

CASE STUDY

The Medical University of South Carolina: Committed to Improving the Research Participant Experience & Ensuring Efficiency & Compliance



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“Effective immediately, all departments are required to report total remuneration payments made to all study participants for the upcoming calendar year. Please submit year-end totals to the Provost for Research Office. This mandate is necessary to ensure institutional compliance with IRS regulations for 1099 taxable income reporting. Thank you.”

Concern ensued across the Medical University of South Carolina (MUSC) research faculty and staff when they received this email from the Provost for Research. Departments would need to somehow track and sum all their petty cash, Walmart and Target gift cards, VISA cards and checks issued through Accounts Payable (as there was no institutional research policy standardizing a single type of remuneration payment for clinical research participants). Additionally, MUSC lacked a consolidated database to collect this data. This new mandate presented a time-consuming task and the potential for inefficient use of study coordinator and financial staff time to track and total this data manually.

Perhaps other academic medical schools (AMCs) had identified a best practice for tracking participant remuneration? The Research and Operations Manager at MUSC, Department of Medicine sent an email to a national listserv of AMC Research Offices asking, “Does your AMC have a best practice solution for managing the IRS requirement to track annual 1099 research participant remuneration payments?”

Within the hour, a reply came from an AMC in the Northeast, “Yes, we’re using ClinCard from Greenphire. It solves this problem. I manage the program in central accounting and we (myself and research staff) love it!”

Doing their ClinCard Due Diligence

MUSC immediately proceeded down the ClinCard due diligence evaluation path. They spoke to the medical center in the Northeast by phone that same day and then about two months later, the AMCs connected at a conference. MUSC saw the ClinCard portal first-hand and recognized how effective the product was. The feedback from one AMC to another? “A lot of vendors try to sell me products, but Greenphire has been a joy to work with. The product works well and does what it says it will. ClinCard has eliminated so much workload for our research and accounting staff. We’re very happy with ClinCard.”

The folks at MUSC decided to speak to other AMC clients in Florida, Ohio, and Kansas and undergraduate institutions in Arizona and California. Each institution the AMC spoke with gave a “green light” and encouraged the AMC to proceed with scheduling ClinCard demos with Greenphire. Peers at the AMCs went as far as to share their ClinCard SOPs. It was clear that the other AMCs wanted to help, as they had previously lived with tracking petty cash, mailing checks and gift cards.

Setting Up a Multi-Department Evaluation Work Group

Now that they had proof of concept information from other ClinCard users, MUSC decided to create an institutional ClinCard evaluation working group comprised of key stakeholders: Central Finance, Grants and Contracts Accounting, Research (PIs, study coordinators and departmental managers), IT and Dean’s Office staff.

They participated in ClinCard demos with Greenphire and conducted an internal cost-benefit and ROI analysis to determine “how much could ClinCard save the institution through automation versus the current non-standardized, manual processes?”



More than 100 studies are currently using ClinCard and this number is growing.

Conducting a Cost-Benefit Analysis to Determine ROI

At the first meeting, the Chief Financial Officer told the working group, “the AMC issued ~ \$1M in remuneration last year. Of that, ~60% (\$600K) was via mailed, paper checks and ~40% (\$400K) through gift cards and petty cash.” The CFO further stated, “the industry standard cost in academia to issue a check is ~\$70 (per staff time, approval workflows, and other labor-intensive resources).”

REALIZING THE COSTS BEING INCURRED:

The Cost of Checks

- Value of an average remuneration check: \$50.00
- Volume of checks processed by MUSC: \$600K/\$50.00 per check = 12,000 checks annually
- Cost of Issuing Checks Annually to MUSC: Using a conservative \$35.00 (not \$70.00) as the cost to issue a check: 12,000 checks x \$35.00 = \$420,000

Petty Cash & Gift Cards

Similarly, the institution could extrapolate that the cost to manage petty cash and gift cards was also in the hundreds of thousands annually.

The total cost was approaching a \$1 million annually. Further, MUSC hadn't additionally quantified the costs of separately issuing checks for travel reimbursement, perhaps another ~\$500K in cost?

The working group next discussed potential institutional benefits, including their number one priority – 1099 compliance, as well as secondary benefits to the research community, including:

- Improved research participant experience through digital remuneration and travel reimbursement immediacy
- Automated opt-in text and email study visit reminders to participants (that could improve retention and appeal to sponsors concerned with “loss to follow-up”)
- Reduced finance and study coordinator staff workload (and eliminating the opportunity cost of having study coordinators processing accounting paperwork instead of recruiting participants)
- Eliminating the liability of petty cash and other labor-intensive accounting and auditing requirements inherent with checks and gift cards

Selecting a Solution and Delivering an Improved Experience

MUSC issued an RFP and selected the industry-leading ClinCard solution in 2016. More than 100 studies are currently using ClinCard and this number is growing.

This new system has provided a better experience for all clinical research stakeholders, including:

- Study participants, PIs and study coordinators are happier with the new payment method
- Central finance has the centralized 1099 reports they require; and the AMC is seen as an innovator in clinical trials management via digital participant payments, not unnoticed by sponsors seeking efficiency and recruitment performance

In the end, the AMC leadership was committed to efficiency and eliminating liability and in the research participant remuneration space, they found their solution in ClinCard powered by Greenphire.



Greenphire is the leader in global clinical trial payment solutions. Greenphire's best-in-class solutions optimize clinical trial performance by simplifying and streamlining payment processes from sponsors and CROs to sites and patients. Greenphire's ClinCard and eClinicalGPS solutions easily handle any type of trial design and complexity, resulting in more accurate and compliant payments globally for both sites and patients. The choice of industry leaders worldwide, Greenphire provides better performance and better data, resulting in better trials. Learn more at www.greenphire.com.