

# HPE GreenLake Radically Improves EHR Ecosystem Savings And Performance

The healthcare industry faces unique challenges, including rising costs, a complex regulatory landscape, a shortage of personnel, and a heavy reliance on core platforms such as electronic health records (EHR) platforms, which govern many aspects of an organization's business and care delivery. These difficulties make meeting more universal challenges — like successfully rolling out an IT and cloud strategy or maintaining optimal infrastructure utilization — all the more crucial.

HPE GreenLake provides platform and infrastructure services that allow organizations to operate their IT on-premises — thus helping them to meet regulatory requirements — while enjoying the accessibility and cost savings of public cloud.

To better understand the benefits, costs, and risks associated with HPE GreenLake, HPE commissioned Forrester Consulting to interview four customers and conduct a Total Economic Impact™ (TEI) study. For this spotlight, Forrester interviewed one additional customer in the healthcare space with the following characteristics:

- The interviewee is the manager of IT distributed systems, who is responsible for the implementation and operation of the health system's EHR ecosystem.
- The organization is a two-hospital healthcare system with over 50 outpatient centers and two data centers.
- The organization has an annual revenue of \$600 million and a total of 4,500 employees.

## STUDY FINDINGS



Healthcare organization ROI  
**163%**



Healthcare organization NPV  
**\$3.4M**



Accelerated time-to-market for EHR deployment  
**\$2.5M**



Total cost of ownership savings  
**\$1.9M**



Reduction in professional services costs  
**\$475K**



IT resource savings  
**\$708K**

Magnified for the healthcare industry, HPE GreenLake helps the organization ensure compliance with regulations like HIPAA while ensuring that its business-critical EHR software is properly implemented, adequately supplied, and future-proofed against the evolving infrastructure requirements of the future.



[READ THE FULL STUDY HERE](#)

## INVESTMENT DRIVERS

The healthcare interviewee described the following challenges:

- **Aging legacy infrastructure despite escalating requirements.** With current infrastructure insufficient to implement or upgrade its EHR software of choice, the organization faced a near-million-dollar upfront capital expenditure to deploy and maintain the desired platform. The interviewee told Forrester: “Our then-current infrastructure was sufficient to run our third-party EHR applications, but [our desired EHR platform] has some pretty strict requirements. Upgrading our infrastructure to meet these requirements was really going to stretch our budget.”
- **A lack of flexibility in IT spending.** The interviewee explained that rising costs in the healthcare sector forced cutting expenditures wherever possible. The state in which the organization operates reduced reimbursements as well, leaving government health care programs, among the lowest-paying insurers, as the organization’s primary source of revenue. IT investments, especially large capital expenditures, were nearly impossible. “Every dollar counts; we have to stretch it. Our major expenditures need to go to radiology or other similar cutting-edge technology required in our hospitals. Yes, healthcare can generate plenty of revenue, but we can easily spend more than we take in if we aren’t extremely careful,” noted the interviewee.
- **Platform risk.** The interviewee noted that avoiding capital expenditures years down the line was also of concern, as an infrastructure upgrade today may not guarantee compatibility with the stringent HER infrastrucute requirements in the future.

## HPE GREENLAKE INVESTMENT DRIVERS

The interviewee explained that the organization was drawn to HPE GreenLake due to the following features:

- **Consumption-based pricing model.** With HPE GreenLake, the organization pays on a consumption model, meaning it only pays for the compute and storage that is required by its EHR platform in a given month. This allows the organization to avoid infrastructure overprovisioning altogether.

**“[HPE] was able to demonstrate that we’d save \$700,000 over five years with no capital expense upfront. That has come true, and it’s been a godsend.”**

*Manager of IT distributed systems, healthcare*

- **Cost savings beyond infrastructure savings.** Working with HPE allows the organization to save on professional services and IT FTE labor costs, notable around tasks such as consumption monitoring, performance monitoring, alerts, and ticketing.
- **Ease of upgrading to new EHR versions or software.** With HPE GreenLake, the interviewee attested that the organization could finally upgrade to a superior EHR system from its increasingly dated applications. This will allow the organization to operate more efficiently and adhere to a higher standard of care in the future while future-proofing infrastructure. The interviewee summarized: “With the requirements of [our EHR platform of choice] being so stringent, in five years we may need to purchase new infrastructure all over again. I can’t go to my

expenditure. With HPE GreenLake, I don't have to."

