

WHITE PAPER

Putting the Power of the Cloud Into the Medical Staffing Industry's Hands





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NetSuite Cloud ERP and RightStaffing help growing medical staffing firms manage their diverse businesses on a single, unified technology platform.

The medical staffing industry is facing some steep technological hurdles. Typically running on antiquated, disparate systems that do little to advance their overall digital transformation goals, these companies' services are in high demand as hospitals, medical centers, private practices and other entities call on them to help fulfill a wide variety of staffing requirements.

Medical staffing firms are also navigating new labor laws, a health care labor shortage and generational shifts in the workplace. Collectively, these challenges make it more difficult than ever to efficiently run a business.

This white paper explores the most pressing challenges confronting medical staffing leaders and shows how the combination of cloud ERP and an industry-specific solution can help these companies automate their operations and save money.

A Focus on Filling Job Vacancies

Medical staffing agencies recruit health care professionals like nurses, doctors and therapists to health care organizations, many of which don't have the in-house resources to find, screen, hire, and provide health insurance, benefits and paychecks to these workers. Charging a percentage of each employee's pay for their services, U.S. medical staffing agencies make up an industry that's [valued at \\$17 billion](#).

In 2019, travel nurses—skilled health care professionals who takes assignments in hospitals where there are short-term staffing needs—held the majority of the industry's market share in terms of revenue according to Grandview Research, an industry research firm.

A fragmented market, the medical staffing space is [dominated by a handful of large organizations](#), including Almost Family, AMN Healthcare, Envision Healthcare Corporation and Adecco Group, among others. Forty-nine staffing firms generated at least \$50 million each in U.S. health care staffing revenue, generated \$12.7 billion in such revenue and comprised 75% of the market in 2018.

Creative Problem Solving

Pre-COVID, U.S. hospitals were already short-staffed, with the Association of American Medical Colleges forecasting a shortfall of 122,000 physicians by 2032 and the American Nurses Association projecting a need for about 1.1 million new registered nurses (RNs) by 2022, with more than 500,000 current RNs having retired by that point. On the whole, the medical staffing industry is experiencing a compound annual growth rate (CAGR) of 5%, with that increase being driven by growing demand for temporary staff, a rising geriatric population and a persistent lack of skilled nursing staff.

Many health care organizations will enlist the help of medical staffing companies to close the never-ending labor gap and to also find skilled workers to fill other positions. As they assist the nation's hospitals with these needs, medical staffing firms will also be dealing with their own set of challenges. Changes to medical staffing laws, for example, and regulations surrounding timekeeping, overtime and shifts are all challenges for medical staffing agency leaders right now.



“Medical staffing companies have to be agile and able to make quick decisions based on a unified, real-time source of truth for staffing and timekeeping.”

Karah Finan, Marketing Manager, Protelo

Navigating state-specific labor laws is also challenging, as each state has its own rules for reporting overtime and determining allowable work hours and time spans between shifts. Finally, companies have to maintain controls over large, geographically-dispersed workforces—something that’s extremely difficult to do without the help of cloud computing.

What’s the Solution?

Working with medical staffing firms that have anywhere from 10 to 1,000 employees, and whose annual revenues range from \$5 million to \$250 million, Protelo is most often engaged to help these organizations replace software programs like Deltek, QuickBooks and BambooHR.

Protelo developed RightStaffing, a custom solution built for NetSuite, that includes these and other functions:

- Time entry, validation and approval that supports dynamic shift-based time reporting.
- Support for direct billing of facility or medical service providers, or contract billing for Vendor Management Services (VMS) providers.
- Automatic calculation and validation for multiple pay type (based on contract rates).

- Automatic generation of payroll files for upload to payroll processing providers (i.e. Paycom, Paychex, ADT, etc.).
- Automatic generation of cases for missing time, missing documentation or mismatched time/rate to accelerate discrepancy resolution, improving accounts receivable and cash collection processes.

