



rackspace

Customer Case Study – Healthcare

Intrepid USA unifies a dispersed workforce

A clean-sheet cloud migration enabled centralized control and updates of end-user equipment along with HIPAA-compliant management of patient data.

Our customer

Intrepid USA Healthcare Services provides in-home healthcare and hospice services in 21 states, managing multiple branch offices and thousands of patients.

How we helped

Business/IT Transformation; Migration; Security and Compliance - Rackspace Managed Security; Private Cloud – VMware®; Productivity and Collaboration - Microsoft® Exchange.

The obstacles they faced

Its in-house data center had become an operational burden, further complicated by the need to address security and compliance regulations while supporting 1,700 employees in the field.

What we achieved together

Rackspace rapidly migrated 120 servers and appliances, helping Intrepid reduce capex and real estate costs, simplify IT and implement disaster recovery – while remaining in compliance.



Introduction

Since its inception in 1990, Intrepid USA Healthcare Services has provided compassionate, ethical in-home healthcare and hospice services. Based in Dallas, the company currently operates 75 home care branches, 11 hospice branches and multiple private duty nursing branches. Its 1,700 employees provide care and ancillary services to 8,000 patients in 21 states.

With a dispersed, mobile workforce, Intrepid USA depends on a large of fleet of tablets, cellphones, laptops, desktops and peripherals to record patient data and manage internal functions like payroll and scheduling. Due to security and regulatory requirements, those communications must be encrypted and data storage must remain compliant. Faced with a mandate to reduce its physical data center presence in a tight time frame, Intrepid USA selected Rackspace to help plan and execute a large-scale transformation project while meeting strict compliance requirements.

Preparing for a fast migration

Inside of just a few short months, Intrepid USA needed to move every facet of its data center, which included about 120 physical servers, switches, routers and firewalls. “We needed to start investigating outsourcing our data center and really getting a partner that could help us with the things that we really wanted to be excellent at, such as HIPAA compliance and data recovery and redundancy,” said John Nix, Chief Financial Officer at Intrepid USA.

According to Nix, the company set five specific goals for the project:

1. Separate its IT structure from its sister company to maintain HIPAA compliance
2. Decommission expensive data center space and reduce real estate costs

3. Simplify IT operations by partnering with a firm offering deep expertise
4. Eliminate the need to purchase expensive IT equipment and chase upgrades and updates
5. Add more network redundancy so issues at one facility wouldn't result in downtime at other facilities

Intrepid USA reviewed RFPs from eight vendors before choosing Rackspace for its exceptional responsiveness and deep expertise across critical technologies. “We felt that Rackspace would really become a part of our team and that they would treat this operation as if they were a part of Intrepid,” said Nix. “That, along with their excellence, all of their technology and their worldwide scope, really helped us to feel that Rackspace would be the best partner to help Intrepid in the years to come.”

Going beyond lift-and-shift

Initially, Intrepid considered making a simple shift of the company's architecture to Rackspace. “We were happy to hear that they were a big VMware partner and were fluent in that flavor of virtualization, which we already used,” said Jonathan Fluhart, Senior Director of IT at Intrepid USA. Toward the end of the consultation phase, however, he decided against that approach. “Companies don't often get the chance to start from scratch, and this was an opportunity for us to basically create a new environment within Rackspace, and not carry over the bad habits of the past or problems that we had currently,” he observed.

Intrepid USA had been through many IT regimes over the years, resulting in an ineffective directory and domain structure. “By starting over from scratch, we were able to re-engineer and re-architect a domain structure that was perfect for our situation today,” said Fluhart. Despite the eleventh hour change in direction, the Rackspace team was able to quickly re-configure Intrepid USA's deployment. “When my engineer said he'd get back with me in a

few days, I was afraid it wouldn't be enough time with such a big ordeal to rearrange and re-architect,” said Fluhart. “To my surprise, he came back the next day and we kicked off the project on time.”

“As we continue to expand in this industry, we will need a partner like Rackspace to continue to flex with us.”

John Nix – Chief Financial Officer, Intrepid USA Healthcare Services

The Intrepid USA team worked with its dedicated Rackspace team to assess the company's existing infrastructure, explore its options, map out its new home, right-size its servers, look at time frames and evaluate front-end resource costs. The project was completed in four phases. “We had the engineers assigned to our transition in the trenches right there with us,” said Fluhart. “There were times at 10, 11 o'clock at night that they were out there with us as we migrated assets over. At no time did I feel concerned that we weren't going to meet our mark. Everything went very smoothly.

