

Time is Money: The Impact of Clinical Research Finance Centralization

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1. Background

Compounded by the complex schedule of assessments and Medicare Coverage guidelines, the financial management of clinical trials requires qualified and trained research administrators supported by a sophisticated system, capable of tracking intricate details and producing enterprise level reports. Prior to 2017, clinical research financial management at Memorial Sloan Kettering (MSK) was performed at the department or service level without centralized resources resulting in incomplete budgets, difficult payment terms and under-recovered revenue. Data was tracked on Excel trackers and could not be easily reported.

2. Goals

Time to budget approval measures time spent developing an internal budget, performing a formal Medicare Coverage analysis and negotiating external payment terms with the sponsor(s). Reducing time to budget approval is a goal of centralization that can help improve overall protocol time to activation. Max contract value negotiated is anticipated to increase with trained Budget Analysts managing this responsibility for the entire research portfolio.

An increase in annual industrial revenue (per therapeutic accrual) is expected given a specialized Revenue Management team managing the research portfolio.

3. Solutions and Methods

In 2017, a modernized approach to clinical research operations was implemented to streamline clinical research financial activity to a centralized system and one responsible unit. A Clinical Trial Management System (CTMS) with predictive capabilities and reporting functionality was purchased for patient tracking and financial management. A phased roll-out consolidated all budget development and negotiation, Medicare Coverage Analysis and revenue management responsibilities to the Clinical Research Finance (CRF) unit.

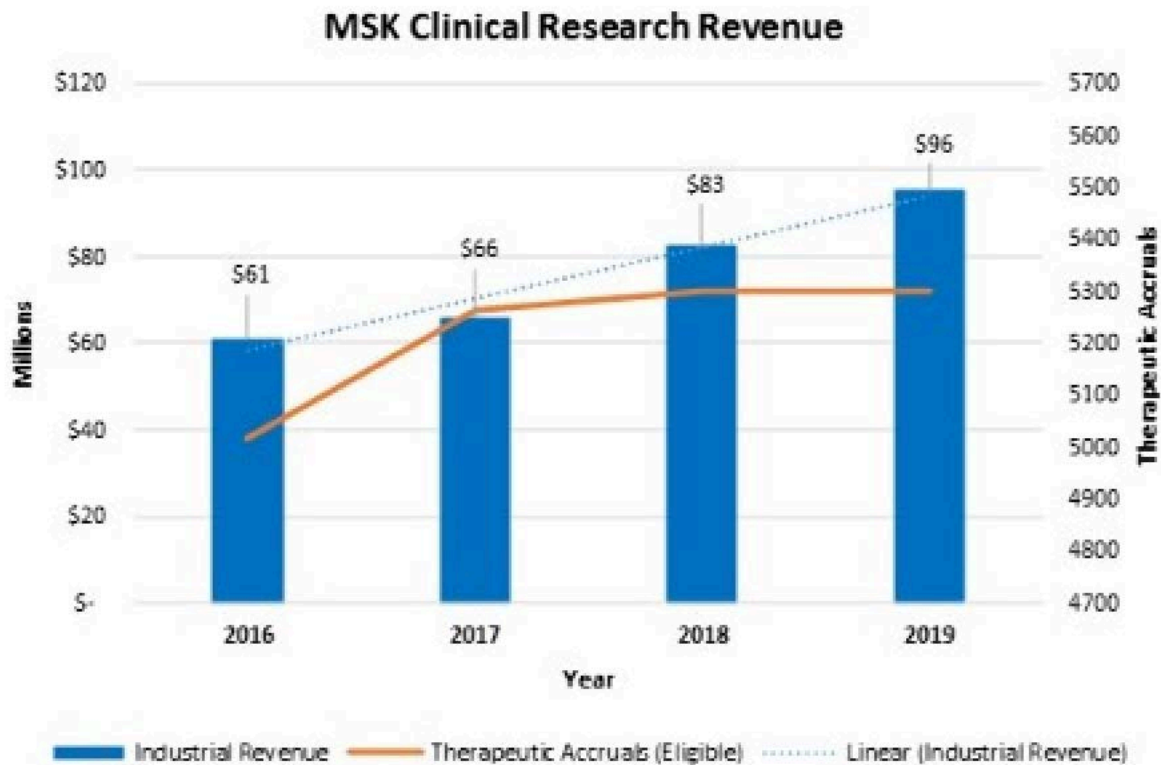
This roll-out allowed clinical staff to focus on patient care responsibilities, while ensuring research administrative experts maintain efficient and research compliant operations. CRF initiated phased centralization of budget development and standard operating procedures were created to streamline daily operations and reduce billing compliance issues.

4. Outcomes

MSK's adoption of a centralized CRF unit and the use of CTMS has resulted in robust and accurate budgets and increased industrial revenue. A total of six departments and 46 services have been centralized.

The budget centralization processes resulted in comprehensive and defensible budgets representing a fair market value, improved negotiations with optimal payment terms while also meeting time to activation expectations. Budget development centralization incorporates research tests in compliance with Medicare and institutional guidelines via a formal Medicare Coverage Analysis process.

Improved productivity of clinical research finance centralization is evident in the ability to secure yearly increased average total budget values per contract. In 2019, a total of 386 budgets were approved, 196 of which were industry sponsored. Revenue increased consistently over the past two years, with a 27.6% increase in 2018 and an additional 14.2% increase in 2019.



5. Lessons Learned

Three-month learning curves were identified, and additional role-based trainings were created to support transitions. Data quality has impacted accounts receivable aging with on-going efforts to improve and maintain CTMS data.