A three-year SuiteCloud Developer Network (SDN) NetSuite Partner as well as a top NetSuite Solution Provider, Protelo has developed numerous certified SuiteApps. Dedicated to building products that expand the base functionality of NetSuite, Protelo’s team of consultants developed RightStaffing for a large national medical staffing company that provides travel nurse services. “We spent close to a year developing this solution,” said Finan, “knowing that in today’s uncertain times, medical staffing is more important than ever.”

Implementation times for RightStaffing + NetSuite vary according to the medical staffing firm’s size and complexity. “Our solution helps medical staffing firms keep track of their large, diverse workforces, staff multi-state entities and manage multiple locations,” said Finan. For example, one medical staffing firm may have hundreds of employees working for dozens of different hospital, medical centers and clinics.

Addressing Key Pain Points

Once in place, RightStaffing helps medical staffing firms adhere to staffing and labor regulations; improve operational efficiencies through good workforce timekeeping management; and access a single source of truth and time across their large, diverse workforces. Other key benefits include improved accounts receivable/cash velocity through automated case management, and faster discrepancy identification and resolution.

Developed on top of the NetSuite SuitePeople HR platform, RightStaffing helps bring these companies onto the cloud and unifies all of their financial, human resources and other business systems on a single platform. The solution also helps companies stem the revenue leakage that's common in the medical staffing industry.

For example, when a travel nurse's reported hours don't match the actual hours worked, the nurse is typically paid and the issue is put aside as managers move onto more pressing tasks. Instead, the staffing firm should try to recover some or all of that lost revenue from its customers.

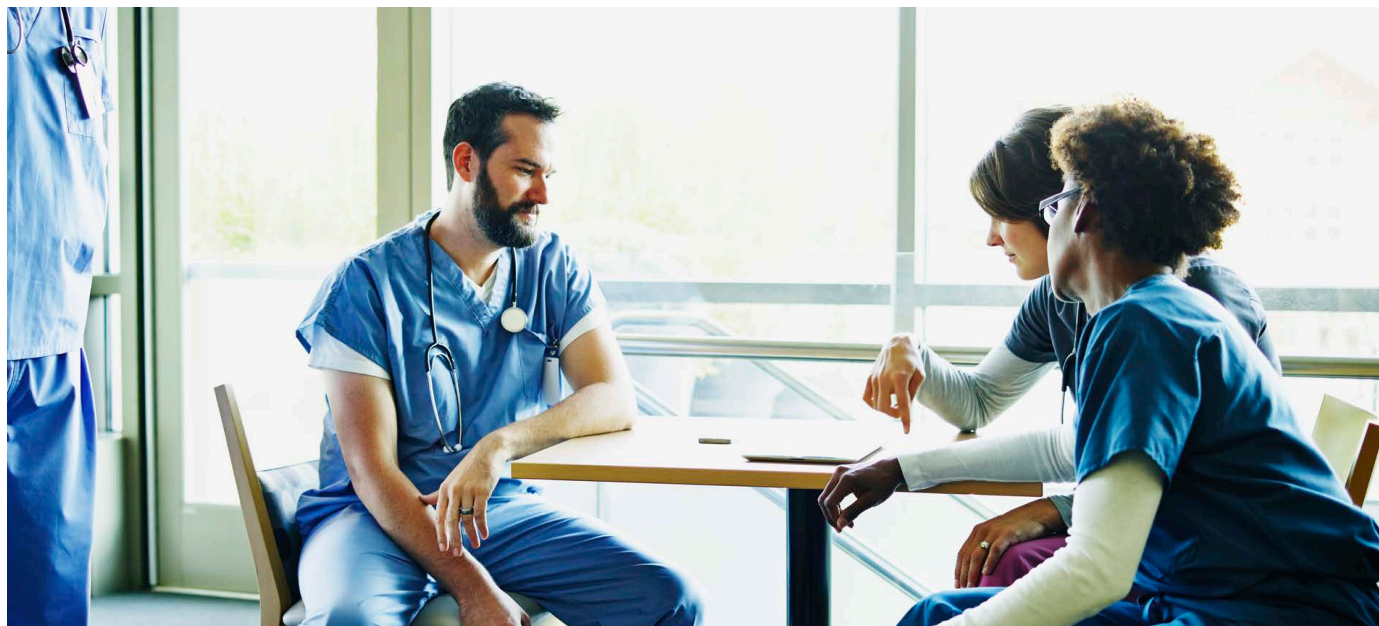
Revenue leakage comes from two primary causes: the first is when the travel nurse's hours don't match and the staffing company "eats" the differential rather than deal with the added cost to resolve the discrepancy; the second is when the client disputes the hours weeks later and it has to be investigated and the company will just adjust the bill rather than fight the dispute.

