

# Business Review

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**TECHNOLOGY** by Dave Szymanski | Tampa Bay Editor

# Content is KING

DataPros for Healthcare helps hospitals with purchasing decisions by enhancing their purchasing records.

It's no surprise that Tampa company DataPros for Healthcare likes to use a quote from Sherlock Holmes on its Web site.

"The temptation to form premature theories upon insufficient data is the bane of our profession," Holmes once said in one of Sir Arthur Conan Doyle's crime novels.

Gathering and enhancing accurate, critical data for better decision making is the primary business for DataPros.

## REVIEW SUMMARY

**Industry.** Health care

**Business.** DataPros for Healthcare

**Key.** Helping hospitals manage and enhance data electronically to control costs and save money.

But instead of doing it for Scotland Yard like Holmes, DataPros does it for hospitals

and medical centers.

Hospitals make dozens of purchases a week, from paper products to electronics. But how do they organize them, compare prices and track their performance?

That's where DataPros can help.

DataPros helps hospitals through a process it calls "data cleansing." One way is taking parts of their purchasing information electronically and enhancing it with purchase dates, brand names and other data for comparison.

It then sends the enhanced files back to the hospital computers. When it comes time for the hospital to make another purchase, the hospital is armed with more complete and organized data. Hospitals can then save time and money when making future purchases.

DataPros moves 10,000 to 50,000 lines of data a week to its 25 active hospitals.



Mark Wemple  
**Allen Esses** and **Joanne Steinhardt**, co-founders and principals of DataPros for Healthcare in Tampa, help hospitals by enhancing the depth and quality of their purchasing records so they can make better spending decisions.

"Hospitals are doing thousands of transactions a month, and their information systems are limited in the data they need to buy a product," says Allen Esses, president and co-founder of DataPros. "Executives want to manage what they are buying. We fill in the fields of information, enrich the information that is there and give it back to the hospital. Someone will take the data and analyze it."

Its clients span the country, and now, DataPros is starting to build an international roster after working with a client in Beirut. No matter where they are, all hospitals are seeking to control costs. That's where DataPros says it can help.

"All of our work will save a hospital money," Esses says. "They are all aggressively looking at saving resources."

Recently, DataPros wrote a custom software tool for Penn State University's Hershey Medical Center that saved the hospital more than \$1 million in supply costs in the first year.

The software saved the hospital time looking for contracts and gave it data to correct pricing problems with vendors.

DataPros and the hospital have been working together for about a year to develop the software to include an electronic contract database and a group of spending reports to monitor price discrepancies and buying opportunities.

The hospital was too frustrated by its current paper filing systems and the limitations of its information system to keep up with changes to prices and contracts.

"We have been able to leverage the success at Hershey with other major academic institutions," Esses says. "In the current cost savings environment, the appetite for this type of solution is stronger than ever."

One innovation at the company is the DataPros pricePAL solution, a suite of spending-analysis and contract-management Web-based tools DataPros developed for hospitals. Hospitals can

use pricePAL to more clearly see their medical and surgical spending. Then, making smarter buying decisions, they can get a return on investment of about 2% to 5% of their supply costs.

### Roots in the V.A.

Esses, 46, learned about hospital economics while working in the Veterans Administration for 15 years then for a health care services company that was acquired by Cardinal Health.

Although Esses admired the dedication and resources the V.A. and Cardinal had to serve patients and customers, he wanted to create his own company with a different culture: an entrepreneurial, more nimble, more decentralized organization in which staff could make decisions and communication was more fluid.

"There are a lot of great, dedicated people at the V.A. system, but it is a massive bureaucracy," Esses says.

So in April 2003, he created the privately held DataPros for Healthcare.

DataPros began in a 400-square-foot loft above a garage with one server. In 2004, the company moved to a 2,000-square-foot office and expanded operations from three to five people and added two more servers.

In 2007, DataPros attracted investment capital for expansion.

Scott Miller of Lovett Miller & Co. in Tampa has minority ownership interest in DataPros. So does Martin Schaffel, former owner and managing chairman of Audio Visual Innovations in Tampa.

In 2008 DataPros moved into a fully wired 1925 house on Swann Avenue in Hyde Park with high ceilings and bright colors, offices formerly used by Walker Brand Communications. Dress code at DataPros, when employees are not meeting with clients, calls for blue jeans and sneakers.

"It's a good feel, and it represents who we are," Esses says.

DataPros maintains a business model focused on its clients and staff.

"I talk to employees and ask for their guidance," Esses says. "We want to do the right thing for customers and the right thing at our company. We live by those two mantras. We try to have a very talented and empowered staff. Issues get put on the table."

The goal is to retain good employees, tap into their innovative ideas and then retain good customers.

"People here are passionate," Esses says. "Culture is important."

### Controlling growth

Esses sees continued growth for DataPros, not only in data cleansing but also in working with hospitals on technology and efficiency issues. But he is careful to not spread his staff too thin or grow DataPros into a giant bureaucracy.

"We need to maintain the same level of customer service and scale our services as hospitals demand them," he says.

Co-founder Joanne Steinhardt agrees. Staying relatively small helps DataPros adapt to the market and make decisions more quickly than behemoth corporations.

"We're hands-on, customer-driven and have a high reputation for integrity," says Steinhardt, executive vice president who oversees the financial, marketing, and technological design for the company.

About half of the DataPros staff is in Tampa and the remainder is at client hospital sites around the country. The staff is split roughly into three groups: hospital product specialists and researchers; IT staff and software writers; and account specialists working with hospitals.

DataPros has considered diversifying its services, but Esses maintains it has a long way to go in helping other hospitals with purchasing records.

"The reality is that we don't feel we are anywhere near done with clients," Esses says. "So many hospitals need our services."

**Allen Esses**, president, DataPros for Healthcare: 'Hospitals are doing thousands of transactions a month and their information systems are limited in the data they need to buy a product. Executives want to manage what they are buying. We fill in the fields of information, enrich the information that is there and give it back to the hospital. Someone will take the data and analyze it.'