Banner Health automates contract management to drive better patient outcomes

At Banner Health, contract management is an essential enabler for high-quality patient care

As a leading non-profit healthcare system, Banner Health understands the critical role that contracts play in delivering superior care to patients. Banner Health’s Senior Technology Manager Joe Heinzman explains, “In a health care system, everything is tied back to a contract, whether you are onboarding new providers or ensuring that critical clinical infrastructure is available and maintained to standard. Ultimately, everything we contract for touches the patient, which is why effective contract management is essential. It needs to be efficient, reliable, and transparent so that we can provide the best possible outcomes for the people who trust us with their care.”

With ServiceNow automation, Banner Health could simplify contracting processes and enhance visibility

That’s why Banner Health decided to automate contract management with ServiceNow. At the time, contract management at Banner Health was done with a manual system, creating significant effort and complexity. This resulted in contracting delays and lack of visibility—for example, knowing where a contract was in the process or having the contract be accessible in a centralized system. According to Joe, “We didn’t have a catalog of different contract types, so we manually collected the same 150 data points for each contract. That created a huge overhead. We used emails and spreadsheets to drive the contracting process, so things were difficult to track or untrackable, and had one system for data and one system that housed the contracts. Although we had a homegrown contracting system, it was inefficient, cumbersome to maintain, and the contracts lacked visibility needed by our stakeholders.”

Banner Health: Healthcare
Location: United States
Size: 50,000 employees

Challenge
Ensure resources for world-class patient care through contract management transparency, efficiency, and automation

Products
• The Now Platform®

Solution
Eliminate manual processes by automating the end-to-end contract management lifecycle with a custom application developed on the Now Platform® and reduction of contract processing time and tracking metrics
Banner Health chose ServiceNow because of its unmatched request fulfillment capabilities

Banner Health chose ServiceNow to automate contract management, creating a custom application on the Now Platform®. Joe says, “ServiceNow is one of our key enterprise platforms. It’s perfect for handling request fulfillment types of applications like contract management. With ServiceNow, we could create an application that met our exact needs, while leveraging the underlying platform capabilities such as forms and workflows.”

With ServiceNow, Banner Health accelerates and simplifies its entire contract management lifecycle

Now, Banner Health uses ServiceNow to automate its contract lifecycle. To initiate a new contract, business and clerical users simply choose from a list of contract types and fill in an online tailored form with relevant contract information. Because the form is tied to the type of contract, users typically only have to provide 30 to 40 data points instead of the 150 points they had to give previously.

Once the contract request is submitted, ServiceNow automatically routes the request to the right person for approvals and then to Banner Health’s legal team for review, finalization, and execution. Contract owners can see the status of the contract request in their contract portal—along with all of their previous contracts, which are stored in the ServiceNow database.

Joe says, “We’ve dramatically simplified and accelerated the contract management process, both for our clinical and business users and for our legal team. And, it’s not just about initial contract requests. We’ve set up business rules in ServiceNow that trigger at key points in the contract lifecycle—for instance, taking appropriate actions when the contract is nearing expiration and automating the outcome. With ServiceNow, we can also handle other types of activities, such as contract amendments and terminations.”

Banner Health leverages contract management to address other areas that impact patient care

For Banner Health, contract management also provides the foundation for automating other critical activities. One example is Banner Health’s ongoing provider compensation project—an innovative initiative to automatically tie provider compensation back to contractual performance.

Joe explains, “When we bring a provider onboard, we don’t just pay them a fixed rate or salary. Their compensation is also tied back to quality scores such as CMS* measures, as well as things such as ongoing educational requirements. These measures and requirements vary by specialty, so managing provider compensation across a 50,000 person system is a major challenge.”

“With our provider compensation initiative, we’re using ServiceNow to automatically measure provider performance against their contract. By combining the contractual information already in ServiceNow with quality and other information in our data warehouse, we can quickly and accurately determine compensation. This provides transparency for our providers—in fact, we will be giving our providers direct access to this information in an external ServiceNow portal. This will translate into higher provider satisfaction levels, which again has a direct influence on the quality of patient care.”

*Centers for Medicare & Medicaid Services

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