

RUSH University System



Driven by discovery, innovation and a deep responsibility for the health of our communities, RUSH is a national leader in outstanding patient care, education, research, community partnerships and empowering a new generation of health care providers.

RUSH comprises RUSH University Medical Center, RUSH Copley Medical Center, RUSH Oak Park Hospital and RUSH University, as well as an extensive providers network and numerous outpatient care facilities.

RUSH is consistently recognized for outstanding patient care, education, research and community partnerships.

CHALLENGE

Rush knew it had a challenge with its procure-to-pay process: procedures were not being followed consistently, contracts were not centrally stored, and purchase orders were often being requested without any contract being provided at all. An external audit confirmed their concerns and shed new light on the negative impact to the organization's operation.

As a healthcare system that comprises several separate entities, it is not surprising that the procurement process was decentralized. However, the lack of consistency had led to real problems in tracking the contracts that had been committed to, which in turn made it extremely challenging to compare them to planned budgets. Another significant concern was contract penetration, or how much is on contract: not being able to track that made it impossible to pursue cost savings. Meanwhile, the time necessary to process a new contract had become so extended (it could take up to 200 days) that individuals across the organization had taken to bypassing the systems entirely and simply signing on the dotted line without Legal review.

The legal department, while responsible for contract reviews and approvals, was constantly backlogged and struggling to prioritize one contract over another. Importantly, their responsibilities largely lay in the area of reviewing, adjusting, and approving contracts – not in tracking their execution or performance over time, nor whether they fit into predefined budgets.

Unlike many companies that undertake the step of implementing a modern data-first Contract Lifecycle Management (CLM) system, Rush actually had a solution in place already. However, it was old and difficult to adjust to meet the needs of evolving workflows: updates required services from the vendor, which could be both expensive and time-consuming.

The organization needed to ensure it was properly reviewing all contracts before services were rendered; that it could forecast its budget needs relative to its commitments; and that the highest-risk agreements were reliably receiving the attention they deserved, without miring the simplest in unnecessary delays.

SOLUTION



The goal was to move away from that loose system of controls and bad tracking, bad orders and **start to use all the detail we had right there in the CLM**”

- Dustin Slodov, AVP of Procurement and Systems at Rush University

The procurement team stepped in to take charge of the solution, bringing a different lens to the contracting challenge. While Legal was critical to the approval of complex contracts, procurement had the broader responsibility for ensuring a consistent set of procedures that would enable accurate reconciliation of contract obligations and budgets. Once they selected Agiloft as their platform of choice, they worked with other departments to identify the areas of concentration that would allow them to define – and stick to – standardized processes. In a critical move, they agreed on metrics that would define whether new contracts needed to go to legal, or whether they could be managed by procurement and their team of paralegals. In addition, they built an integration to the core ERP system that would allow them both to associate contracts directly to vendor records, and issue Purchase Orders that could easily and reliably be audited for compliance with the signed agreement.

Departments were trained to use standard processes to submit new contract requests, which are now automatically routed to the appropriate group for review and approval. These are then moved through the system rapidly, with full visibility available to authorized personnel, a full record of the contract’s lifecycle, and the ability to match contract obligations to budgets and financial forecasts.





It's modular. You can just do a lot with it... So if you have a passable understanding of how to manage a no-code system, **you can translate how your business needs need to work using this tool pretty well**

- Dustin Slodov, AVP of Procurement and Systems at Rush University

The immediate impact was that the average time to process a contract dropped from 70 days to around 30 – with high-volume items running as low as 18 days. As a result, employees stopped trying to end-run the process, resulting in nearly twice as many contracts being centrally processed each month, delivering a huge boost in visibility and ability to forecast and manage budgets. Meanwhile, the dollar volume of payments being made to vendors whose agreements had bypassed the procure to pay process entirely has been reduced by 80%.

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Legal is now able to prioritize its time, focusing on larger, more complex contracts (about a third of the total volume), while simple items are managed by procurement and their team of in-house paralegals. Rush uses a self-configured Generative AI Prompt action to automatically and instantly assess contracts as they are submitted to direct them to the right review group (with the capability to manually reassign them as needed). Employees have used the clearer availability of existing contracts to reduce the total number of net new purchase orders by 20%. Internal buyers and their vendors are thrilled to receive an authorized purchase order as contracts are approved and signed, further reducing the wait time that used to be a barrier to entering the review process.

Of course, businesses change all the time, and unlike their prior solution, Agiloft empowers non-programmer resources to update and adjust workflows quickly and easily, resulting in a more dynamic and responsive service being delivered to buyers and vendors alike. While the initial requirements for Rush had been accurately documented during the design and implementation process, they discovered that the ability to pivot once the system went live was key to growing adoption, maintaining effectiveness, and meeting evolving needs.

For a distributed organization, with three hospital sites that aren't standardized to a singular IT environment, Agiloft is providing an invaluable example of how to support different employee groups with a consistent solution that can save time and money, and deliver a superior service to all its stakeholders. And with a record of incremental scheduled releases of workflow updates, it is delivering the capabilities and processes that each department needs to continue to grow and improve.





CHALLENGES

- Limited visibility over contracts
- Decentralized contracting was slow, causing employees to bypass the process altogether
- Large volume of payments being made monthly to vendors without clear contractual agreements
- Legal team overwhelmed with volume of undifferentiated contract requests
- Procurement team unable to track contracts from proposal to expiration, making it hard to track, model, and forecast
- Existing system was rigid: making updates was time-consuming and expensive



BENEFITS

- Contract data is available to all, reducing the number of new POs and improving the ability to track and forecast obligations.
- Processing times are down, causing employees to participate fully
- Contracts associated directly with vendor records, payments to vendors who bypassed the system down 80%
- AI-driven assignment system reduced Legal load by two thirds
- Procurement has full visibility to reconcile obligations and budgets, leading to superior predictability
- No-code Agiloft system can be configured rapidly by non-programmer resources



ABOUT AGILOFT, INC.

As the most trusted global leader in data-first contract lifecycle management (CLM) software, Agiloft connects contractual commitments to real business outcomes using its flexible Data-first Agreement Platform (DAP). With contract data as the foundation, customers quickly and collaboratively reach agreement and leverage contract visibility to thrive with competitive advantage. Employing powerful, pragmatic artificial intelligence as a legal force multiplier, and robust integration capabilities as a data liberator, organizations around the world trust Agiloft's certified implementers to deliver connected, intelligent, and autonomous solutions across the entire contract lifecycle. With a 99.6% implementation success rate, it's clear why some of the largest companies choose Agiloft to unlock the value of contract data and accelerate business. Learn more at www.Agiloft.com.