

# Reducing Costs for Healthcare Industry



## Executive Summary

- **Customer Name:** Recondo Technology
- **Industry:** Healthcare payment processing
- **Location:** Denver, Colorado
- **Number of Employees:** 251

## Business Challenge

- Establish scalable, reliable cloud for client services to improve redundancy and flexibility
- Improve scalability and deployment to meet needs of fast growth
- Eliminate downtime and hardware failures through improved disaster recovery

## Network Solution

- Transitioned onto true cloud with Cisco UCS as part of FlexPod environment, supporting data centers for improved redundancy, scalability, and performance

## Business Results

- Increased application performance by up to 200 percent
- Reduced power consumption by 50 percent through consolidation
- Streamlined deployment to reduce cycle time for onboarding new clients by 75 percent

Recondo provides faster and more reliable SaaS financial applications to healthcare providers by implementing Cisco UCS.

## Business Challenge

Current healthcare spending in the United States is about US\$2.7 trillion, with more than 17 percent of that number devoted to settling payments. Seeing an opportunity to save the healthcare industry billions of dollars annually, Recondo Technology develops software and offers software-as-a-service (SaaS) solutions that increase the efficiency of processing healthcare payments across the entire revenue lifecycle. From eligibility and preauthorization to denial management and revenue reconciliation, Recondo currently provides SaaS applications to approximately 450 hospitals and medical facilities, processing more than \$1 billion every quarter.

With business booming, Recondo management realized that its existing IT infrastructure was no match for its exponential growth. In the data center, Recondo was running a virtualized environment consisting of Citrix Xen, but had a mixture of single-storage servers and mid-tier backend SAN modules that limited advanced features made available by today's virtualization technology. As a result, the company had to purchase and deploy new servers when adding new customers or when providing existing customers with additional services or capacity.

Without the flexibility to adjust resources, servers were underused during low periods, but became congested during times of high demand. Not only did the single-instance servers increase the costs of infrastructure and deployment, but they also greatly lengthened the time required to scale the data center.





“With Cisco UCS, we can deploy new virtual servers in minutes. This has reduced our time from contract to production for a client by 75 percent.”

– Frank Ricotta  
Executive Vice President  
Recondo Technology

Recondo also felt that the single-instance Dell servers in use had insufficient redundancy. “As a SaaS provider, our revenue depends on clicks and transactions,” says Brian Jackson, Director of IT at Recondo. “Any downtime for us is lost revenue.” The company needed to provide highly reliable service with high redundancy, excellent disaster recovery, and improved resource usage to prevent congestion.

“To achieve the performance and reliability that our clients require, we needed a true cloud solution that could flexibly adjust resources and move data effortlessly across systems or physical locations,” says Jackson.

## Network Solution

After looking at solutions from HP, IBM, and Cisco, Recondo chose to migrate its data centers from Dell servers to a validated FlexPod environment supported by Cisco Unified Computing System™ (UCS®) servers, NetApp FAS3200 storage systems, and VMware for virtualization to deliver outstanding cloud services to its clients. The data centers use Cisco® UCS B230 M2 blade servers, Cisco UCS 6248 fabric interconnects, Cisco Catalyst® 3750-X switches, and Cisco ASA 5500 series adaptive security appliances. The main data center in Denver and second data center in Dallas are both active, with identical layouts and multiple chassis for redundancy in each data center and between data centers.

With the FlexPod environment, Recondo can more easily virtualize its proprietary applications running on Cisco UCS servers and create a true cloud environment for its applications. With its applications and servers virtualized, Recondo can then flex capacity when needed, enabling the data center to adjust loads and prevent network obstructions from forming.

The streamlined Cisco UCS infrastructure helps Recondo consolidate servers, which reduce power and cooling costs, while fast and easy provisioning of new blades reduces deployment costs. In addition, data can be easily migrated between servers, reducing disaster recovery times and eliminating downtimes for server maintenance.

Management capabilities offered by Cisco UCS Manager also improve scalability and flexibility, helping enable the IT staff to deploy new virtual servers quickly through the use of service profiles or view the capacity and utilization. Improved visibility into data centers enables management at Recondo to forecast future needs and capacity more accurately, further reducing unnecessary capital spending by allowing the rapidly growing company to purchase new servers only when needed. Additionally, the pre-validated solution reduces deployment risk with new hardware as the organization and its data center grows.

## Business Results

“After we transitioned to Cisco UCS, several clients commented on how much faster and smoother applications are,” says Jackson. “Main applications are running 30–35 percent faster, with up to 200 percent faster performance on throughput.”

According to Frank Ricotta, executive vice president at Recondo, this performance improvement has helped clients process more actions efficiently. “Request times have been halved from 5 seconds to 2.5 seconds. When administrators are processing thousands of requests every day, the saved time really adds up, enabling our clients to reduce their workload and headcount.”

## Product List

### Data Center Solutions

- Cisco Unified Computing System (UCS)
  - Cisco UCS B230 M2 Blade Servers
- FlexPod

### Routing and Switching

- Cisco Catalyst 3750-X Switches

### Fabric Interconnects

- Cisco UCS 6248 Fabric Interconnects

### Security and VPN

- Cisco ASA 5500 Series Adaptive Security Appliances

### Virtualization

- VMware ESXi 5.0 Enterprise

### Storage

- NetApp FAS3200
- NetApp Data ONTAP

The combination of Cisco UCS and virtualization in the FlexPod environment has also helped to significantly improve scalability. With the previous data center configuration, Recondo could not scale quickly. The company either purchased servers months ahead of time, spending capital on equipment that may not be needed, or delayed services until a new server could be ordered and provisioned. "With Cisco UCS, we can deploy new virtual servers in minutes. This has reduced our time from contract to production for a client by 75 percent," says Ricotta.

Recondo also lowered power and cooling costs by reducing the footprint in each of its data centers. "Each Cisco UCS blade server has such incredible performance that we were able to consolidate about two full racks into half a rack," says Jackson. "This reduced our cooling costs and cut our power consumption by 50 percent."

## Next Steps

With improved scalability and performance in the data center, Recondo has the capacity to offer clients Virtual Desktop Infrastructure (VDI) solutions or other new added value services. For example, Cisco UCS will empower Recondo to make greater use of big data by offering analytic services related to financial medical records. Flexibility and scalability help enable Recondo to store more records and transaction logs without needing to delete historical transactions, while improved performance gives the data center the power to analyze the additional information for the most accurate analytics possible.

## For More Information

To find out more about Cisco Unified Data Center, visit: [www.cisco.com/go/unifieddatacenter](http://www.cisco.com/go/unifieddatacenter).

To find out more about Cisco UCS, visit: [www.cisco.com/go/ucs](http://www.cisco.com/go/ucs).



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