**"Between HPE GreenLake and implementation support, [HPE] definitely saved us at least an extra month of implementation efforts."**

*Manager of IT distributed systems, healthcare*

## KEY RESULTS

Based on the interview with the manager of IT distributed systems within a \$600-million healthcare system, as well as four other HPE GreenLake customers, Forrester has modeled the following business benefits for a healthcare organization associated with the HPE GreenLake investment, measured in net present value (NPV).

### Accelerated time-to-market for EHR deployment.

HPE GreenLake's infrastructure overhaul provides a faster time-to-market for EHR deployment and increased revenue of \$2.5 million.

- The interviewee described how HPE GreenLake not only enabled the organization's EHR upgrade, but also allowed that upgrade to occur 25% faster than it would have without HPE GreenLake (three months rather than four).
- Based on the interview, Forrester conservatively estimates an improved monthly revenue of 5% from improved EHR capabilities, with a risk-adjusted three-year NPV from the extra month of improved EHR at \$2,550,000.

**TCO savings.** HPE GreenLake provides 40% savings in total cost of ownership (TCO), totaling \$1.9 million.

- HPE GreenLake's consumption-based model allows the interviewee's organization to pay solely for the compute it needs, rather than on infrastructure that may be overprovisioned to account for peak demand and sit idle for sustained periods of time. The interviewee elaborated on this would-be need to overprovision: "Had we gone the straight hardware purchase route, we would have ended up buying a lot of hardware that would just be sitting there and would rarely get used."
- Forrester estimates infrastructure TCO savings of 30% rising to 40% over three years (historical capex spend versus average monthly HPE GreenLake spend) with a total risk-adjusted NPV of \$1,940,646.

### Reduction in professional services costs.

Professional services fees decrease by 60%, saving \$475K.

- The interviewee's organization paid additional fees for professional services related to its infrastructure and EHR platform deployment. With HPE's assistance with key tasks during the implementation, the organization reduced these related professional services costs. The interviewee noted to Forrester: "HPE definitely helped us get [our EHR platform] propped up faster. It was a massive project given infrastructure that we had to put in. HPE was quick to

**"After discussing the HPE GreenLake approach for an EHR upgrade with another nearby healthcare system, we decided to go this route based on the benefits we've outlined."**

*Manager of IT distributed systems, healthcare*

schedule on site and really threw a lot of resources at us. There was somebody on site all week long throughout the whole month and even into the next month after we were deployed. All the costs were all lumped in, and we didn't pay anything other than our monthly fee.”

- HPE GreenLake enables the modeled organization to reduce professional services by 60%, with a risk-adjusted three-year NPV of \$475,610.

### **IT resource savings. HPE GreenLake provides productivity boosts for IT FTEs, saving \$708K.**

- HPE GreenLake enables staff productivity savings by automating several infrastructure management and monitoring tasks such as consumption monitoring, performance alerts, and support ticketing.
- Forrester estimates the 10 FTEs at the modeled organization who are responsible for support, administration, and planning save 25% of their time due to HPE GreenLake, with a risk-adjusted NPV of \$708,753 for the organization over three years.

### **STUDY FINDINGS**

Forrester interviewed four decision-makers at organizations with experience using the GreenLake and combined the results into a three-year composite organization financial analysis. Forrester then applied that financial model to the use case of a fifth organization specializing in healthcare. Benefits in faster time-to-market, TCO savings, IT resource savings, and reduced professional services costs total over \$8.9 million, with an estimated risk-adjusted NPV of \$3.4 million and an ROI of 163%.

## TOTAL ECONOMIC IMPACT ANALYSIS

For more information, download the full report “The Total Economic Impact™ Of HPE GreenLake,” commissioned by HPE and delivered by Forrester Consulting.

### STUDY FINDINGS

Forrester interviewed four organizations with experience using GreenLake and combined the results into a three-year composite organization financial analysis. Risk-adjusted present value (PV) quantified benefits include:

- Faster time-to-market, totaling \$14.4 million.
- Capex savings, totaling \$6.2 million.
- Reduced professional services costs, totaling \$1.5 million.
- IT resource savings for support, administration, and planning, totaling \$2.8 million.



**Return on investment (ROI)**

**147%**



**Net present value (NPV)**

**\$14.9M**

## DISCLOSURES

The reader should be aware of the following:

- The study is commissioned by HPE and delivered by Forrester Consulting. It is not meant to be a competitive analysis.
- Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in HPE GreenLake.
- HPE reviewed and provided feedback to Forrester. Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester’s findings or obscure the meaning.
- HPE provided the customer names for the interviews but did not participate in the interviews.

### ABOUT TEI

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company’s technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility.

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