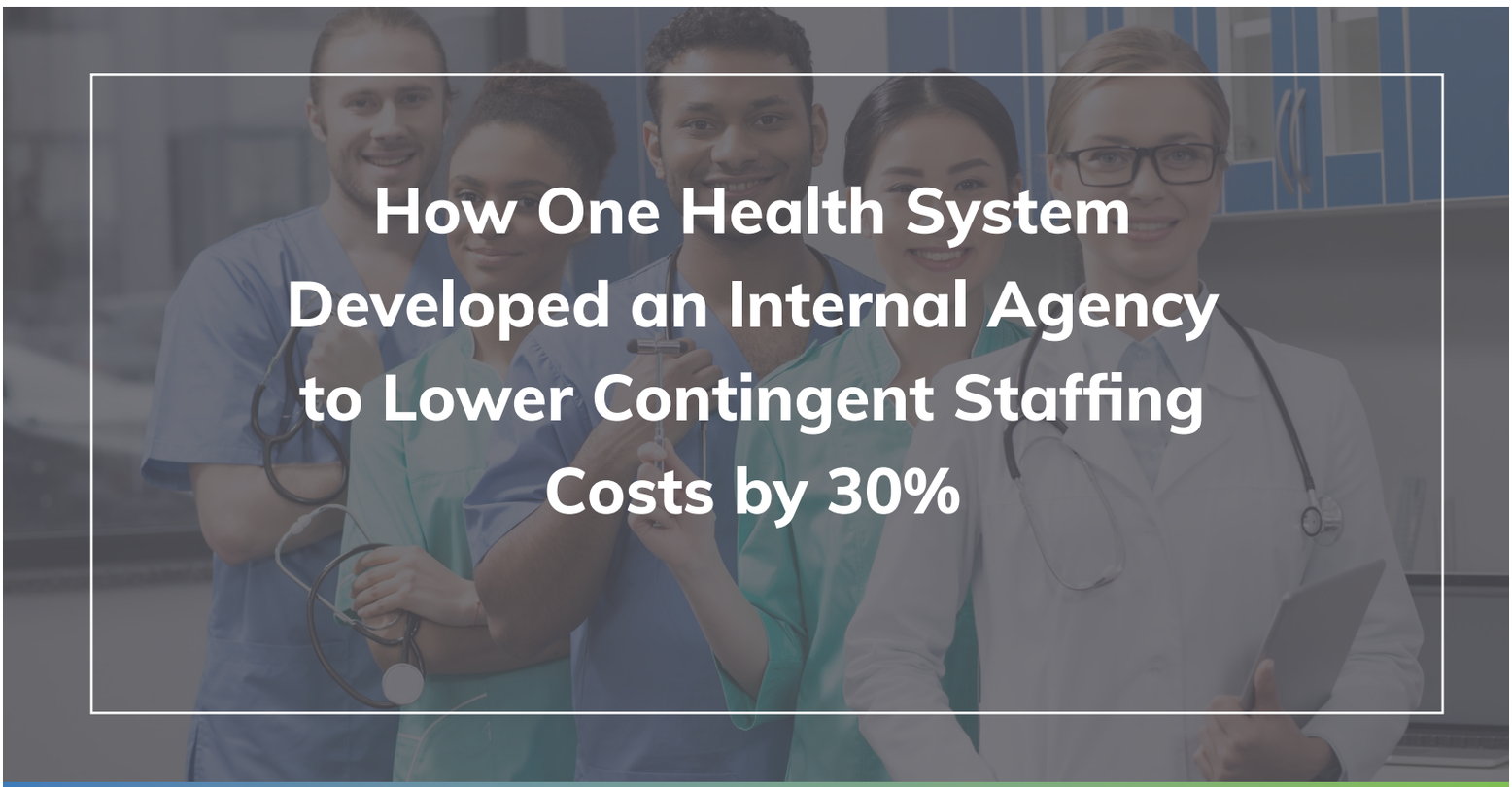
CASE STUDY



How One Health System Developed an Internal Agency to Lower Contingent Staffing Costs by 30%

ABOUT AUGUSTA UNIVERSITY HEALTH MEDICAL CENTER

Located along Georgia's border with South Carolina, Augusta University Health Medical Center (AUH) is a 520-bed tertiary hospital and ACS-verified Level I trauma center serving patients from over 13 counties across the State of Georgia. As the region's only academic hospital, AUH conducts leading-edge clinical research and gives patients access to treatments not available elsewhere in the region.

