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Cloud vs. On-Premises Ultrasound Reporting Solutions

**Evaluating the
Total Cost of Ownership**
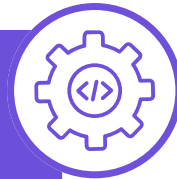
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What Does Total Cost of Ownership (TCO) Mean?

> **TCO represents the complete cost associated with owning and operating a product, system, or asset over its entire lifecycle.**

TCO goes beyond the initial purchase price and includes all costs incurred from acquisition to disposal or replacement.

By calculating TCO, businesses and organizations can make informed decisions about whether to invest in a particular asset or system. It helps them understand the true financial implications of ownership, beyond the upfront cost, and enables them to compare different options to determine which one is the most cost-effective over time.

TCO analysis is commonly used in healthcare to evaluate long-term investment decisions.

Understanding the Software Options

Cloud-Based, EHR-Centric Ultrasound Reporting Software

Cloud-based software is hosted and delivered via the internet, rather than being installed on local computers or servers.

It operates via remote servers, is typically maintained and managed by the software provider and/or other third-party providers and is accessed through a web browser or dedicated application. Typical management services handled by the cloud provider include:

- ☑ Increasing storage levels
- ☑ Setting up production and test environments
- ☑ Pushing out upgrades
- ☑ Ensuring data safety and security

Cloud-based ultrasound reporting software is designed for flexibility and compatibility, tailoring itself to the customer's desired workflow. With the EHR as its foundational reference, it effortlessly integrates with any EHR, PACS, VNA, ultrasound machine, and billing software.

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On-Premises, Traditional Ultrasound Reporting Hardware

Traditional hardware options, which typically extend from an ultrasound modality, require physical installation.

On-premises ultrasound reporting requires more manual customization, which is time-consuming and resource-intensive to complete. The hardware is not adaptable, so it can be a challenge to integrate with an EHR or other software, such as an ultrasound machine manufactured by a different vendor.

Maintenance of the on-premises software often requires downtime or costly after-hours service to complete. Users of traditional ultrasound reporting often struggle with:

☒ System slowness

☒ Upgrade difficulties

☒ Compliance issues

☒ Lack of integrations

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Evaluating the Costs

What to Include in Your Ultrasound Reporting Software TCO Evaluation

To better understand the financial implications of ultrasound reporting options, we break down the following TCO analysis into four cost categories:

1 **Cloud Hosting**

2 **System Backup and Data Safety**

3 **Accessibility and Compatibility**

4 **Hardware Costs and Performance**

We will use these four categories to complete the following TCO evaluation, based on a recent study of a large health system that was evaluating moving from an outdated traditional reporting solution to cloud-hosted software.

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The TCO Comparison

Cloud Hosting

☑ Cloud Solution

Cloud hosting, offered by EHR-centric cloud vendors, doesn't require physical servers. This translates to cost savings in terms of infrastructure and manpower.

☒ On-Premises Solution

Traditional solutions are not hosted via the cloud, and can require significant hardware investments, such as server rooms and maintenance costs.

System Backup and Data Safety

☑ Cloud Solution

With EHR-centric cloud vendors, data backup is streamlined and secure, often backed by sophisticated disaster recovery systems.

☒ On-Premises Solution

Traditional solutions may demand substantial data backup and recovery resources, leading to unexpected financial burdens and impacts on patient care during emergencies or data breaches.

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Accessibility and Compatibility

☑ Cloud Solution

Cloud solutions are designed to be accessible from a variety of devices and platforms. They are compatible with any web browser regardless of the underlying operating system and eliminate the need for any additional software costs or local installations.

☒ On-Premises Solution

Traditional vendors have platform-specific software dependencies, requiring tailored installations for certain operating systems like Microsoft Windows. This leads to compatibility issues across devices with different operating systems.

Reliance on additional tools for remote access adds extra costs and potential performance concerns. Managing software upkeep and compatibility on individual devices presents ongoing hurdles for IT teams.

Hardware Costs and Performance

☑ Cloud Solution

Cloud-based vendors eliminate the need for physical hardware purchases and maintenance. Organizations pay for resource usage, benefiting from solution flexibility and scalability without upfront or depreciation expenses.

