



# Automating Accounts Payable

Case Study

**Dietary and Medical Services Provider**

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## Automating Accounts Payable

A Dietary and Medical Services Provider (DMSP) who supplies medical and post-surgical products to long term care facilities, rehabilitation centers, and major medical providers was looking to reduce costs and streamline invoice processing across multiple vendors and multiple locations. The company reached out to Medforce for a business process management solution built on a foundation of paperless vendor files.

### Challenges

DMSP operates as the centralized purchasing department for 18 residential care homes and other facilities. The company is responsible for all dietary, medical, therapy, and maintenance needs and uses its purchasing power to negotiate favorable contracts with suppliers and passes the savings on to customers. The Accounts Payable department maintains all associated paperwork with any purchase including contracts, purchase orders, packing slips, and invoices. With hundreds of vendors and thousands of invoices to process each month, the company's mission is to supply the highest quality and value while managing costs and keeping budgets under control.

DMSP uses accounting software that does not have robust document imaging, and the company kept paper files for each vendor record. Multiple people needed to access these records depending on the stage of the process, which meant a lot of movement of physical files between people's desks and file cabinets. Without a tracking system,

this would often lead to unnecessary delays and an interrupted workflow when a piece of documentation was needed and it was sitting on someone else's desk.

Further, the accounting software had shortcomings with regards to analyzing invoices and invoice volume by location. Many locations shared vendors, and reconciliation became a tangled web of trying to match invoices with supporting documentation and routing them to the right people for review and payment. The length of time it took to process an invoice meant that the current liabilities weren't always up to date and cash flow projections weren't as accurate as the company would like them to be.

Having paper-based processes obscured visibility and hampering financial management, plus it created an inefficient work environment where there was a lot of opportunity for human error, misplaced invoices, and missed deadlines.

## Solution

Medforce brought together a solution for DMS/SP that bundled three products: CommandCenter business process management, ContentCenter document management, and FormsCenter electronic data capture.

After importing the vendor names and demographic information from the accounting software using an automated process, a digital vendor filing cabinet was created with files for each supplier. Over 200 auto-filing templates were designed that allowed vendor invoices to be read by optical character recognition (OCR) and placed into the appropriate vendor file without human intervention. The OCR engine is also able to extract invoice information, place it into a form, and store it in a database that can be searched for later or analyzed through reports.

Invoices are either scanned (if paper) or, if received electronically, placed in a folder that the Medforce system monitors on a scheduled basis for automated import into the ContentCenter document management software. The auto-filing templates read the new documents and the invoices are filed automatically.

The act of the invoice being filed in ContentCenter triggers a workflow task in CommandCenter and assigns the invoice to be worked to a specific employee, based on the site location where the goods or services were received (information that is captured from the invoice).

The Accounts Payable employee is able to pull up the invoice and match it to any other existing information (such as a packing slip or contract pricing terms) and then reconcile whether it is okay to pay. If there is missing information, the invoice can be flagged for follow up. Otherwise, it is moved into an okay-to-pay status. Once the invoice is paid in the accounting software, the task is moved to complete. With this clear-cut process and an ability to track at what stages invoices are, reconciliation is faster and more accurate than ever before.

## Solutions Applied

**CommandCenter**

**ContentCenter**

**FormsCenter**

## Results

DMSP's Accounts Payable department has become streamlined and easier to manage and predict workloads. Management is able to see a visual depiction of where all open invoices are in the process at any one time, or analyze the pipeline by location, vendor, or employee. Management has the ability to monitor employee performance and see what work is remaining outstanding without even having to be at their desks. They can simply login to the system from any web-enabled device.

Backup documentation from individual locations can be scanned and imported into the system from each site, making vendor files as complete as possible at all times. With a centralized system, notes that would normally be left by hand on a sticky note in a file can now be documented and seen by all users with proper access rights, meaning no crucial information goes overlooked. The company can more easily take advantage of vendor discounts for early payment and

avoids late fees for lost or missing invoices. Alerts and escalations keep everyone on track, and the ability to bulk-assign tasks means management can keep workloads evenly balanced.

Additional results include:

- Over 85% auto-filing success rate for electronic invoices
- Able to reduce staff by one FTE by not having to replace a retiring employee
- Have never paid a late fee since bringing Medforce on board
- Employees always have a full queue of work that is auto-prioritized, so they know where to go first
- Reporting time is a fraction of what it used to be because all data is stored centrally
- Easier to pay a vendor for multiple invoices at once, saving time and cost
- Full text search means documentation is always easily accessible



***Everything is a lot more instantaneous. There is no way to lose an invoice. I haven't had to request a new invoice since we've been up and running. If an invoice has been sent to us, I know it's in there and can quickly find it. The system is well organized – everyone gets what they need when they need it. With Medforce, fewer people are able to handle more work.***

– **Accounts Payable Manager**, Dietary and Medical Services Provider

For more information **845.426.0459** or visit **[medforcetech.com](https://www.medforcetech.com)**



## About Medforce Technologies

Medforce Technologies provides productivity-enhancing software and services to help healthcare organizations adapt quickly to change and do more with less. Our flexible and highly-customizable document and process management products work across all areas of your business from intake and claims to mailroom, AP and HR, and assist in daily decision making based on real time information and strategic priority.

All of Medforce's software conforms to your preferred way of operating and returns more time and money to fuel your mission.

To learn more about the power of productivity, visit [www.medforcetech.com](http://www.medforcetech.com).

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### **Our product suite includes six core products:**

- CommandCenter** – Business process management
- ContentCenter** – Document management
- RemitCenter** – Denial Management
- SignCenter** – e-Signature
- FormsCenter** – Electronic form designer
- ZipMit** – esMD solution

We also offer product enhancements and additional services. Some examples include: our electronic Fax Service and Medforce Apps, a suite of turnkey workflow solutions that address the industry's greatest pain points such as Referral Management and Overpayments Management. Everything we do is focused on improving the efficiency and productivity of healthcare businesses.