

# 99% PAPER-FREE INVOICING ACHIEVED THROUGH GHX eINVOICING

**Phoebe Putney Health System, a not-for-profit integrated healthcare delivery system serving more than 500,000 residents in Southwest Georgia, successfully transitioned from highly manual paper-invoicing processes to 99 percent paper-free invoices with GHX eInvoicing\*.**

This has driven greater efficiency, accuracy and visibility in the accounts payable (AP) department. The organization was able to reduce AP staffing levels with no additional stress on the remaining staff and captured approximately \$300,000 in accruals.

## INEFFICIENT, PAPER-BASED INVOICE PROCESSES TAKE A TOLL ON HEALTHCARE ORGANIZATIONS

The health system’s procure-to-pay process was paper-based and highly manual. Suppliers sent paper invoices to various departments and individuals across the organization’s nine hospitals, making it extremely challenging for the accounts payable (AP) department to process invoices and pay suppliers in a timely manner. Furthermore, two hospitals within the health system had separate purchasing and AP functions, each operating with their own enterprise resource planning (ERP) systems.

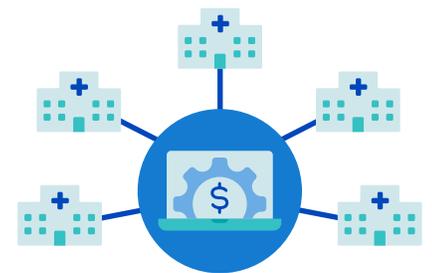
To secure approval for supplier payments, the AP team had to route invoices to approvers for review through the organization’s central mailroom, which added up to three days to the approval process. All approvers had to be on-site, so the process was delayed even further if an individual was out of the office.

Lisa Armstrong, MBA, CPA, then accounting manager for Phoebe Putney Memorial Hospital, described how invoices would sit on an approver’s desk for days or even weeks without her staff having any knowledge of them. Without a centralized AP process for the entire healthcare system, invoices were lost and payments delayed.

“It was an inefficient and costly process and we had to make it better and faster,” said Armstrong.

“It is critical in accounting to have a clear line of sight into all of your organization’s expenses. With GHX eInvoicing, we are now capturing all of our invoices. We also know when we’ve overpaid a supplier and can go after credits rather than having them sit on statements forever.”

*Accounting Manager,  
Phoebe Putney Memorial  
Hospital*



Launching a strategic vision to centralize and standardize purchasing and AP across all of the health system’s hospitals.

\*Revised formerly OnDemand AP

To facilitate the vision, the organization standardized on a single ERP system and implemented GHX eInvoicing. The solution automates the invoicing process, including invoice receipt, document image and data capture, purchase order matching, electronic archive and workflow management. It provides the ability to easily handle exceptions, route and approve invoices with full visibility, and an audit trail of edits and approvals.

Supplier invoices are then directed to a central processing center where they flow directly into GHX eInvoicing. With a single, electronic channel for invoice processing, AP staff can see POs and invoices within a single platform, enabling them to quickly identify and resolve exceptions.

**“We no longer have to route paperwork through the mailroom, which has been a huge advantage,” said Armstrong. “Invoices don’t sit on people’s desks and we don’t get calls from vendors. We’ve actually had invoices processed and approved in the same day.”**

After implementing GHX eInvoicing, the health system was able to decrease its AP staff in a positive way, by promoting a member of its team and not filling the position she vacated.

According to Armstrong, the remaining three staff members were able to process the same volume

of invoices as before because of streamlining the AP workflow.

“The staff spends more time working the statements rather than pushing paper and keying in information,” said Armstrong. “The benefits extend outside of AP to organization-wide. Directors spend less time reviewing invoices because they don’t have to flip through stacks of paper — they can just pull them up electronically. Administrators have less clerical work so they can focus more on patient care activities.”

Armstrong pointed out that one of the most attractive features of GHX eInvoicing is visibility. Since implementing the solution, she and her team captured approximately \$300,000 in accruals previously not found.

Addressing a longer-term vision for the organization to have a single, centralized process for both purchasing and AP, buyers began using GHX eInvoicing collaboratively with AP staff to drive greater PO accuracy and minimize invoice exceptions.

“When you have dedicated AP and purchasing staff all working together on exceptions and credits, then you have a much cleaner process,” said Armstrong. “We envision having one central materials management department to drive more efficient PO to invoice matching so that we can turn payments around faster and capture more discounts.”



“It is critical in accounting to have a clear line of sight into all of your organization’s expenses,” said Armstrong. “With GHX eInvoicing we are capturing all of our invoices. We also can see when we’ve overpaid a supplier and can go after credits rather than having them sit on statements forever.”