CUSTOMER SUCCESS STORY

Southcentral Foundation (SCF)

EXECUTIVE SUMMARY

PRODUCTIVITY IMPROVEMENTS

- Reduced average time required for moves, adds, and changes from two weeks to 24 hours
- IT/Telecom staff training synergies
- Increased efficiency of IT help desk contact center by 20 percent
- Increased first call resolution at patient contact centers from 60 to 85 percent
- Improved voicemail management and documentation for clinical and administrative staff
- Improved communications for traveling employees
- More flexible communications through wireless IP phones

DIRECT COST SAVINGS

- Reduced long-distance toll charges from US$8,000 to $450 per month (including 800 toll-free charges)
- Eliminated monthly Centrex service fees of $3,000
- Eliminated over $37,000 in monthly maintenance fees paid to contractors and partner organizations for supporting existing phone systems at remote locations
- Reduced cabling expenses at new facilities
- Reduced phone charges from traveling staff

Organization Overview

Southcentral Foundation (SCF) is a non-profit health corporation serving Native Alaskans under the tribal authority of Cook Inlet Region, Incorporated (CIRI). Some 50,000 Alaska Native and American Indian people living in Anchorage, the Mat-Su Valley, and 60 rural villages in the Anchorage Service Unit come to the Foundation for healthcare. It has over 1,200 employees working in 65 different healthcare programs in 22 different locations.

Business Challenge

Until recently, Southcentral Foundation had six different, non-integrated voice communications systems, including a legacy Fujitsu PBX at headquarters, legacy Centrex telecommunications services at headquarters and at several other major locations, and a variety of key telephone systems (KTSs) at more remote sites. The remote offices typically had outdated phone systems that came with the facilities when SCF acquired them. Because remote sites had no internal ability to support these systems, either locally or from headquarters, they were supported exclusively by external contractors. As a result, the operating costs were high and the response times for basic administration and support issues were often lengthy and inconvenient.

The Solution

In May 2004, Southcentral Foundation deployed an IP Communications solution from Cisco Systems®. As of December 15th, 2005, the Cisco® CallManager deployment will be complete with 1,140 Cisco IP phones in service throughout the organization. Additionally, all employees will be using Cisco Unity™ Unified Messaging on their IP phones at this point.

In addition to the Cisco CallManager and Unified Messaging for all phones, SCF currently has:

- Cisco IP Contact Center Express (IPCC Express) with 11 active queues and 70 agent seats for its two client-facing contact centers, its clinical contact center for Family Medicine, and its internal IT help desk contact center. As part of the IPCC Express deployment, it now has two clustered Cisco 7845 Media Convergence Servers.
- A third party emergency annunciator application that is integrated with Cisco IP Communications. This allows for broadcast announcements

by building or by zone, and will soon replace its conventional Public Announcement (PA) system.

- Cisco IP Communicator soft phone clients on laptops.
- A Cisco wireless deployment with Cisco Wireless IP Phones 7920.

Benefits
At the time of writing, Southcentral Foundation has been using its Cisco IP Communications solution for nearly 24 months. The return on investment (ROI) that SCF has already realized has been driven primarily through the elimination of fees previously paid for carrier Centrex services at headquarters and outside contractors to manage remote branch phone systems.

(1) Elimination of Centrex service charges and KTS support fees
Several of SCF's largest, most centrally-located facilities previously used a managed Centrex service. Because the Cisco IP Communications solution can be managed internally, the organization has eliminated US$3,000 per month ($36,000 per year) in managed Centrex service fees.

SCF also eliminated the annual maintenance and additional unplanned service fees it had been paying to a variety of local telecom consultants to manage its existing phone systems at its remote facilities. Additionally, SCF was able to eliminate approximately $450,000 in annual service fess paid to an external partner organization for phone support. With Cisco IP Communications, SCF's IT staff can offer service and support to all remote locations from the Anchorage headquarters, and the organization has been able to do this with only minor increases in its internal support staffing levels.

