

HEALTHCARE

Medical record retrieval service reduces per-unit production costs by 40%

The company

A leading provider of national medical record retrieval services, offering dynamic solutions that satisfy the insurance industry's largest carriers' needs.



THE CHALLENGE

Our client has a strong client base with many long-term contracts in place. These provide the company with a reliable and stable supply of work, but they also pose a risk for the long-term profitability of these client engagements.

The big issue this client faced was that their cost of service in the U.S was steadily increasing due to the high cost of local labour. At the same time, they were locked into long-term contracts with their clients. Re-opening those contracts and negotiating for higher prices would have been risky and could have resulted in the contract being re-opened for a full bidding process with other vendors vying for the same work. The preferred strategy would be to leave the current contracts in place and find a way to reduce the cost of service significantly. They needed a way to reduce their service costs, not only to make the existing engagement profitable again but also to assure that they could stay competitive within their market segment.

OUR SOLUTION

In November 2013, the client's offshoring operations went live with a starter team of 34 people made up of an operations manager, a quality and training supervisor, two team leaders and 30 associates. All of which went through standard skill evaluations and pre-interviews consisting of five specific skills tests decided by the client. Final interviews were taken by the client's VP of Human Resources.

Each workstation was provided with a 24" LCD monitor, Jabra headset, and a thin client workstation running remote desktop to connect to the client's servers in the United States.

The client sent over two of their U.S.-based managers to conduct the training of the pilot team. MicroSourcing took care of the HIPAA training and used the in-house developed MicroStatus tool to take the HIPAA compliance test.

This pilot team was provided with enough space to enable them to grow quickly soon after their launch; reaching nearly 100 offshore employees today.

THE RESULTS

Through implementing an offshore team, the client has reduced their per-unit production costs by more than 40%, and that number is still increasing. This has made existing contracts profitable again and has dramatically improved its competitive positioning.

This has allowed them to scale up operations quickly and effectively. This, in turn, has provided the client with the opportunity to get larger clients on board much quicker, and it has given them a highly scalable platform through which it can grow its business.

THE CONCLUSION

Offshoring is a flexible and scalable resourcing solution which has enabled this client to focus on its products, clients, and capturing market share. Some key takeaways include:

- From the initial pilot team of 34 people, operations have grown to nearly 100 people today.
- Staff attrition has been very low at less than 10% per annum, and employee morale has been very high, with a recent employee engagement score of 90%.
- At a strategic level, the client achieved its original goal of significantly reducing its cost of service. Its competitive positioning has been greatly improved.

"It is incredible to see where we are today when compared to when we started this journey. MicroSourcing has enabled us to be highly competitive again, and we feel that we are currently ahead of all our competitors in terms of our quality of service, our pricing, our flexibility and our scalability."

Vice President, Human Resources

For more information, please visit our [website](#) or contact us today:

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