

A decorative graphic on the left side of the slide consists of a grid of overlapping squares in various shades of blue and purple, creating a stepped, staircase-like effect that extends from the top left towards the center.

Software as a Service

Another Link in the
Healthcare Service Chain

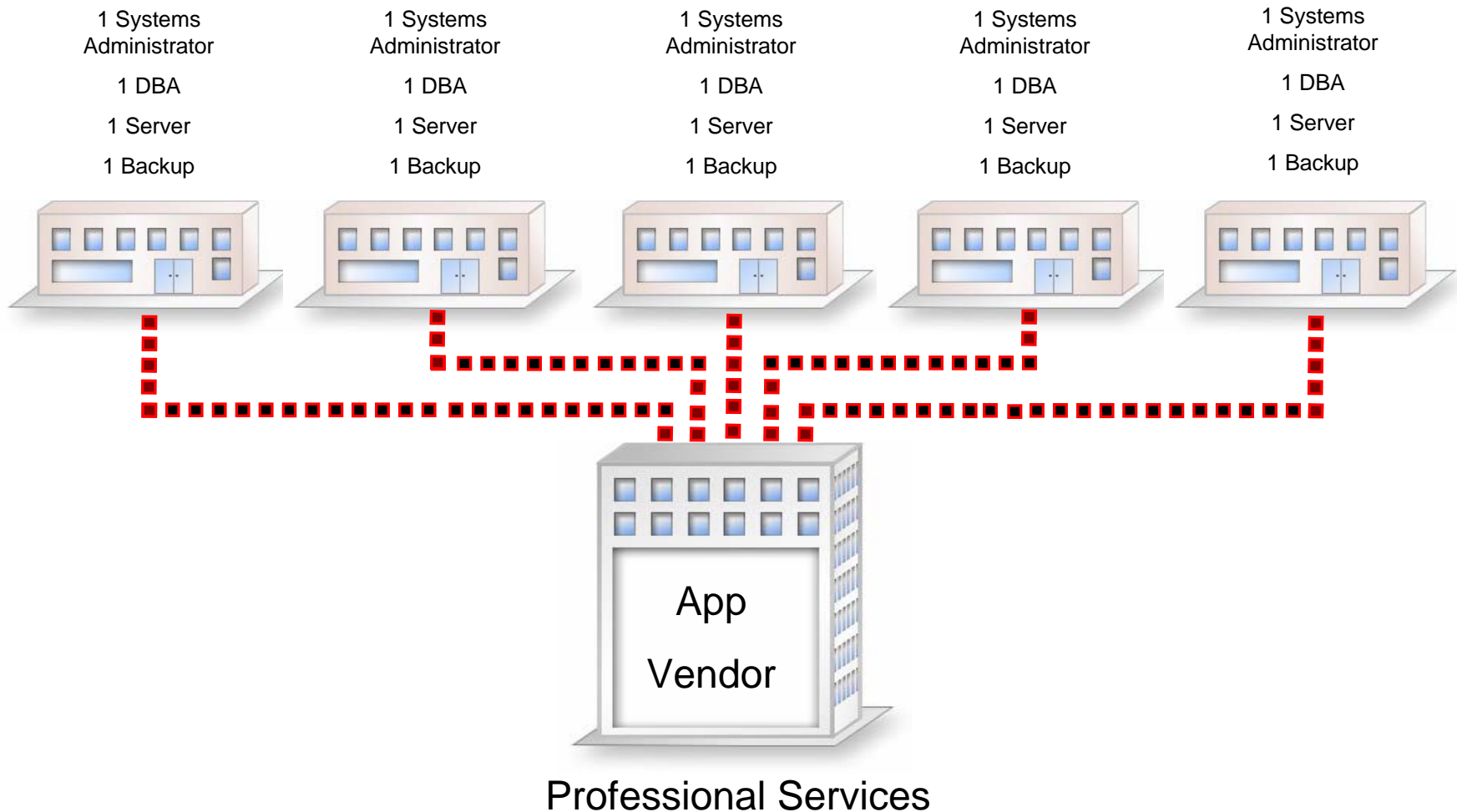
Objectives

- Background and History
- Go Behind the Marketing Hype
- Understand the Benefits
- Categorize the SAAS Solution
- Identify the Accounting Implications
- Identify the Technological Implications

