operations; plus maintenance and support were costly. A move to a single-source, integrated solution would reduce IT costs while enhancing quality of care.

### Answers

As a practicing physician, Texoma president and CEO, W. Mackey Watkins, M.D., brings a unique perspective and vision to the business of healthcare. To him, IT enables better healthcare and outcomes for patients. The key to better care is information — the right information at the right time in the right place.

“An electronic health record pays dividends in quality, recruitment, staff efficiency and satisfaction,” says Watkins. “Consumers are demanding HIT that improves

medical care and reduces the risk of errors. There are many reasons to implement an EHR, but the bottom line is that it’s the right thing to do.”

To achieve its goal, Texoma needed an integrated IT solution with an advanced technology platform. Texoma selected McKesson’s Paragon™ Community HIS, which is built on Microsoft Windows® technology with an open architecture. With its integrated clinical and financial modules, the Paragon solution will put Texoma on the road to building an EHR.

To supplement the Paragon solution and to provide the framework for the EHR, Texoma implemented McKesson’s electronic document management systems, Horizon Patient Folder™ and Horizon Business Folder™. These solutions enable hospitals to capture, index, store and retrieve patient information, and automate and streamline medical records and business office processes. Texoma also implemented McKesson’s Horizon Medical Imaging™ picture archiving communications system to include radiology images in the EHR and to reduce the costs and inefficiencies associated with film. The Paragon WebStation for Physicians solution was selected to give an integrated online view of the EHR.

# Case Study

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**W. Mackey Watkins, M.D.**  
*President and CEO,*  
*Texoma HealthCare System*

Seamless integration among the McKesson applications enables Texoma’s medical staff to have anytime, anywhere access to laboratory results, radiology reports, transcription, medical images, bedside clinical documentation and the longitudinal patient record.

Data analysis and claims management processes were addressed by McKesson’s revenue cycle solutions. For example, the EC2000™ Claims Administrator system automated claims management to reduce errors, while the Pathways Compliance Advisor™ monitoring tool supported claims editing for compliance coding and regulatory guidelines.

## Results

The clinical and financial solutions from McKesson have helped Texoma make significant strides. By the metrics in the American Hospital Association’s white paper, “Forward Momentum: Hospital Use of Information Technology” (2005), Texoma is in Stage 2 of EHR implementation (with 8-11 EHR functions fully implemented) and has outpaced 75% of community hospitals in implementing an EHR. Texoma expects to be in the final stage, Stage 3 (12-15 EHR functions fully implemented), by fall 2007. In addition, *Hospitals & Health Networks* included Texoma in the Most Improved category of its 2006 Most Wired survey.

Texoma’s progress toward a complete EHR has yielded significant operational and financial benefits. Texoma reduced three FTEs in its business office for an annual savings of \$88,500. The organization made a significant cut to its IT budget by reducing its HIS software maintenance costs by \$285,000 per year. Texoma also eliminated more than \$170,000 in annual radiology film expenses and reduced its annual hard-copy report distribution costs by 50%, saving more than \$50,000 a year.

Texoma decreased its accounts receivable (A/R) days by 2.6 and achieved a one-time cash flow benefit of \$820,000. The organization also eliminated final review of outpatient claims. Texoma reduced its HIM A/R days (from discharge to coding) by 1.6 days, creating a one-time cash flow benefit of almost \$525,000.

“Advanced technology and an EHR have provided a competitive edge in starting a hospitalist program and in recruiting highly qualified, tech-savvy physicians and specialists,” says Texoma CIO Ty Sweeney. “Even patients are interested in the new technology when nurses enter their documentation at the bedside using a wireless tablet PC. These are exciting times. It’s amazing to see what IT can do to improve the quality of care.”

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