“And when the project concluded, I was very happy to walk in the CEO's office and explain to him that we finished this project on time and on budget. We never could have done that without the help of Rackspace.”

Transformation improves IT team structure

When Intrepid USA had its own data center, its biggest cost was labor, followed by the annual costs of housing, purchasing and maintaining equipment. Looking to the future, it sought more cost stability and structure in IT expenditures.

Rackspace provided Intrepid USA with a streamlined, stable monthly cost. “Having this



relationship really gives us the peace of mind that we won't be forced into any unanticipated, large expenditures that would occur if we had to replace very expensive IT equipment," said Nix. In addition to reducing equipment costs, the company was able to eliminate expensive data center floor space and reduce labor costs. Backed by Rackspace expertise, Intrepid USA was able to reduce its team by half — from 12 full-time employees to six.

"IT is not something I worry about. I know that it's in good hands because of the way Rackspace approaches the relationship they have with us."

John Nix – Chief Financial Officer, Intrepid USA Healthcare Services

The company now has a team of generalists able to leverage Rackspace expertise. With engineering and support off their plate, they can focus on supporting their internal customers. "My team and I can now focus on customer service," said Fluhart. "We can focus on things that were on a back burner before, like building our intranet, that help our employees work more efficiently, instead of having to deal with servers, hardware swaps or putting out fires." With Rackspace support, the team can control operational costs and focus on the needs of the business.

Reducing the compliance burden

Because Intrepid USA deals with medical records, it is subject to strict compliance regulations from insurance companies and government payers like Medicaid and Medicare. These regulations cover everything from record

retention obligations to the secure storage of protected health information.

Intrepid USA needed a partner that could streamline archiving and retrieving without using expensive floor space or physical server space. It also needed confidence that any resources containing patient information would abide by HIPAA regulations — from data integrity to encryption and physical security. Thanks to the breadth of the Rackspace portfolio, which includes deep security and compliance experience, Intrepid USA could accomplish all of these goals with just one partner.

"It was important to go with someone who could give us HIPAA compliance, protect data integrity and secure our network, so that when we worked with our physicians in the hospitals, they understood that they were transitioning patient data into a secure environment," said Fluhart. Nix added, "Having a partner that is excellent in those things, and who can make sure that our records are secure, both for ourselves and for our patients, was a very critical element in selecting a partner." With a strong portfolio of healthcare-focused services, including HITRUST certification and HIPAA and PCI-DSS compliance solutions, Rackspace was able to quickly deploy a compliance-ready environment for Intrepid USA.

Exceeding transformation expectations

The partnership between Rackspace and Intrepid USA has delivered multiple benefits. Optimization suggestions made during the planning stage have yielded dramatic results. According to Fluhart, "One of the things we were concerned about going to a hosted environment was throughput and speed for our applications — here and in the field. To our surprise, our performance actually improved. We achieved better throughput, more security and we were able to put better appliances behind our firewall to help with security."

The company is now able to meet the needs of its clinicians, office staff and other employees more quickly and efficiently. "When challenges arise, we're able to just fly right through them without having to stop and figure how we're going to deal with it," Nix said. "We have peace of mind that any situation that we might encounter from an IT standpoint, Rackspace will be there to take care of it." This enables the workforce to go out and serve patients with little to no technical interference.

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Jonathan Fluhart – Senior Director of IT, Intrepid USA Healthcare Services

Because Intrepid USA no longer manages the data center, there are fewer delays. The ability to scale on demand has increased business agility, and future acquisitions will be much easier to fold into the new environment. And the company has achieved all five of its initial goals. Most importantly, the staff enjoys peace of mind: "IT is not something I worry about," said Nix. "I know that it's in good hands because of the way that Rackspace approaches the relationship they have with us."

Over the last four years, Intrepid USA has seen organic growth of over 30 percent, opened up a dozen hospice locations, and grown hospice into a \$20 million business. "As we continue to expand in this industry, we will need a partner like Rackspace to continue to flex with us," Nix said.

About Rackspace

Rackspace is modernizing IT in today's multi-cloud world. By delivering IT-as-a-service, we help customers of all industries, sizes and locations realize the power of digital transformation without the complexity and expense of managing it on their own. Our comprehensive portfolio of managed services across applications, data, security and infrastructure on the world's leading public and private cloud platforms enables us to provide unbiased expertise. Rackspace has been honored by Fortune, Forbes, Glassdoor and others as one of the best places to work.

Learn more at www.rackspace.com or call **1-800-961-2888**.

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