

IT-Lifeline Protects Your Data and Saves You Money



The Data Challenge

We all agree and figures confirm: the data storage juggernaut continues to roll through all business segments, growing larger and more complex with every passing month. We hasten to add that a growing storehouse of data isn't a bad thing—businesses and customers benefit in many ways because current and historical information is readily available—but successfully managing and protecting that data is a challenge.

And though growing data storage demands are generic, they are more onerous in some business segments than others. Nowhere are the effects of this growth felt more keenly than in the healthcare industry. The data recovery and restoration challenge is particularly vexing in healthcare because of the ongoing furor related to emerging electronic health records system development and the importance of financial tracking for billing and insurance purposes. With this movement driven by new government plans and regulations, and the monetary incentive (and penalty) potential, cost control, storage efficiency, and recoverability are more vital than ever.

This IT-Lifeline case study will demonstrate—through real-life experience backed up by hard numbers—how a Healthcare facility saves money, streamlines operations, and overcomes adversity

Customer Background

IT-Lifeline has as a valued customer that is one of the top medical healthcare facilities in the nation. IT leadership at the Healthcare facility is confident that technology is central to meeting rising customer expectations and achieving operating efficiencies and thus driving cost out of healthcare in the future.

The Healthcare facility fields a team of 120+ IT professionals to serve partners and customers 24 hours a day, 7 days a week. IT infrastructure includes several hundred high performance servers to house customer information, manage advanced Customer Relationship Management (CRM) software, drive everyday business applications, and facilitate connectivity and communications to partnering clinicians and practitioner partners.

Business Recovery Services

The Healthcare facility has been an IT-Lifeline customer since 2005, subscribing to the following ITL products and services:

- **Business Continuity Planning**—IT-Lifeline helps the Healthcare facility identify risks, analyze impacts, identify alternative paths and build a package of tactics, maintenance, and drills for recover and restore.
- **Data Vaulting**—IT-Lifeline transfers, vaults and protects the Healthcare facility's data using state of the art technologies for cost effective data transmission and storage. IT-Lifeline saves the Healthcare facility money in the process.
- **Collocation for High Availability**—IT-Lifeline provides the appropriate levels of infrastructure and services layered on top of world class data center utility and communications, ensuring availability.
- **Recovery Engineering**—Recovery and Restoration is IT-Lifeline's stock-in-trade. The Healthcare facility's team depends on ITL expertise to streamline data transfer, optimize data storage, and protect the Healthcare facility's IT infrastructure and data and ready it for instant recovery in time of need.

SAVING THE HEALTHCARE FACILITY MONEY

- IT-Lifeline offset the Healthcare facility's projected annual data vaulting requirements by 30%
- IT-Lifeline saves the Healthcare facility 52% annually in restore & recover costs over 3rd Party vendor costs or self-provisioning
- The Bottom Line: IT-Lifeline saved the Healthcare facility over **\$160,000** in annual managed services restore and recovery costs

SAVING THE HEALTHCARE FACILITY'S DATA

IT-Lifeline recovered the Healthcare facility from a major system failure:

- 12 hours for critical operating functionality
- 24 hours for level 2 functionality
- 36 hours for level 3 functionality
- 72 hours to complete restoration

IT-Lifeline Saves the Healthcare facility Money Every Day

Although the Healthcare facility has experienced the level of failure after which organizations find themselves grateful for restoration and recovery services, many business leaders view the cost of these solutions—until a system failure occurs—as bothersome insurance premiums. But an experienced, diligent business continuity provider brings the ability to streamline operations day to day, saving organizations money on data protection and hardware and manpower. The following information details how ITL saves the Healthcare facility money by maximizing data storage capacity; by streamlining the Healthcare facility’s staffing needs; and by minimizing the Healthcare facility’s hardware and software and associated maintenance requirements

