

Healthcare Materials
Management



Microsoft Dynamics Customer Solution Case Study

New Software Helps Hospital Chain Share Information, Streamline Processes

Overview



Country or Region:

United States

Industry:

Healthcare

Customer Profile:

Frankford Hospitals is a community hospital system with three inpatient hospitals and three outpatient sites that serve people in Northeast Philadelphia and Bucks County, Pennsylvania.

Business Situation:

Frankford Hospitals' previous, MS-DOS®-based financial system lacked functionality and integration with other solutions, which forced a heavy reliance on manual data input and paper-based processes.

Solution:

Working with Microsoft® Gold Certified partner Tectura, Frankford Hospitals implemented Microsoft Dynamics™ GP, a fully integrated financial and business management solution, to approximately 40 users.

Benefits:

- Faster, more accurate financial reporting
- Faster processing cut from 1 day to 1 hour
- Lower total cost of ownership
- Easier order requisition
- Streamlined business processes

Today's healthcare providers are under constant pressure to improve patient care while reducing costs. To do this, providers are increasingly turning to new technologies that allow them to streamline processes, eliminate inefficiency, increase productivity, and improve decision making. Frankford Hospitals, founded in 1903 to serve residents of Philadelphia, PA, is no exception. The community hospital system was burdened with an aging MS-DOS®-based financial system that lacked functionality, made reporting difficult, and limited its ability to streamline processes. Working with Microsoft® Gold Certified Partners Tectura and Binary Stream Software, Frankford implemented Microsoft Dynamics™ GP, a full integrated financial and business-management solution. It has helped Frankford simplify business processes, streamline financial reporting, and simplify the process of ordering materials.

“Microsoft Dynamics GP is quite an improvement in technology over our old system. We're happy with the product, and it's a great platform for us to move forward with.”

Robert Crossin, Chief Financial Officer, Frankford Hospitals

Situation

“Microsoft is committed to R&D and really promotes growth in their products, so we don't have to worry about having a solution that's out of date or isn't supported.”

Jacqueline Kingman, Systems Administrator, Frankford Hospitals

Founded by Dr. Joseph Ball and named after the Philadelphia, Pennsylvania, neighborhood it first served, Frankford Hospital opened its doors on July 4, 1903. In the century since, Frankford has grown from a single facility into a 500-bed, 4,000-employee facility and member of the Jefferson Health System. Frankford Hospitals consists of three inpatient hospitals and three outpatient sites that serve people in Northeast Philadelphia and Bucks County, Pennsylvania. Frankford sought a replacement for an aging MS-DOS®-based mainframe system that was becoming increasingly difficult and costly to maintain, according to CFO Robert Crossin. The system's limited functionality and lack of integration forced many of the hospital's 200 departments to use various software applications to access the information needed to perform their jobs effectively. Tying those various systems together was difficult, with the hospital using interfaces that ran at night to synchronize data across the disparate systems.

In addition, the lack of integration between systems and a heavy reliance on manual data input and paper-based transactions limited Frankford's ability to streamline processes. Nowhere were the limitations of the system felt more than in the organization's finance department. The system's reporting capabilities were not robust, which forced staffers to manually compile and distribute financial reports.

In addition, the system didn't provide an effective way to drill down into multiple layers

of data for further investigation. “When you have segregated systems, you can just imagine what you have to go through to follow an audit trail,” says Jacqueline Kingman, Systems Administrator at Frankford Hospitals. As a result, the department relied on manual processes to maintain adequate financial controls, which also extended to purchase requests for materials. Under its previous system, requests to purchase items were made by paper and sent to the organization's purchasing department, which would then manually create the purchase order.

Solution

Frankford Hospitals sought a cost-effective, integrated solution that could help increase its overall operational efficiency, provide better access to information, and simplify and speed up reporting. “We really needed a more modern solution that could accommodate our rapid growth,” Crossin says.

The organization evaluated six solutions, and quickly eliminated four because they didn’t provide the functionality the hospital chain sought. From the two remaining candidates, Frankford chose Microsoft Dynamics™ GP business software because it represented the best combination of benefits, functionality, and cost.

With the help of Microsoft® Gold Certified Partners Tectura and Binary Stream Software, Frankford Hospital implemented Microsoft Dynamics GP, a fully integrated financial and business-management solution, and integrated it with the facility’s existing Siemens Medical Solutions INVISION hospital information system. Built to deliver the highest levels of ease-of-use, Microsoft Dynamics GP offers integrated, cost-effective systems for healthcare delivery, helping to standardize and exchange financial information between entities. Frankford Hospitals rolled out the solution to approximately 40 users.

Because materials management is often the second-largest expenditure for hospitals, Binary Stream’s Materials Management module offers complete supply chain management functionality with a focus on complex procurement and fulfillment features that are directly integrated to Microsoft Dynamics GP. As an integral component of its overall hospital system, Materials Management easily integrates with Frankford Hospitals’ other systems.

Frankford Hospitals’ Microsoft Dynamics GP solution components also include General Ledger, which provides the organization with several features it lacked previously, including strong financial controls, easy-to-follow audit trails, and the ability to drill down from summary information to corresponding detail; Microsoft FRx®, which allows easy reporting; and Great Plains Budgeting, which simplifies the organization’s budgeting process. Other components include Accounts Payable, Fixed Assets, Materials Management, and Intercompany Transactions, as well as Tectura’s ReQlogic™ requisition, purchasing, and procurement software.