SAAS Background and History

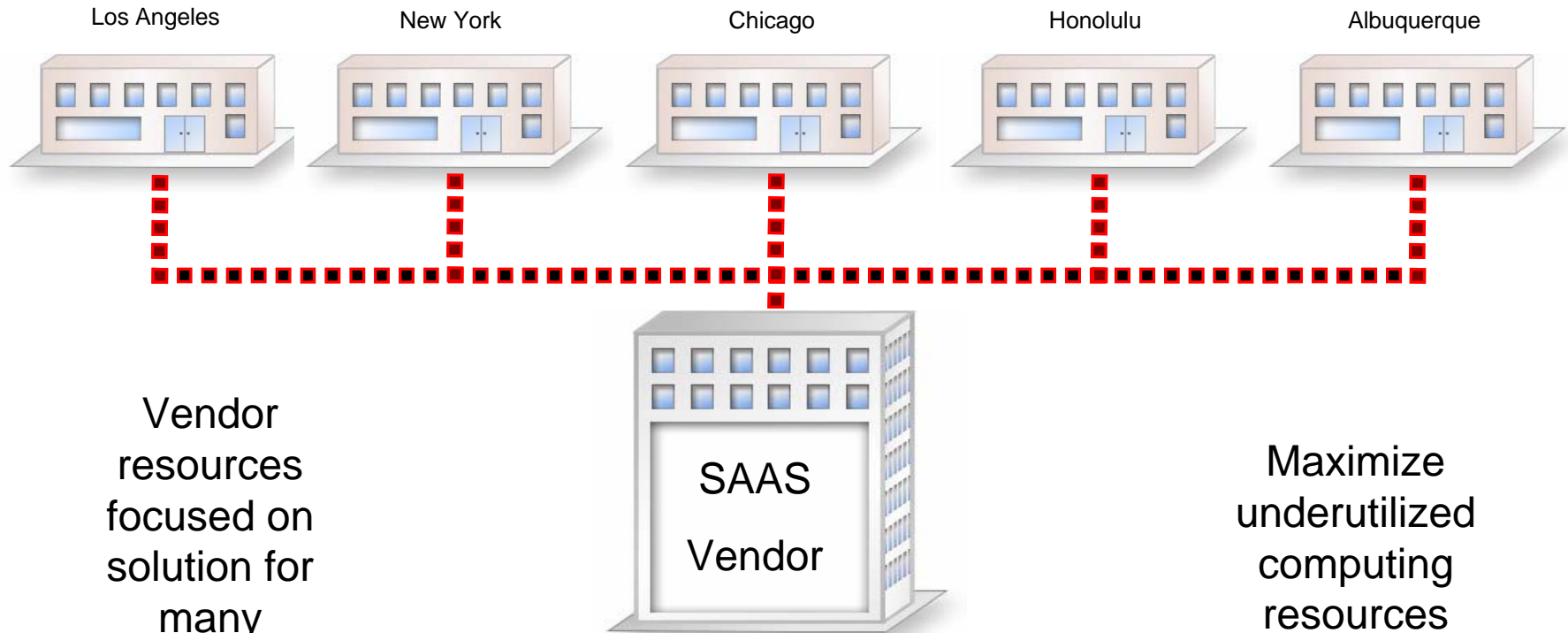
- Progressed from Application Service Provider solution
- Internet-based Delivery Model
- Identified 10 years ago
- Architecture changes created SAAS
- Customers defined it

Traditional Services Delivery



Maximizes Resources

Shared Delivery and Access



Centralized Resources
 1 Server, 1 Backup
 1 Systems Administrator
 1 DBA

Beyond the Hype

- Software IS a service!
- Purchase is akin to renting or leasing
- Similar solution to hiring or partnering with a clinical specialist or practitioner
- Vendor and customer-focused
- Technology is simple