RightStaffing solves these issues by first ensuring that the time is entered correctly to begin with, or, when it's not, automatically generating a case that

identifies exactly what the discrepancy is so it can be resolved quickly, often before the invoice goes out to the client. That way, the travel nurse is paid correctly and on time, regardless of any potential client billing issues.

"Before we developed RightStaffing, medical staffing firms didn't have any effective triggers for revenue leakage. Now, because of the case functionality within NetSuite, we've made it so that discrepancies in hours will automatically generate cases."

Karah Finan, Marketing Manager, Protelo



“We’re working on the back-end integration now. This integration supports a web-based app that will allow travelers to input their time from any web browser on computer, tablet or phone. That’s the roadmap for this product and it’ll be a huge value-add for our customers, who won’t have to pay for thousands of additional software licenses to keep time across their workforces.” Karah Finan, Marketing Manager, Protelo

Not only does this give the CFO and client billing team good visibility into revenue leakage, but it also helps companies recoup money that would have otherwise been lost. In one case, a Protelo customer is gaining back about \$1.5 million annually as a result of this single capability.

A Three-Pronged Approach

Within RightStaffing, the solution focuses on time entry, and keeps track of the employees’ various time types. It also provides vendor management system (VMS) validation, which ensures that hours reported are correct. Finally, it addresses payroll processing, which is generally handled by an external payroll processor like Paycom. The system gathers all of the time entries and then generates a single, exportable file that can be uploaded to the payroll vendor. This is a usually a manual time-consuming process.

“RightStaffing’s payroll validation is a big time-saver for our clients,” said Finan, “who literally just have to push a button and voila, 20 minutes later a huge payroll file is generated and can be turned around and handed off to their payroll provider.”

By applying lean principles to its operations, Protelo helps customers make informed decisions upfront so that there are no surprises during implementation. This helps create a very scalable IT environment that’s applicable for a very small or very large staffing firm—and all points in between.

Featuring an intuitive user interface, RightStaffing is straightforward, user friendly and devoid of the

usual “gotchas” that companies run into when they get their new software systems up and running. In the near future, Protelo plans to add more remote work capabilities to its platform.

Bracing for Future Success

Focused on improving their agility and gaining efficiencies, today’s medical staffing firms need robust, innovative technology platforms that can work behind the scenes, helping them run their geographically-dispersed teams of medical professionals. In absence of these tools, firms are left to fend for themselves using a mix of manual processes and disparate systems.

The same companies also have to be able to react quickly in situations where more health care professionals are needed to address specific problems (i.e. during the global pandemic). Asked to expand their workforces rapidly, medical staffing firms need scalable technology that can grow with them. NetSuite and RightStaffing are already helping many of them achieve this goal while also saving them time and hassle.

“When we get involved, a lot of medical staffing firms are still working with solutions like QuickBooks and Deltek, neither of which are truly cloud-based or able to support an increasingly-remote workforce,” Finan concluded. “Those existing systems are becoming increasingly unstable and ineffective, both of which will interfere with a company’s ability to scale up to meet its customers’ demands.”



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