

CASE STUDY: GILA REGIONAL MEDICAL CENTER

Silver City, New Mexico

Beyond Manual Payroll

In early 2005, Frank Greene, accounting manager for Gila Regional Medical Center in Silver City, New Mexico, initiated a payroll-improvement project designed to meet several critical objectives. On the productivity front, the hospital wanted to reclaim the approximately 30 hours per pay period that Greene and his three-person staff spent keying data into the payroll system. Because Gila's time and attendance system could not interface with its payroll software, Greene and his team entered an estimated 30,000 to 35,000 keystrokes to complete each payroll.

"One wrong keystroke," Greene recalls, "and an employee's paycheck would be wrong. We needed to eliminate manual data entry, but ensuring the accuracy of our employees' compensation was even more important. It just wasn't possible to be as accurate as we wanted to be with manual entry."

Just as important as accuracy was consistent application of payroll rules, policies and procedures for the 600 employees of the 68-bed hospital. Greene was all too aware that, for lack of a better system, supervisors had little choice but to apply payroll rules and policies based on their best understanding of them. Inevitably, these well-intentioned but subjective interpretations resulted in employees being paid differently for the same work. Hospital management understood that inconsistencies in compensation for items like shift differentials and on-call pay could have a substantial impact on employee morale and needed to be rectified.

Healthcare-Focused Solution

Greene was charged with identifying potential time and attendance solutions for addressing Gila's concerns. He evaluated upgrade options for the hospital's existing time and attendance system, which was scheduled to be desupported, yet he couldn't determine to his satisfaction if an upgrade would suit Gila's needs. His concerns were amplified when he attended the vendor's user group event and had difficulty locating users from the healthcare industry to learn firsthand about their experiences.

By contrast, when Greene attended the API Healthcare annual Client Forum as a prospective customer, he met and spoke with numerous healthcare organizations. "Being able to talk with current clients about their experiences and make side-by-side comparisons with other products was perhaps the most important part of the decision-making process for me," Greene says. "I really liked what I heard from API Healthcare clients, and the exclusive healthcare focus was a very influential factor."



Gila Regional Medical Center,
Silver City, New Mexico

AT A GLANCE

Problem: Manual payroll processes inconsistent, inaccurate and inefficient

Solution: Automated time and attendance system

Results: Consistency, accuracy and efficiency greatly increased

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In September 2007, Gila went live with API Healthcare’s Payrollmation® time and attendance system, which is designed specifically to automate and consistently apply the complex payroll policies unique to healthcare organizations. Based on his initial impressions, Greene expected implementation support to be an API Healthcare strong suit, and he wasn’t disappointed.

At API Healthcare’s suggestion, Gila established a payroll rules team made up of departmental supervisors, human resources staff and the payroll staff. “We went through each policy and rule,” Greene says, “and arrived at a consensus for how each one should be implemented in the new system. Today, I have complete confidence that our payroll rules and policies are being applied fairly and consistently.”

Complete Confidence

Today, using the Payrollmation system, Greene and his team complete payroll in less than a day, with much less effort. The system has fully met the hospital’s expectations for the application of rules and policies, ensuring that employees are paid consistently. Accuracy has also dramatically improved. Greene points to issuance of special checks as proof. Under the old system, Greene’s team issued 20 to 30 special checks per pay period. Today, only about five special checks are needed per pay period. Gila expects to see further reductions in special checks as caregivers and supervisors become more familiar with the system.

Department supervisors have also benefited, seeing a major decrease in the amount of time they spend tabulating, coding and recoding information before sending it to payroll—anywhere from two to six hours per pay period. What’s more, Greene notes, “Supervisors often had to come in on Sunday to manually prepare payroll submissions, which were due on Monday. Now, they can handle payroll throughout the week—from their workstation, or even at home—rather than waiting until the very end of the period.”

The Payrollmation system has helped to improve Gila’s relationship with employees, as well. Aside from assuring employees that they’re being paid consistently and fairly, the system enables employees to access their pay information anytime via API Healthcare’s self-service Web portal or by telephone, which has improved employee satisfaction.

When Greene summarizes the path that led Gila to API Healthcare, he notes that the hospital was performing almost all payroll-related functions manually. Pencil and paper are now a thing of the past, and Gila has seen productivity enhanced, employee satisfaction improved and—perhaps most important of all—accuracy and consistency at once unreachable levels.



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