



ULM UNIVERSITY HOSPITAL

A COMPETITIVE EDGE WITH SAP NETWEAVER® BUSINESS INTELLIGENCE

QUICK FACTS

Company

- Name: Ulm University Hospital
- Location: Ulm, Germany
- Industry: Healthcare
- Products and services: Medical services
- Employees: 5,500
- Web site: www.uniklinik-ulm.de (German only)
- Implementation partner: SAP® Consulting

Challenges and Opportunities

- Increase efficiency of reporting processes by improving data integration
- Provide consistent basis for performance management

Objectives

- Establish profit centers
- Introduce case costing
- Enable profitability analyses
- Participate in German diagnosis related groupings (DRG) price calculation
- Ensure fast, flexible report creation

SAP Solution and Services

- SAP NetWeaver® Business Intelligence component
- SAP Consulting

Implementation Highlight

Resulted in rapid project success

Why SAP

- Broad mapping of customer requirements and solution functionalities
- Extensive experience with healthcare organizations
- Easy integration with existing SAP software

Benefits

- Improved support for decision-making processes
- Easier identification of cost-saving potential
- Better information for negotiating budgets with health insurers
- Streamlined processes for gathering and transmission of information for external reporting

Existing Environment

- SAP ERP application
- SAP Supplier Relationship Management application
- SAP Patient Management application
- i.s.h.med

Third-Party Integration

- Database: Oracle
- Hardware: Hewlett-Packard Itanium server
- Operating system: Microsoft Windows 2003

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Franziska Harant

Head of Controlling and Auditing
Ulm University Hospital



Ulm University Hospital is a modern, maximum-care hospital. The hospital's 4 centers with 24 clinics and 11 institutes guarantee the highest level of patient care. Ulm University Hospital employs some 5,500 people and has over 1,000 beds. Its catchment area extends from Lake Constance, across the Allgäu region of the Alps, to the eastern portion of the German federal state of Baden-Württemberg.

Remaining Competitive

In 2003, with the introduction of the diagnosis related groupings (DRG) system, German hospitals faced a major change. The new system stipulated that hospitals would no longer be reimbursed for the individual services performed but rather would receive a fixed amount for a specific patient treatment. The amount they would receive would be based on a calculated average for the treatment. This required hospitals to now look at their bottom line more closely than ever before. In short, Ulm University Hospital needed a solution that would increase the hospital's competitiveness.

With the help of SAP® Consulting, who advised the hospital throughout the project, Ulm University Hospital turned this challenge into an opportunity. The hospital implemented the SAP NetWeaver® Business Intelligence (SAP NetWeaver BI) component to help them better understand and improve their bottom line. SAP NetWeaver BI enabled Ulm University Hospital to centralize its reporting – while providing the hospital with a tool that enables it to participate in the national DRG calculation and empower it to better negotiate with payers.

“SAP NetWeaver BI gives us real-time control of our business processes, which has both an internal and an external impact,” says Franz Jobst, director of the Information and Communication Center at Ulm University Hospital. “Internally, we can utilize cost transparency to sensitize our employees to the potential for savings. Externally, we possess an improved basis for negotiating budgets with the health insurers.”

Less Effort, More Transparency

Prior to the implementation of SAP NetWeaver BI, the financial controlling department was responsible for manually gathering the necessary data. The department then used the data to calculate the cost of procedures in order to conduct profitability analyses. This process was, of course, laborious, with the calculations being carried out just once a year. By implementing a new system, Ulm University Hospital aimed to enable quick and flexible report creation, gain cost transparency, and establish profit centers. The hospital considered it essential that the new system provide the basis for case costing, and with over 40,000 cases treated at Ulm University Hospital annually, this was no mean challenge.

Ulm University Hospital based its choice of a new solution primarily on the testimonies of other hospitals. After exhaustive verification, it opted for SAP NetWeaver BI. “The decision wasn't difficult,” reports Jobst. “The scope of the SAP software, with its centralized reporting functionality and the means to calculate the cost of DRG in an integrated system, won us over.”

Rapid Project Success

The full range of cost-calculation functionality, including all custom adjustments, was implemented in a timely fashion between July and December 2004. Not least, it was the flexibility of the SAP software that contributed to the rapid success of the project. “The predefined business content in the SAP for Healthcare solution portfolio is pretty much already complete, and our additional requirements can be accommodated easily,” comments Jobst.

Medical directors, nursing staff directors, and management accountants can now avail themselves of a central system that integrates data and processes and thus actively supports hospital management in the decision-making process.



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“The information from SAP NetWeaver BI helps us identify weak points and determine where action is required,” explains senior administrative official Franziska Harant, head of the controlling and auditing department at Ulm University Hospital. “The new cost transparency has sensitized physicians and nursing staff to the common goal of minimizing the losses threatened by the new billing model. Our in-house physicians enjoy the best decision support for controlling their areas and can now hardly wait for the latest data to reach their screens.”

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Knowledge, Experience, and Technology for Optimizing Business

We leverage our extensive experience to deliver a comprehensive range of solutions that empower every aspect of business operations. By using SAP solutions, organizations of all sizes – including small businesses and midsize companies – can reduce costs,

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We believe that doing so will unleash growth and create significant new value – for our customers, SAP, and ultimately, entire industries and the economy at large. Today, more than 46,100 customers in more than 120 countries run SAP applications – from distinct solutions addressing the needs of small businesses and midsize companies to suite offerings for global organizations.

improve performance, and gain the agility to respond to changing business needs. SAP also has developed the SAP NetWeaver technology platform, which enables our customers to achieve more value from their IT investments. Our professionals are dedicated to providing the highest level of customer service and support.

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