

CASE STUDY

Sentara Uses Order-to-Pay to Improve Automation, Savings and Discounts



OVERVIEW

Sentara Healthcare (Sentara) is a nonprofit healthcare organization based in Norfolk, VA, that serves the residents of Virginia and northeastern North Carolina. Founded in 1888, Sentara consists of nine hospitals, numerous outpatient and rehabilitation centers, doctors' offices, nursing and assisted living facilities, an insurance company and other health-related entities.

Sentara has long believed in using effective technology to improve patient care and wanted to apply that same principle to its AP systems. Goals were to transition 70% of transactions to electronic processing, reduce costs and exceptions, and capture additional discounts.

CHALLENGES

- **Cumbersome, inefficient AP processes meant high costs and low productivity:**
 - Manual processes were slow and expensive.
 - Frequent reworks due to manual errors resulted in lost productivity.
 - Invoices were often received in Accounts Payable late and expenses were not hitting the books during the month they occurred.
- **Suppliers needed to be able to participate in the electronic environment:**

Sentara needed a solution that could easily be used by not just its large suppliers but by small and mid-range vendors as well – all with minimal training and cost.
- **Slow processing resulted in lost discount opportunities and limited price-negotiating power.**

SOLUTION

J.P. Morgan's Order-to-Pay fully automates Sentara's AP system, allowing it to manage invoice and payment processing, plus take advantage of discount opportunities.

Additionally, J.P. Morgan's easy-to-use, self-service system provides Sentara's internal and external customers and vendors with visibility into the status of orders, invoices and payments.

RESULTS

- Suppliers and employees now have an efficient and effective way to process invoices and reimbursement requests. **With an excellent ROI, Order-to-Pay helps Sentara realize all of the following:**
 - Reduced costs and processing errors
 - Early-pay discount capture
 - A more accurate financial picture at month's end
- Customers and vendors now participate in an online invoice-tracking system, **significantly reducing the workload of the AP department.** This system has resulted in headcount reduction of seven AP representatives and the transition of three additional reps to a new Help Desk.

“Our internal team that included IT and Finance first performed a Six Sigma project to ensure we addressed all root causes of current AP issues. After doing an RFP, we identified J.P. Morgan's Order-to-Pay as the leader in this area of technology.”

“Order-to-Pay provides our internal and external customers with an effective, low-cost method to submit requests and invoices. The online audit, routing and history are excellent. It directly reduced our AP operational costs and staffing, and also allows us to grow as an organization without significantly increasing AP costs.

“J.P. Morgan has exceeded our expectations and I would highly recommend this product.”

CHRISTINE FELAIRE
Senior Business Analyst,
Financial Systems Group



Recipient of 2010 HIMSS Davies
Award for Sentara eCare®



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integrated healthcare networks
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