Storage Optimization, Manpower & Infrastructure Cost Control

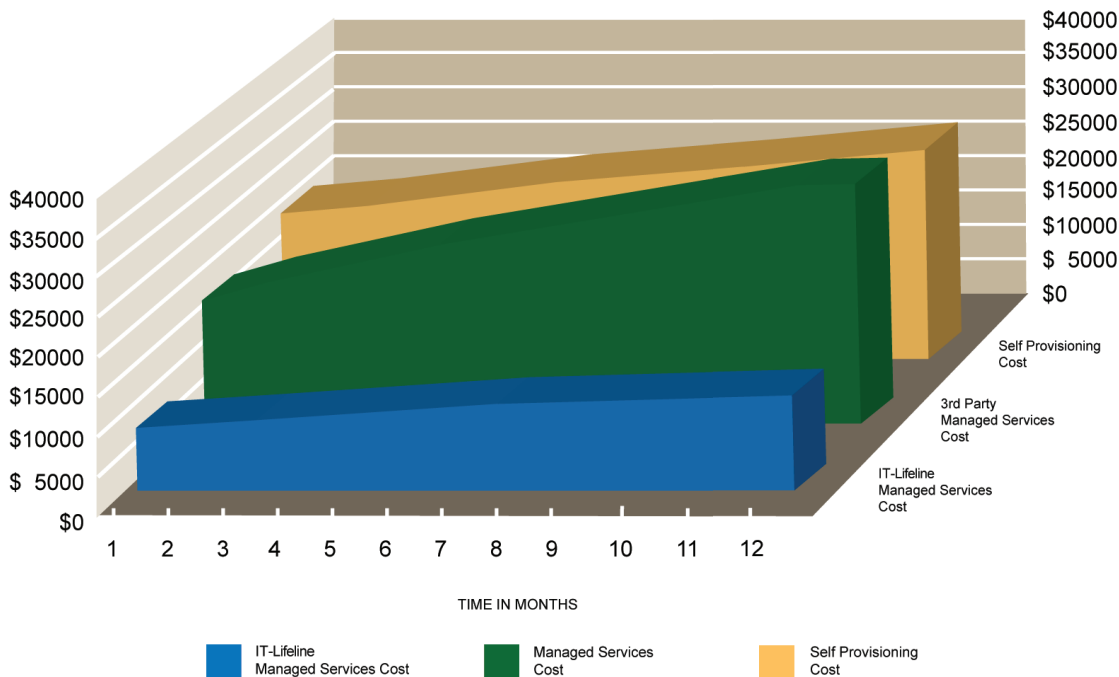
The graph below illustrates the overall cost avoidance opportunity IT-Lifeline brings to the Healthcare facility, either in 3rd Party costs, staffing costs, or infrastructure costs. This graph compares the costs associated with IT-Lifeline Managed Services, the Managed Services of a 3rd Party provider at industry standard rates, or the costs associated with self-provisioning the vaulting, recover and restore capability.

SAVINGS ASSUMPTIONS

- 3rd Party storage costs are assumed at industry standard Tier 3 levels: \$1 per GB
- A full-time IT professional qualified to perform storage, recover and restore duties carries a fully burdened cost of \$75,000 per year
- Hardware, software and maintenance costs to self-provision data storage for a business the size of the Healthcare facility are conservatively estimated at \$125,000 per year.

Healthcare Facility Cost Avoidance Comparison

PROJECTED COST SAVINGS ANNUALLY: \$160,452 (52%)



The avoided costs the graph details are detailed below:

1. The **Blue** IT-Lifeline Managed Services cost trend, which includes recovery and data management expertise and infrastructure, shows very modest growth to accommodate vaulting requirements over the year.
2. The **Green** 3rd Party Managed Services cost trend is significantly higher at the outset, and climbs more steeply over the year because Tier 3 storage costs are 50% higher than IT-Lifeline pricing
3. The **Orange** Self-Provisioning cost trend for a business like the Healthcare facility starts high and grows quickly because the purchase of the data storage assets necessary to house 30,000 gigabytes of data per year grows to over \$125,000. This cost trend includes 1/3 of an FTE over the span of a year as well. We conservatively estimate that fully burdened cost at \$2,100 per month, for an annualized cost avoidance of over \$25,000.

