

CASE STUDY



Presbyterian Senior Living and the Transition to VoIP System

Presbyterian Senior Living is an AAHSA member with communities throughout Pennsylvania, Maryland and Delaware. In recent years, Presbyterian Senior Living had been participating in 36-month FMV leases for the traditional phone private branch exchange (PBX) systems at their facilities. At the end of the lease term, Presbyterian Senior Living would then return the PBX equipment and lease a new system with similar capabilities and new models of phones.

The organization engaged Prelude Services to investigate alternative telecommunication options for these phone system replacements. This partnership ultimately led Presbyterian Senior Living to integrate Voice over IP (VoIP) technology into several of their communities.

The following case study offers insights into the obstacles and opportunities both Presbyterian Senior Living and Prelude encountered during this process.

NOTE: CAST, in its case studies, does not in any way endorse, favor, or recommend specific technology partners, products, implementation approaches, or services. Any information or recommendations expressed are those of the members contacted for this case review.

Perspective of Jeff Davis, Chief Financial Officer, Presbyterian Senior Living:

What were the biggest challenges of implementing the VoIP system? Why?

We really did not experience any major challenges. This is probably Prelude's preparation and training prior to the conversion. We focused on staff and resident training and bent over backwards to communicate.

As with any change, we discovered a few technology problems with the first couple of facilities. We had to increase some of the sizing of our key components to the technology and change our back up provisions.

These changes went so well that several facilities asked to end our previous service earlier so they could convert to the new service sooner.

What kind of positive results/cost savings have you experienced since the implementation?

We saved about \$20,000 in equipment costs in each of the 14 facilities we converted. That saved us \$240,000 alone. The facilities saved a total of \$62,000 in long distance costs. Changes in structure, leasing costs and other administrative issues equaled \$83,500 in savings.

In addition, Presbyterian Senior Living now earns approximately \$17,000 a month on resident phone charges in excess of cost. More importantly, this process allowed us to offer residents phone services at a lower cost than external providers.

What advice would you give multi-site organizations trying to undergo a similar process?

Savings in VoIP come from economies of scale. All management must buy into the total process, and conversion is essential. Also, as with most things, look for companies who plan well, communicate well and respond well to staff and resident concerns. Without Prelude, this project would still be a possibility.

Can you share a few best practices from the experience?

First, we converted our administrative offices to make the transition run more smoothly. Also, you can't over-communicate. The more everyone knows the better.

In addition, Presbyterian Senior Living let Prelude manage all facets of the process. From sourcing phone lines to ordering equipment to managing daily operations, having one vendor be totally accountable made this a seamless process.

What is the one piece of advice you would share with another provider considering partnering with a technology company?

Look at what they have done, not what they say they can do. There is no substitute for proven experience and performance. That is what equals results for your organization and the people you service.

Perspective of Dennis Stuft, President and CEO, Prelude Services:

What were the biggest challenges implementing the VoIP system for Presbyterian Senior Living?

Selling the concept to Presbyterian Senior Living and finding options that worked was the greatest challenge. But it was one that we overcame with three key strategies:

- Selecting a vendor who understood the project's depth and breadth.
- Helping staff understand how to move from a PBX solution to a technology that provided phone service through servers and network infrastructure.
- Making sure the appropriate backup systems were in place in case of network outages

What advice would you give to an organization trying to undergo a similar process?

Make sure you have all options on the table and a solid cost analysis performed. This will give senior management the information they need to move forward with VoIP.

Select a good service provider that not only comes in to assess the current phone system, provide a cost analysis, install the system and most important, provide 7x24x365 support.

Can you share a few best practices from the experience?

Having the right information technology partner behind you being totally responsible is essential. Personnel should not only understand the telephony world, but also the data side (networking/servers/wiring infrastructure) of the project.

Assessing the facility's current infrastructure and having the appropriate infrastructure installed is critical to the success of VoIP.

Developing a centralized strategy will offer the best solution.

Ensuring you have the right support infrastructure in place is critical. Otherwise staff, residents and their families will be resistant to moving to a new phone system.

What is the one piece of advice you would share with another technology company considering partnering with a provider?

Take one facility at a time. It's important to finish one step before moving to the next.

What is the value of working with an aging-services provider?

A shared vision is essential. Both Presbyterian Senior Living and Prelude wanted to provide residents with the highest quality of services that was also personalized to meet their needs. Working together made this a reality.

By adding the residents onto the phone system, Presbyterian Senior Living was able to recover a good majority of the equipment expenses. After the system was implemented, an infrastructure was put in place that enabled Presbyterian Senior Living to implement point of care clinical systems and resident Internet services at a fraction of the cost.