Benefits

Microsoft Dynamics GP integrates with and extends office productivity tools, such as Microsoft Office Outlook® messaging and collaboration client and Microsoft Excel® spreadsheet software, which Frankford’s employees use every day. According to Crossin, Microsoft Dynamics GP represents a substantial technological upgrade over the organization’s previous system. “Microsoft Dynamics GP is quite an improvement in technology over our old system,” he says. “We’re happy with the product, and it’s a great platform for us to move forward with.”

Timely Information

With Microsoft Dynamics GP, Frankford’s accounting staff can conduct daily audits using real-time information. If the accounting staff found a questionable expense in the past, they had to print out a 500-page report and then painstakingly sift through it to uncover additional details, Kingman says. “Now, our staff has the full cycle of purchasing information at their fingertips. When performing their daily audits, they can begin in the General Ledger and quickly drill down to the original purchase. If a correction is needed, it can be performed before the release of the month-end financials,” she says. “I can’t even begin to quantify the hours this has saved.”

Streamlined Financial Reporting

Microsoft Dynamics GP has helped Frankford Hospitals reduce the time needed to produce month-end daily financial reports from about a day under the old system to a mere hour. Integration allows real-time financial information to flow directly from the General Ledger to Microsoft FRx, allowing the finance staff to easily create and e-mail financial reports to the head of each department.

In addition to providing key financial information, these monthly profile reports also promote accountability. Under the old system, the organization relied on department heads and supervisors to retrieve their departmental financials for review on their own. Using Microsoft Dynamics GP and Microsoft FRx, the finance staff quickly produces a preliminary financial report, emails it to each department manager and supervisor, and requests a response within three days. If an expense exceeds budget, an explanation and approval are requested. After this process is complete, the final financial statements are released.

Easier, Faster Order Requisition

The powerful combination of Microsoft Dynamics GP, Tectura's ReQlogic requisition, purchasing, and procurement software, and Binary Stream's Materials Management software has allowed Frankford Hospitals to streamline its materials management and purchase-request processes.

In the past, the process for approving purchases was completely manual. "If we needed approval on an invoice, it would be sent by intercompany mail to the department," Kingman says. "It was very hard to track expenses if the invoices were in limbo somewhere." Microsoft Dynamics GP, Binary Stream, and ReQlogic have helped Frankford Hospitals automate and speed up that process. "Now I have the capability to know when the invoice was received, whom it was sent to, and if it was returned with approval for payment. Then I can easily view the batch or document and expedite payment for the vendor," Kingman says.

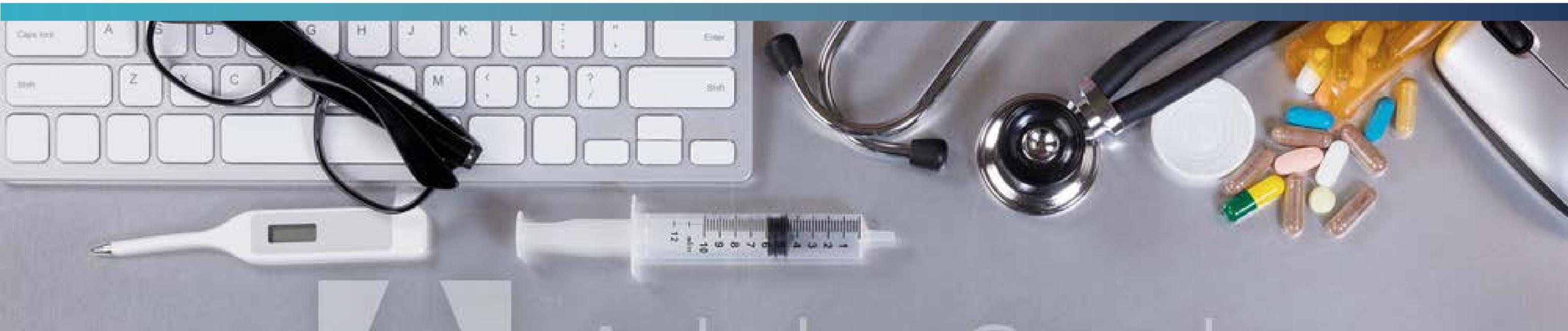
Similarly, the system has helped Frankford Hospitals streamline its process for investigating situations when an invoice amount differs from that of a purchase order. Unlike the previous manual process for resolving these conflicts, Microsoft Dynamics GP automatically flags discrepancies and outlines a workflow for followup and reconciliation. Binary Stream's Materials Management software also allows staffers to consolidate purchase orders to one vendor, which wasn't possible with the previous system.

Simplified, More Efficient Business Processes

Microsoft Dynamics GP has helped Frankford Hospitals simplify and streamline many business processes. One example involves managing the estimated 10,000 invoices the organization receives and processes every month. In the past, hard copies of every invoice were archived at an offsite facility. Using Microsoft Dynamics GP and a document-imaging system, staffers now scan the invoices and store them directly in the system. As a result, access to the documents is now mere clicks away, which helps in the case of audit and reduces storage expenses.

Cost-Effective Solution from Trusted Vendor

Frankford Hospitals sees many benefits from using a Microsoft solution. "Partnering with Microsoft provides us with a lot of advantages," Kingman says. "Microsoft is committed to R&D and really promotes growth in their products, so we don't have to worry about having a solution that's out of date or isn't supported." In addition to its superior performance over Frankford Hospitals' previous system, Kingman estimates that the annual cost of ownership of Microsoft Dynamics GP is considerably less than that of the previous system.



Microsoft Dynamics & More Info

Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented.

By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: www.microsoft.com

For more information about Tectura products and services, call 650-585-5500 or visit the Web site at: www.tectura.com

For more information about Frankford Hospitals products and services, visit the Web site at: www.frankfordhospitals.org



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