(2) IT/Telecom Staff Training Synergies
At the time of the Cisco IP Communications deployment, SCF's existing IP network was already standardized on Cisco products and the organization's existing IT staff were all Cisco certified. This created valuable synergy for the organization. Chuck Clement, SCF's vice president and CIO explains: "Our Cisco IP Communications solution runs over Cisco switches and uses Cisco routing protocols. It lends itself right into the QoS aspects of our existing Cisco network." New employees hired to support the Cisco IP Communications system can also support the core Cisco network. "The new staff members fit right into our standard routing and switching teams more and into how we already have our organization structured." All IP Communications, IT and network issues are routed through a single service desk at SCF.

(3) Faster Moves, Adds, and Changes
While the direct operational cost savings from Cisco IP Communications are significant, the flexibility and speed of the solution are even more important to Southcentral Foundation. Simplified moves, adds, or changes (MACs) of Cisco IP phones with the Cisco CallManager system has resulted in less staff downtime and reduced IT staff administration. Under the previous phone and Centrex systems, SCF would have to wait for the Centrex provider or phone system contractors whenever an employee needed to be added to the phone system or changed locations. Adding a new office to the phone system could take as long as three weeks, depending on the location and the type of voicemail system in place. With Cisco IP Communications, these changes and additions can be done by internal IT staff within a matter of minutes, even from remote locations if necessary, and the entire work order process typically takes no longer than 24 hours. Additionally, non-technical employees can now move IP phones from one location to another without the assistance of IT support staff.

(4) Toll Bypass Savings
Previously, several of SCF's rural locations were charged high tolls by carriers for long-distance calls. "The long-distance phone charges within Alaska are probably some of the most expensive in the United States," Clement explains. "For in-state calls, there were instances where we were paying rates as high as 30 cents per minute." Today, SCF has Cisco small-office branch gateways installed at these rural locations, which run over the existing satellite link to headquarters that had previously carried only the data traffic. As a result, SCF's long-distance phone expenses have fallen from US$8,000 to less than $500 per month, on average.

(5) Reduced Cabling Expenses for New Facilities
SCF has already realized important savings by significantly reducing the cabling requirements at all of its facilities. Previously, the organization had to run four jacks to each office (two for data; two for voice), which required two separate technicians to ensure that both the data jacks and the phone jacks were working.

As an example of the scope of costs involved for cabling with a separate voice and data system, Clement points to a 100,000-square-foot facility that the organization purchased prior to the Cisco IP

Communications deployment. It cost SCF over $200,000 just to bring the facility's cabling standards up to its requirements (i.e., going from one phone jack and one data jack in each office to two phone and two data jacks in each room).

With Cisco IP Communications, cabling costs are significantly reduced. At a recent opening of a new 9,000-square-foot rural facility, the savings from reduced cabling requirements were approximately $30,000. As Clement explains, "What we've had to do in the past is build in for expansion of both traditional telephony and separate data cabling. Now we can build in for expansion with an IP mentality instead. We're wired for an IP infrastructure, and that's all we need to do."

(6) Documentation and Accountability with Cisco Unity Unified Messaging
Cisco Unity Unified Messaging has proven particularly valuable for Southcentral Foundation. Physicians and support staff can now manage and archive voicemails, e-mails and faxes efficiently from one inbox, thereby improving patient care. According to Clement, healthcare communications applications are particularly sensitive to issues of documentation and accountability: "There is a lot of value in physicians being able to document voice mail from patients. That is one of the biggest selling features of the system." Employees no longer need to dial in to their phone systems to check voice messages. Instead, both voice and e-mail messages can be accessed through their computers through an easy-to-use graphical user interface, allowing employees to organize and prioritize communications more effectively. It also enables employees to respond to messages in whatever medium is most convenient or efficient. For example, healthcare professionals may prefer to respond to a voice message in writing to ensure communications are documented and searchable. Physicians can quickly respond to patient voicemails via e-mail with the integration of Cisco Unity with Microsoft Outlook regardless of their location. In summary, the Cisco IP Communications solution has allowed SCF to streamline communications and improve business process efficiency, documentation and accountability.

