

# ADVOCATE

# AURORA HEALTH

## HEALTHCARE SYSTEM IMPROVES FINANCIAL MANAGEMENT OF CLINICAL TRIALS



Several years ago, WCG was engaged by Aurora Health Care – now Advocate Aurora Health Care – a not-for-profit integrated health care delivery system with 15 hospitals and more than 100 clinics at that time in Wisconsin. The health care system supports over 3,300 affiliated physicians in caring for more than 1.2 million unique patients each year, and created a Department of Clinical Research to support both employed and private-practice physician efforts to conduct clinical trials and National Institute of Health (NIH) grants at system facilities. At the time, DCR consisted of three groups:

- 1. Clinical Trials**, which employed about 30 full-time research staff conducting outpatient research at hospital-based or satellite clinics.
- 2. Acute Care Research**, consisting of approximately 12 full-time staff conducting inpatient or other resource-intensive trials requiring 7 days of coverage, 24 hours per day.
- 3. Research Business Office**, which handles administration—including contracting, budget negotiations, research billing, research accounting and departmental management and oversight.

Together, these offices support over 100 open and enrolling industry-sponsored clinical trials within the Advocate Aurora system, plus approximately another 200 or so at some stage of follow-up

## CHALLENGES

- Deploying a centralized system for tracking clinical trial expenses and revenues
- Shoring up basic mechanics of research finances in order to continue development of a centralized clinical trials office branded Department of Clinical Research (“DCR”)

## SOLUTION

- Outsourcing financial management to WCG, in order to achieve:
- Enhanced business intelligence through online access to timely financial reports
- Ability to offload revenue and expense tracking for all clinical trials
- Ability to offload invoicing and revenue collection
- Ability to apply business intelligence functions, and utilize actionable information for management of research

## ASSESSING THE CHALLENGES

Partnering with a representative from DCR's corporate accounting office, the Research Business Office has traditionally supported all accounting functions for clinical trials and grants. Responsibilities of the Research Accountant included day-to-day accounts payable, monitoring of clinical-trial cost centers, monitoring of earned, owed and received study payments, maintaining physician investigator compensation reports, and development of research accounting policies and procedures. Like many organizations that support clinical trials, keeping track of so many research projects operating under a myriad of Sponsor payment processes with a single FTE proved to be challenging.



Another pressing issue: the need to deploy systems that would support timely, accurate revenue reporting. In the client's own words,

*"DCR's accounting platform and systems are excellent, but they were designed to support the operation of our hospitals and clinics and their respective departments. Hospital and ambulatory clinical and operational departments operate on a calendar/fiscal year—with clear endpoints to the periods. As such, they are not well-suited to the unique requirements of clinical trials research accounting, which are driven by activities and milestones rarely completed within a single calendar year."*

With those challenges in mind, AdvocateAurora's team decided to explore both commercially available solutions and the possibility of developing an in-house system. After considering the time and investment required to build or deploy an in-house solution, DCR determined that a commercial solution would deliver the results it needed—creating an immediate positive impact on DCR's operations. For fast, cost-effective, and expert assistance, the DCR Research Business Office turned to WCG—the industry's only company focused on financial management of clinical trials.

## REALIZING THE BENEFITS

Through its financial management service, WCG handles all sponsor billing, collections, payment tracking, reconciliation and reporting—and provides a secure web portal where stakeholders enjoy access to timely, accurate reports. Initially, DCR asked WCG to reconcile a test group of six studies in a pilot phase. For one of those studies, WCG discovered that DCR had not received any payments for patient visits, other than the advance and start-up costs. When WCG contacted the sponsor, the sponsor acknowledged the oversight and promptly issued a check to DCR for nearly \$45,000. With the successful completion of the pilot phase, DCR provided WCG with another 110 studies. In reconciling those, WCG found another \$290,000 in uncollected revenue from 27 different studies. Uncollected revenue was for patient visits, Institutional Review Board fees, start-up costs, pharmacy fees, invoiced procedures, and screen fails. Going forward, DCR is relying on WCG to manage and manage revenue invoicing and collections for all of industry-sponsored clinical trials.

## IDENTIFYING AND IMPLEMENTING A SOLUTION

DCR approached WCG about supporting management and reporting of clinical trial revenue. By outsourcing these responsibilities to WCG, the Research Business Office was able to focus its efforts on developing policies, procedures, and other systems to support the growing research operation while relying on WCG to manage the research revenue processes

## SHARING LESSONS LEARNED

To other organizations considering WCG, DCR leadership offers this advice: "If you need to go from 'zero to 60' in a very short period of time, we strongly encourage you to consider WCG. There is a strong business and operational case for using WCG. In less than a year, we've already realized tremendous impact in finding and collecting revenue."