Cloud providers typically handle updates and maintenance, ensuring that users always have access to the latest features and security enhancements.
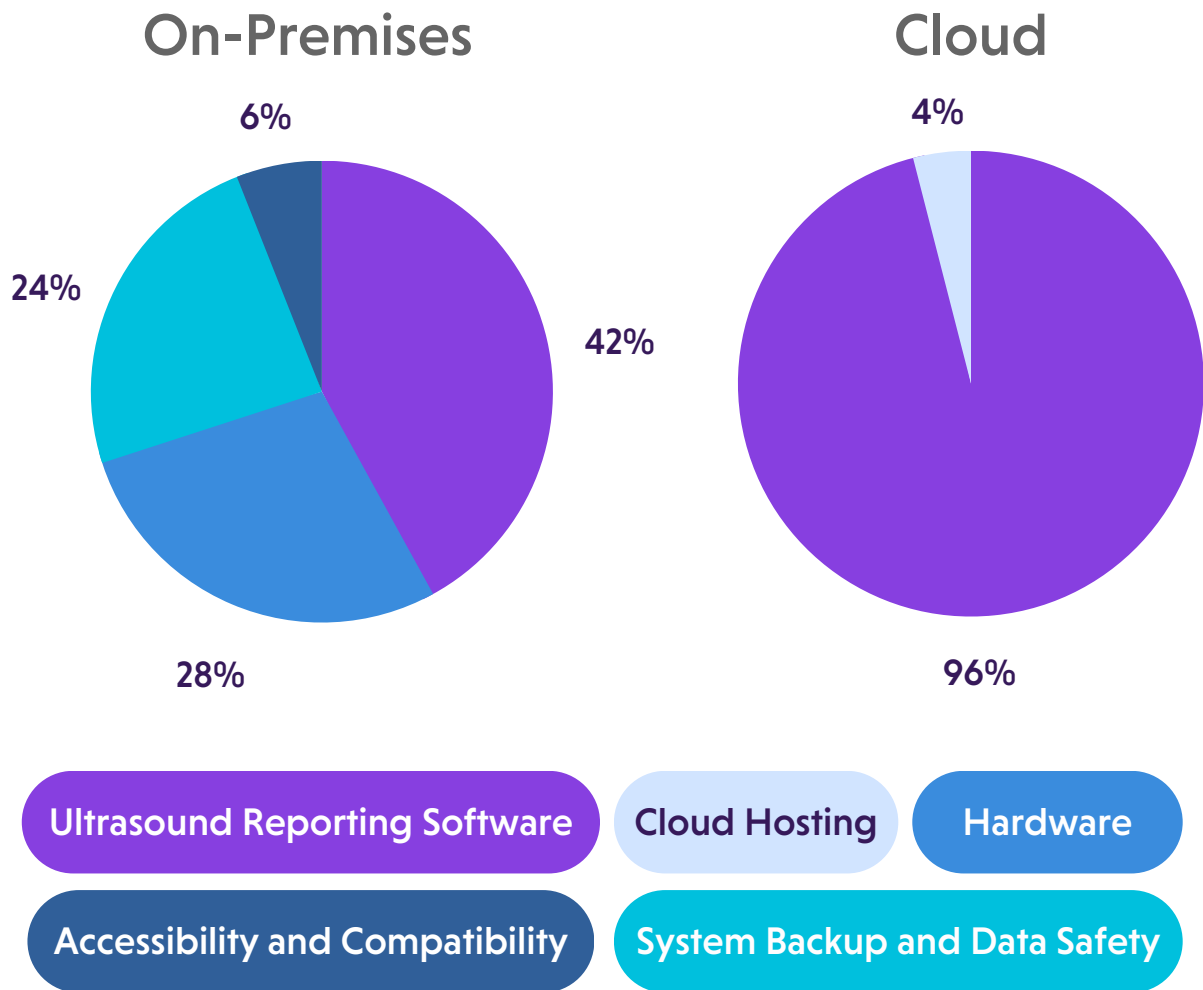
☒ On-Premises Solution

Hardware-centric vendors adopt a capital-intensive model centered around the modality. They require substantial ongoing equipment upkeep. As the hardware ages, performance declines and leads to additional repair and replacement costs, slowness, failures, and compatibility issues.

Limited scalability options mean higher capital expenditures, while outdated hardware lacks modern security features and firmware updates, exposing vulnerabilities to cyber threats.

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Cloud vs On-Premises Cost Evaluation

On-Premises

6%

24%

42%

28%

Cloud

4%

96%

Ultrasound Reporting Software **Cloud Hosting** **Hardware**

Accessibility and Compatibility **System Backup and Data Safety**

This TCO evaluation demonstrates that **96%** of cloud costs are allocated directly to the ultrasound reporting solution, while traditional, on-premises solutions allocate only **42%** of overall costs to the ultrasound solution, with **58%** of costs needed for outlying hardware, maintenance, support, and outdated technology.

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The Cost-Effective Choice

Based on These Comparisons, Cloud-based Ultrasound Reporting is the More Cost-Effective Choice.

With seamless integration capabilities across the healthcare technology landscape, cost-efficient cloud hosting, streamlined backup solutions, and reduced hardware upkeep, these vendors offer a long-term solution at reduced overall costs.

It's essential to select vendors who can adapt to your EHR-driven, preferred workflows and seamlessly integrate across the diverse healthcare technology landscape. With cost-efficient cloud hosting, streamlined backup solutions, and reduced hardware upkeep, these vendors offer a long-term solution at reduced overall costs.

While TCO evaluations are a crucial aspect of decision-making, other factors such as user experience, scalability, collaboration features, and customer support should also play a role in vendor selection.

Balancing financial considerations with operational benefits will help make the best decision for your healthcare institution.

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Understanding the total cost of ownership is paramount in making important decisions for your healthcare institution. By analyzing the various aspects involved in adopting an EHR-centric cloud ultrasound reporting vendor or an on-premises ultrasound vendor, you can ensure that your choice aligns with your organization's goals, resources, and commitment to delivering high-quality patient care.

Learn How a Cloud Hosted, EHR-Centric Solution Can Benefit Your Organization

Visit as-software.com to learn about the latest innovations in ultrasound workflow accessibility and automation, and discover how to seamlessly integrate with your EHR and other technologies across your enterprise to enhance operational efficiency.