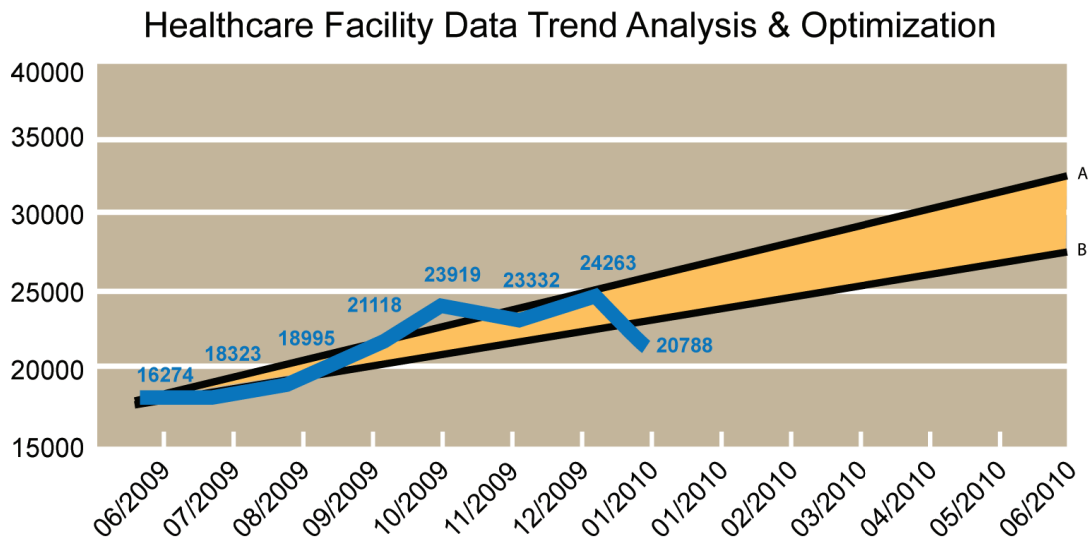
AVOIDED COST RESULTS

- IT-Lifeline Managed Services: Controlled, predictable service and vaulting costs.
- 3rd Party Managed Services: 50% of higher Tier 3 storage costs avoided
- Self-Provisioning: \$125,000 hardware and software costs and \$25,000 in staffing costs avoided.

A Closer Look at Storage Optimization

IT-Lifeline engineers work in careful daily increments to ensure a customer's data storage needs are met efficiently. Each customer's data stream and storage requirements are closely monitored and evaluated for efficiency.

The graph below illustrates how ITL diagnosed a storage problem with significant cost ramifications and affected a solution that controlled that problem resulting in significant projected savings. The vertical Y axis shows the Healthcare facility's data storage capacity requirements in gigabytes. The horizontal X axis illustrates time, beginning in June 2009, and ending in June 2010.



1. In June 2009, the Healthcare facility's monthly data storage need was 16,274 gigabytes. That need climbed to 18,323 in July, 2009, and to 18,995 in August, and so forth—a predictable, controlled rise. Because ITL routinely monitors and reports on data storage requirements, 'storage creep' is kept under control. These ITL control practices, along with close communication between Healthcare facility and ITL staff, keep the customer's data storage growth requirements predictable and under strict cost control.
2. In October, 2009 there was a spike in storage requirements that if ignored would result in annual storage soaring to over 33,000 gigabytes (trend line A)—cumulatively tens of thousands of gigabytes over the Healthcare facility's contracted storage amount.
3. This spike triggered an automatic storage audit at ITL, and staff spoke with the customer and analyzed the jump in demand for its cause. ITL experts looked first at those areas traditionally known to cause high storage demand; areas such as new applications being brought online or major IT projects initiated by the customer but not revealed to IT-Lifeline.
4. Periodic review leads to the identification of various necessary adjustments, such as storage policies that cause the retention of too much data and practices that retained data for too long. The resulting actions—derived from discussion and agreement between the customer and the ITL engineer—resulted in policy changes, an adjustment and a drop—between October and January—in storage demand and a resulting trend line (Trend Line B) with significantly lower costs from December of 2009 through June 2010. The cumulative savings in gigabytes of storage is literally between 4,000 and 5,000 gigabytes *per month*—a projected, cumulative savings of from \$20,000 to \$30,000.