(7) Improved Management of Contact Centers
Southcentral Foundation has implemented Cisco IP Contact Center (IPCC) Express for its internal IT help desk as well as for its external patient contact centers. For the IT help desk specifically, the Cisco IPCC Express has greatly improved the reporting, visibility and management of the center. According to Clement, this new visibility has helped the organization manage its service level agreements (SLAs) more effectively. "If we find we're bumping up against the limits of our response time on a certain SLA, we can add attendants to the contact center."

The real-time reporting capabilities of the Cisco IPCC Express system are particularly valuable for managing major network events such as network expansions or virus outbreaks. "About eight months ago we increased the size of the network at a primary care facility by 80 percent," Clement recalls. "After the upgrade, we were able to monitor average hold times, average talk times, and call abandonment rates. It allows us to dynamically manage that contact center."

The reporting and management effectiveness of Cisco IPCC Express has allowed SCF's IT department to increase agent productivity by at least 20 percent. When SCF began managing its voice communications at its primary care facility internally, the network size under its care doubled. The IT department is now also managing all voice communications support at all of its remote facilities from the central help desk. As a result, "call volumes to the central IT help desk have increased by as much as 80 percent", Clement says. Additionally, the management capabilities of Cisco IPCC Express have allowed the organization to be more flexible in the staffing of the central IT help desk.

Today, call volumes are being handled faster and first call resolution has increased from 60 to 85 percent.

For all of its contact center agents, SCF is now using the Cisco IPCC silent monitor feature to verify SCF-wide customer service standards. This internal customer service tool has helped the foundation to manage its customer service representatives with more visibility and accountability.

(8) Improved Executive and Physician Communications While Traveling (Soft Phones)
Both SCF's executives and physicians are benefiting from Cisco IP Communicator soft phones on their laptops. Executives travel frequently to the different organization facilities and to external conferences, meetings, and training sessions. Physicians do a lot of continuing education as well, which typically requires out-of-state travel. The Cisco IP Communicator soft phone capabilities combined with Cisco Unity Unified Messaging are helping them stay in touch with patients and colleagues much more effectively while on the road.

Cisco IP Communicator and Cisco Unity are also helping reduce cellular phone, calling card and toll-free charge bills while traveling. Previously, employees would purchase broadband internet access from their hotel to check their e-mail messages, and then call their PBX extensions from their cell phones to check voicemails. With Cisco IP Communicator and Cisco Unity, they can check and manage both their e-mails and voicemails simply by getting broadband internet access from their hotel rooms.

(9) Flexibility through Wireless IP Phones
SCF is currently using Cisco wireless IP phones within the IT department, and plans to provide them to physicians, pharmacists, and laboratory technicians in the future. Healthcare professionals typically do not remain at their desks for extended periods of time, and Clement anticipates huge potential for better communications and connectivity for all of their provider professionals through integrated wireless IP phones.

Conclusion
In the future, SCF plans to deploy Cisco VT Advantage video telephony solution in all of its locations. At the time of writing, the IT department is piloting Cisco VT Advantage, and the Behavioral Health Services Division is using it to provide remote, video-based pharmacy consultations to patients in the remote town of Wasilla, Alaska. The Wasilla clinic would not otherwise be able to afford a full-time behavioral health consultant or pharmacist, so the video telephony capabilities helps the foundation keep costs low while still providing a valuable face-to-face discussion between a qualified medical professional and their patients. In the future, the VT Advantage will significantly help physicians in all of SCF's locations more effectively collaborate with each other and with the organization's executive management.

SCF is also working to integrate more third-party applications directly into the Cisco IP phones. For example, the organization's Kronos time-keeping system has recently been integrated into the Cisco CallManager system. Employees can now clock in from their Cisco IP phones and log in through the graphical user interface.

SCF has only begun to take advantage of Cisco IP Communications by integrating these productivity-enhancing applications. It has already realized significant operational expense savings by moving from externally-managed phone systems to Cisco IP Communications, and both IT and non-IT staff are already realizing productivity benefits through having a converged system with Cisco Unity Unified Messaging and Cisco IP Contact Center Express.

For more information
www.cisco.com/go/ipc
www.cisco.com/go/voice
http://www.cisco.com/en/US/products/sw/custcosw/ps1846/

This interview for this story was conducted and documented by Sage Research, and sponsored by Cisco Systems.

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