



A custom invoice entry and validation solution completes AP automation for a large health care organization

Bon Secours Health System Streamlines AP and reduces entry time by 80%.

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Joel Stafford, AP Director, Bon Secours Health System, Inc.

Overview

Bon Secours Health System, Inc. operates eighteen hospitals with 21,000 employees and over \$3 billion in revenue. In 2004, Bon Secours centralized their Accounts Payable department, reducing the number of staff required to process payables and standardizing how over 700,000 annual invoices were paid across the healthcare system.

In 2010, the Director of the centralized AP department, Joel Stafford, was searching for opportunities to reduce the manual labor required to complete daily tasks. This would allow the department to refocus staff on more value-added activities such as improving customer service and increasing vendor compliance.

With document imaging, workflow and advanced data capture solutions already in place to automate the expense invoice process, Mr. Stafford turned his attention to purchase order invoices, which represented a majority of the transactions processed by accounts payable.

“We found that after we had brought our major vendors onto EDI, there were diminishing returns in bringing new vendors onto this service. Kofax Data Capture was working well for us in streamlining entry for expense invoices and we thought it could be expanded to non-EDI purchase order invoices as well – so we called RPI,” explains Mr. Stafford.

Eliminating Invoice Entry

RPI Consultants has a long history of working with Bon Secours. The firm assisted with the implementation of Lawson, the centralization of accounts payable, and the deployment of document imaging. Based on their extensive working experience with the technologies involved and their knowledge of Bon Secours business processes, RPI was a natural choice to deploy this latest step in the ongoing automation of the department.

“Joel understood that the role of accounts payable departments is changing in every industry,” notes Brian Rosenberg, Senior Partner at RPI Consultants. “Rather than devoting their resources to data-entry, modern AP departments are using automation to eliminate manual processes and refocus resources toward more value-added services such as statement reviews, RNI maintenance, and vendor compliance.”

RPI and Bon Secours worked together to design a future-state model that would allow all purchase order invoices to be processed electronically without having to work through a third party exchange. RPI built a solution leveraging Kofax Transformation that extracted invoice data from scanned paper invoices and automatically matched it to purchase order information from Lawson's Procurement module, allowing for an automated three-way match to occur. AP staff would only have to address exceptions.

Mr. Stafford further explains, "This was the natural next step for us in the ongoing automation of our department. Doing away with the entry process for the PO invoices that are not on EDI was the final step in eliminating data entry altogether."

AP Transformed

Working with the RPI team, Bon Secours was able to complete the development of the custom solution in only three months. The new process captures invoice information, including line level detail, and compares it to Lawson purchase order tables. An AP representative validates the matched and captured invoice detail, working any exceptions, before the files are uploaded into Lawson for processing and payment.

The results were far beyond Mr. Stafford's expectations. The work that previously required five processors can now be completed by one. A single staff member is now able to complete this task for all purchase order invoices for the entire healthcare system.

"Looking back, I underestimated the impact of this solution," confides Mr. Stafford. "We reallocated data entry staff and it was amazing to see how quickly all these pending continuous improvement projects started getting knocked out. Having available resources able to dedicate real time to these efforts has allowed us to get a lot accomplished."

Bon Secours not only used the extra resources to focus on continuous improvement efforts, but also to enhance service levels to the organization and its vendors. Though invoice volume for this department will continue to increase, there is no plan to add additional resources.

Benefits of a True Partnership

Prior to deploying this solution, Mr. Stafford considered using a third party exchange that would be charging an on-going fee to convert invoices into an electronic format. "RPI challenged us to think outside the box and to believe that an organization with our resources and capabilities could design a best-practice solution that would have minimal on-going cost."

"RPI helped us in every stage of the project, from design and development through delivery," indicates Mr. Stafford. "Their vast experience building integrated solutions with both Lawson and Kofax was instrumental to our success. They were the perfect partner for this project."

"Bon Secours had a clear vision of what they wanted to achieve," explains Rosenberg, "We fleshed out the nuances of that vision together, and their staff worked with us at every stage of the project to deliver it on-time and under budget to results that exceeded everyone's expectations. This accomplishment would not have been possible without the hard work and dedication of the Bon Secours team."

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RPI Consultants

RPI Consultants is an industry leader in automating Procure-to-Pay processes. With over 10 years experience in helping customers transform AP operations through centralization, business process improvement, and the implementation of advanced technologies, RPI is uniquely positioned to deliver cutting edge solutions and best practices.

RPI is a Lawson certified consulting partner with extensive experience integrating Lawson with third party technologies, including data capture, imaging, and e-payables. RPI is a certified Kofax partner and has deployed Kofax Transformation as a data capture solution for multiple organizations with revenues in excess of a billion dollars.

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