Recovering The Healthcare facility

In 2009 the Healthcare facility suffered a major enterprise Storage Area Network (SAN) infrastructure failure which consequently caused a temporary loss of access to 15 terabytes of business, partner-clinician, and practitioner-partner data. 120+ physical and virtual server environments were affected by the the SAN failure, which resulted in temporary unavailability as well.

This type of failure is far more common than that traditionally associated with disaster recovery and business continuation situations. Very often executive managers associate long-odds events like fires, floods, and other natural catastrophes with this terminology. It is far more likely that a key device failure or human action will cause such a system-wide crisis. This was the case at the Healthcare facility—a simple but potentially devastating equipment failure threatened the organization's ability to perform normal operations and endangered its sterling reputation in the healthcare community.

IT-Lifeline engineers went on-site immediately to assist and guide Healthcare facility staff to recover their technology and data and restore operations. Working together and in close cooperation with ITL experts, the team's efforts bore fruit:

- Within the first 12 hours, the Healthcare facility's Priority Level 1 servers were back in service.
- Within the first 24 hours, the Healthcare facility's Priority Level 2 servers were back in service.
- Within the first 36 hours, the Healthcare facility's Priority Level 3 servers were back in service.
- And within 72 hours the Healthcare facility's remaining servers were back in service.

ITL engineers were onsite at the Healthcare facility for three straight days supporting the recovery effort. Thanks to ITL's deep expertise and the spirit of cooperation enjoyed by Healthcare facility and ITL staff, the organization was fully recovered.

What All This Means to the Healthcare facility

Manpower Cost Savings

Controlled staff costs add up. But savings in hours aside, the return on the ability to efficiently manage the workforce or focus a staff member's attention on the business reaps important benefits in terms of dollars and cents.

Infrastructure Cost Control

IT-Lifeline supplies the IT infrastructure, not the Healthcare facility. The cost of adding and maintaining devices and software—not to mention the risk associated with a more complex environment—is steep. Better an expert shoulder that burden.

Data Storage Optimization

From a cost control perspective, the key to keeping Healthcare facility storage costs contained has been frequent, effective communication, and a harmonious working relationship between client and storage expert. In almost every case with the Healthcare facility, clear communication and policy understanding and adjustment were the keys to reducing the storage load.

Recover & Restore

The overriding imperative to the Healthcare facility is the importance of data and the ability to efficiently and cost effectively protect, recover and restore. Last year IT-Lifeline more than proved value by bringing the Healthcare facility's critical operations back within 12 hours, and back to full business capacity within 72 hours.

Conclusion

In these economic times it is imperative to maximize the return on information technology investment without compromising the integrity of the institution, employees, and most importantly the customers. Engaged with the IT staff, and equipped and practiced in solving the problem, that customer saves money, achieves high organizational efficiency, and is ready for any system emergency.

About IT-Lifeline

IT-Lifeline is a leader helping mid-sized organizations more efficiently manage and store data, including ensuring continuous access through a full range of business continuity and disaster recovery services.

Our data storage engineers and recovery experts continuously monitor and report on infrastructure use, enabling customers to lower costs through more efficient utilization and storage strategies, effectively plan for future infrastructure requirements, and prepare to recover IT operations in the event of a disaster.

IT-Lifeline's solution set includes: Infrastructure Use Monitoring/Reporting, Continuity Planning, Private/Public Cloud Solutions, Onsite/Remote/Mobile Workplace Recovery, Data Center Recovery, High Availability Solutions, Vaulting/Archiving, Recovery Testing and Event Staff Augmentation.

For more information about how IT-Lifeline can protect your data and save you money in the process, contact Brandon Tanner at 509-984-1615, or via email at btanner@itlifeline.net.

WHAT'S AT STAKE

- **Your Dollars:** IT-Lifeline protects your data with a solution that pays for itself
- **Your Data:** The probability of a device or human failure is high. 90% of companies that can't resume operations within 5 days fail within 1 year
- **Your Reputation:** A data loss incident will cost you credibility with customers and partners