THE SITUATION

Like many hospitals, Augusta University Health Medical Center was battling staffing shortages long before the COVID-19 pandemic exacerbated this chronic dynamic. For years, the organization has relied on a contingent workforce including RNs, LPNs, and other allied professionals, to supplement staffing gaps. When the need accelerated in response to COVID- 19, State and Federal funding stepped in to help hospitals manage this historical call to action. In partnership with Jackson Healthcare and its subsidiary Healthcare Workforce Logistics, the state-sponsored COVID-19 Rapid Response Staffing program gave organizations access to a vendor-neutral platform where they could enter staffing needs and receive qualified applicants from 100+ agencies in real-time. HWL managed the screening and credentialing of candidates, so once approved by the organization, providers could be on-site in a matter of days--all subsidized by the CARES Act. During the height of the pandemic, Augusta University Health (AUH) had over 150 contingent clinical workers on site.

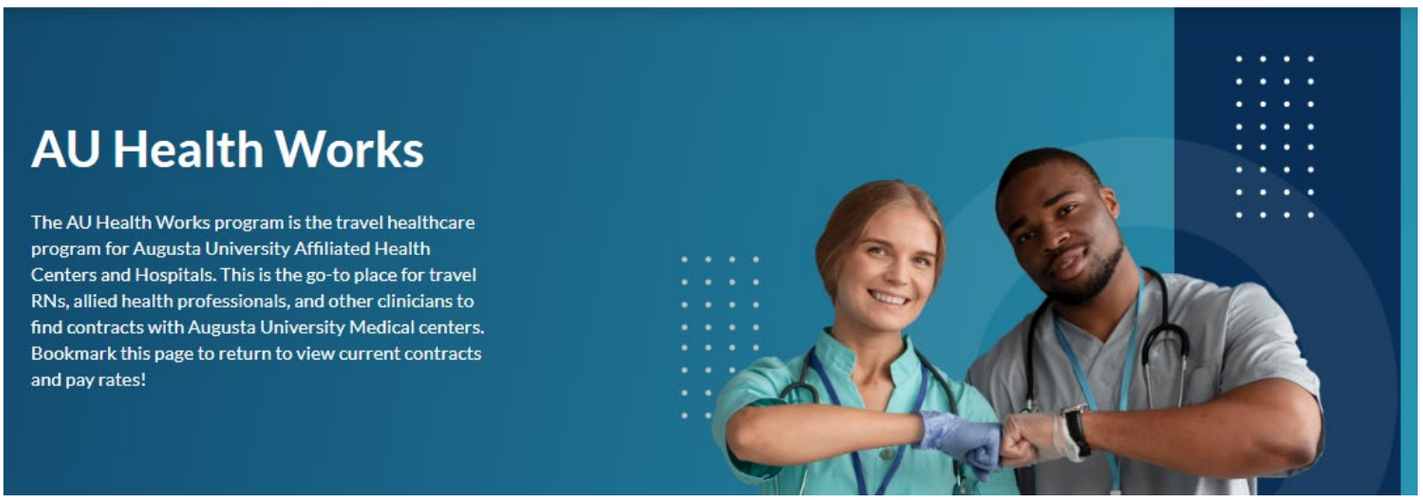
We saw many nurses opting out of the traditional positions, deciding to take travel contracts instead. We had to look at why we were losing nurses, especially during COVID. Our traditional model was no longer working. We were using tons of contract labor, so we determined it was a better option to cut out the middleman and start our program.