SAAS Benefits

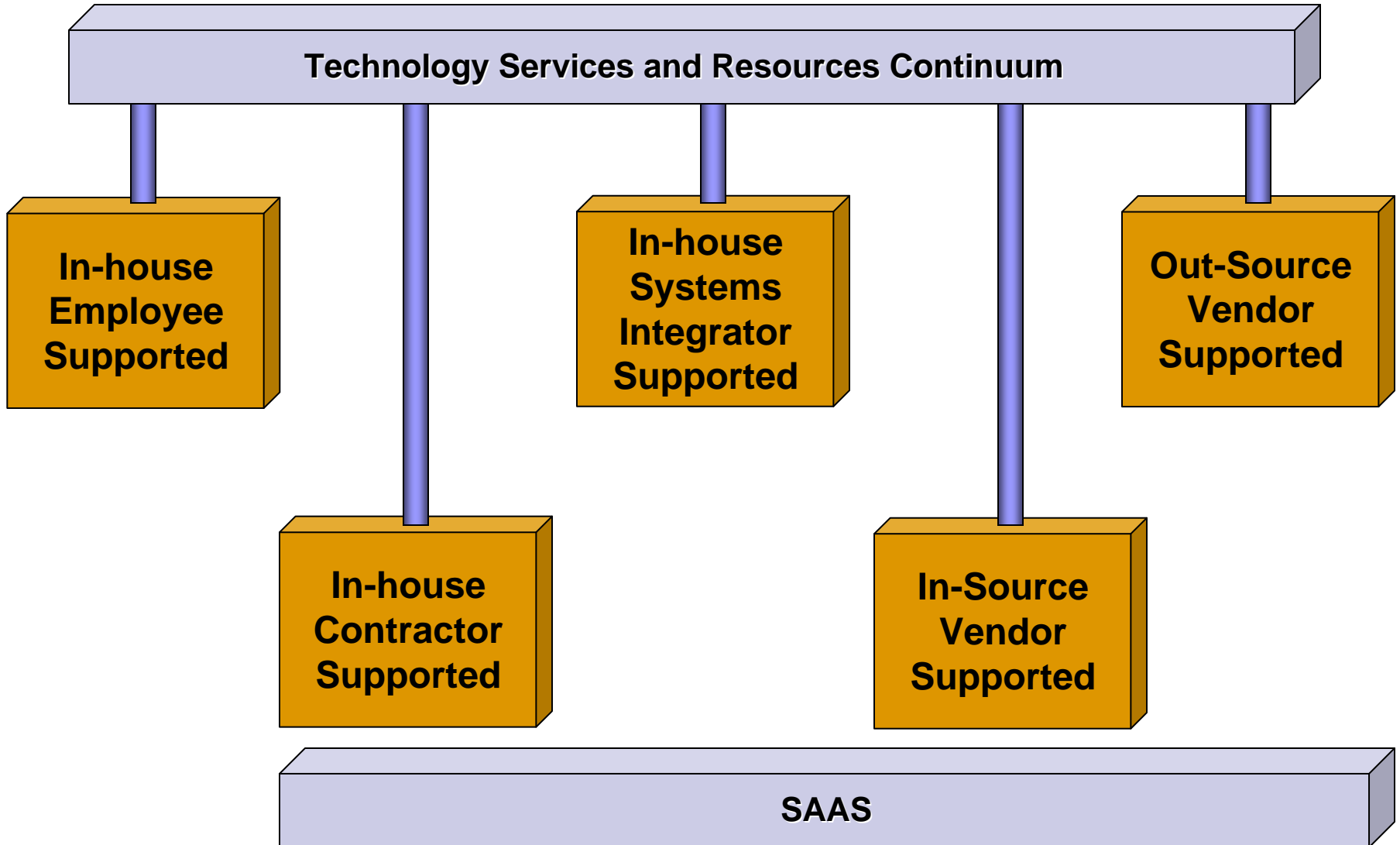
- Costs are known
- No computing hardware needed
- Backup and restore
- Less training requirements
- Focus on core skills
- Vendor provides expert knowledge and resources
- Patient focus
- Minimize disruptions to daily work



Who benefits

- Any organization
- Any department
- The patients
- Community
- Vendor

Categorizing SAAS



Accounting Implications

- Software is not owned, not an asset
- Monthly fee based on use or subscription
- Lower TCO
- No hidden or indirect costs
- SOP 98-1 implications for implementation costs
- Ability to better forecast IT spending
- Upgrade and maintenance costs included in monthly fee
- Poor service – stop paying vendor invoice

Technological Implications

- Insurance for Reliability, Availability, and Serviceability
- No dedicated technological resources
- No additional hardware costs
- Need for greater bandwidth on network
- Extra costs for custom or ad-hoc work
- Can take advantage of evolving and new technologies
- Contingency plan in place
- Allows hospital to focus resources on patient care

SAAS is growing

- Gartner predicts 35% growth of SAAS offerings worldwide
- From rural to IDN
- From department to the company
- Specific function to the enterprise solutions
- Customer-focused

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Questions?

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