Christa D. Butler, MSM, BSN, RN, Director
Clinical Nursing Resource Management, Augusta University Medical Center

KEY CHALLENGES

1. Market rates have been driven up by high demand and low supply.
2. Agency staffing costs were not sustainable for chronic demand areas.
3. Strength of the brand was not currently adequate to attract candidates directly.
4. No internal bandwidth or marketing campaigns to proactively source candidates.

GOAL | **Develop an AUH –Branded Internal Agency to reduce costs to a sustainable level without sacrificing quality and continuity of care.**



THE SOLUTION

Like many hospitals, Augusta University Health Medical Center was battling staffing shortages long before COVID-19. The AUH team worked closely with HWL through the State's Rapid Response Staffing program, so they had seen firsthand HWL's robust technology and concierge approach to solving staffing problems. It was this experience that led them to approach HWL about alternative solutions to meet the unwavering labor challenges. It was clear that AUH would need a long-term, sustainable solution to reduce the high costs involved with staffing their medical center.

HWL advised AUH to develop its internal staffing agency, so it could hire contingent staff directly through a private labeled, co-sourced model. HWL would provide the tools and expertise to build this turnkey staffing agency. The tailored Talent Acquisition Optimization services -- including recruitment marketing, candidate sourcing, and screening management—were exactly what AUH needed at a manageable cost.

Leveraging advanced technology and market expertise, HWL created a landing page, branded "AU Health Works," which serves as a landing page for candidate leads generated by strategic recruitment marketing on job boards, social media, and search engines.

Guided by market intelligence, a robust marketing platform posted jobs are focused on differentiating the AUH brand and offering competitive compensation. The strategy worked. Within weeks of launching the site, AU Health Works was well on its way to building strong local, regional, and national talent pipelines, which continue to grow.

Once in the pipeline, applicants are screened by HWL personnel, operating as "AU Health Works." When cleared, they are handed off to the internal team at AUH for final approval, credentialing, travel arrangements, and onboarding. The website serves as the front end of a central staffing office, with HWL taking care of the top-of-the-funnel sourcing and screening, and AUH Talent Acquisition and Patient Care Services managing the rest.

Through innovation, deep expertise, and robust technology, HWL developed and deployed a turnkey internal staffing program that aligned with our objectives to improve AUH brand recognition and significantly cut our contingent labor costs while sustainably meeting our staffing needs.

Noah M. Rees, Director of Business Operations, PCS Administration

Augusta University Medical Center

BY THE NUMBERS

- **30% reduced cost on contract labor spend**
- **76,867 staffed hours (November through June)**
- **0.99 productivity index**
- **Improved quality and conversion ratios--only two candidates were not accepted into the program from submission.**

RESULTS

Sourcing fixed-term clinical workers through "AU Health Works" reduced AUH's contingent workforce spending by 30% and established a scalable model that would allow AUH to leverage the program for other providers and specialties in acute demand. HWL's tailored Talent Acquisition Optimization services leveraged technology, business intelligence, deep expertise, and recruitment marketing to attract job seekers directly to the organization instead of through a traditional staffing agency. With the creation of AU Health Works, AUH can now offer workers competitive rates at a lower total cost to the organization. If the market does not correct from its current high, this may be the only way forward for some organizations.

"Healthcare staffing is evolving," says Lauren Cabral, Senior Vice President at HWL. "Rather than pay a premium to passively wait for agencies to deliver candidates, organizations want a partner who can empower them to source candidates directly. HWL does this by providing advanced technology and data-driven market intelligence." Whether it is the preferred option or the only option, the AUH model has the metrics to prove it is most certainly a successful option.

Through the construction of a dedicated talent acquisition feeder system, HWL delivered a scalable solution that can be customized to any labor category for temporary or permanent hires. And while candidate sourcing is no longer an issue, in the future, AUH may leverage additional HWL support in the form of workforce management, all of which can be done under the AU Health Works umbrella. The internal staffing agency is ready to flex up or down as needed to support AUH and the patients it serves.