

Background Information for 170 Presentation

Oracle Applications User Group; April 2008

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University Hospitals



University Hospitals...who we are:

- Academic Medical Center – Primary Teaching Affiliate of Case Western Reserve University School of Medicine
- 11 hospitals *including our joint ventures (6 utilize Oracle)*
- 150+ locations in Northeast Ohio
- 1,300 staffed beds available
- 4.5M outpatient visits
- Nearly 60K discharges (excluding newborns)
- More than 53K surgical procedures
- \$1.7B+ Total Operating Revenues



The Heart of UH... Case Medical Center

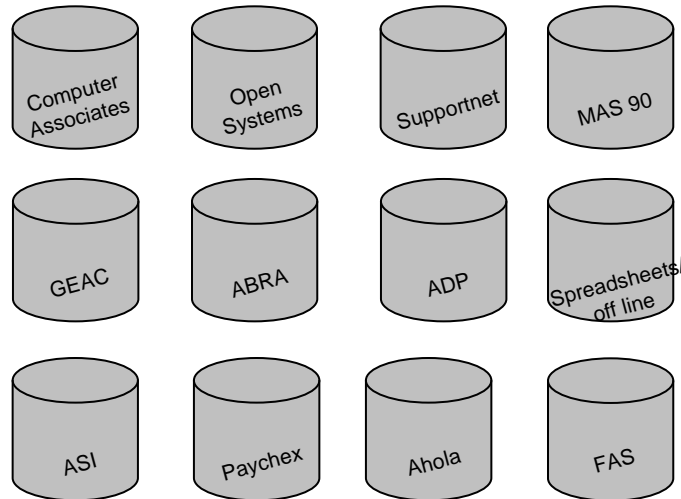


- Recipient of Magnet Accreditation and Beacon Award
- Ranked Among Top 100 Hospitals (Solucient)
- Ranked as top cardiovascular hospital (Solucient)
- Child Magazine ranks Rainbow Babies & Children's as 5th best In US

University Hospitals...where we were:

April 2003 and prior...

Legacy Systems Example



UH had many Systems that resulted in the same information being entered redundantly into each system



In Oracle, information is entered only once and accessed by all applicable Oracle modules

University Hospitals...why Oracle:

- Software Functionality and Architecture
- Cost of Ownership
- Return on Investment
- Contract Terms and Conditions

"We wanted to take the fact that we were in the healthcare business out of the equation and implement industry best practices whenever feasible."

Liz Novak, Vice President, University Hospitals

August 2006 PROFIT Magazine

University Hospitals...what we did:

- Enable UH to create a single, integrated supply chain organization, resulting in improved cost performance.
- Support business process reengineering to reduce manual processes, FTE's, and cost.
- Integrate financial processes to improve data integrity.
- Improve internal controls by shifting control to the front end rather than the back of the process.
- Transform financial processes to e-business platform.
- Accommodate future organizational change and growth.

University Hospitals...where we are (04/2008):

Oracle eBusiness Suite 11.5.10.3; 9iAS, 9i Database

Financials (Family Pack G)

- General Ledger (4/2003)
- Accounts Payable (4/2003)
- Accounts Receivable (4/2003)
- Fixed Assets (4/2003)
- Property Management (4/2005)
- iExpenses (09/2006)
- Cash Management (09/2006)

Grants

- Grants Proposal (08/2006)
- Labor Distribution (4/2003)
- Grants Accounting (4/2003)

Other

- Discoverer (4/2003)
- KBACE (01/2005)
- 170 Systems' 170 Markview for AP, SSI & Expense Mgmt (10/2006)

Supply Chain (Family Pack J)

- Purchasing (4/2003)
- Inventory (4/2003)
- iProcurement (4/2003)
- iP Punch Out (8/2006)
- Order Management (4/2003)

Human Resources (Family Pack K)

- Human Resources (4/2003)
- Advanced Benefits (4/2003)
- Learning Management (04/2007)
- Payroll (4/2003)
- Manager Self-Service (6/2004)
- Employee Self Service 10/2005)
- iRecruitment (7/2004)

University Hospitals...to be addressed

- Project drivers
 - Non-PO Invoices
 - PO Invoices
 - Expense Reports
- Project scope
 - Non-PO Invoices
 - PO Invoices
 - Expense Reports
- Timelines
- Lessons learned
 - What didn't work
 - What did work

University Hospitals...Project Drivers

- **Non-PO Invoices - Used for Direct Buy Items**
 - Specific goods or services defined within UH policy
 - Requestor generated transaction with supplier
 - Invoice sent direct to requestor
 - Manual workflow for approval
- **PO Invoices – Supply Chain Procurement**
 - Requestor utilizes iProcurement
 - Buyer initiated purchase order
 - Paper, EDI, ERS, or PO Spreadsheet invoices
- **Expense Reports**
 - Manual expense reports submitted by requestor
 - Manual workflow for approval
 - Keyed into Oracle by Payables processors

University Hospitals...Non-PO Invoices

- Home-grown system needed change
- 6,000 to 7,000 invoices processed per month
- Electronic upload of data to Oracle
- Manual workflow with paper for approval
- Need to include Grants
- 30 plus days to process approval
- Lost documents
- Lack of status for requestor
- Filing and storage locally
- Long-term storage off site
- Many requests for invoice copies, audit requests

University Hospitals...PO Invoices

- 14,000 to 16,000 paper invoices per month
- EDI, ERS, and PO Spreadsheets with key suppliers
- Lack of effective communication to buyer
- Problem invoices get lost in paper pile
- Filing and storage locally
- Long term storage off site
- Lost discounts
- Many requests for invoice copies, audit requests

University Hospitals...Expense Reports

- 1,000 plus processed per month
- Spreadsheet template with paper receipts
- Manual workflow approval
- Redundant keying of data
- Lack of supporting documents at approval
- Lost documents
- Lack of status for requestor
- Checks issued for payment, mailed to employee
- Filing and storage locally
- Long term storage off site

University Hospitals... Project Scope

- **Non-PO Invoices**
 - Leverage 170 MarkView Self Service Invoicing and Accounts Payable applications with Oracle Payables
- **PO Invoices**
 - Leverage 170 MarkView Accounts Payable application with Oracle Payables
- **Expense Reports**
 - Leverage 170 MarkView Expense Management application with Oracle iExpense

University Hospitals...Non-PO Invoices

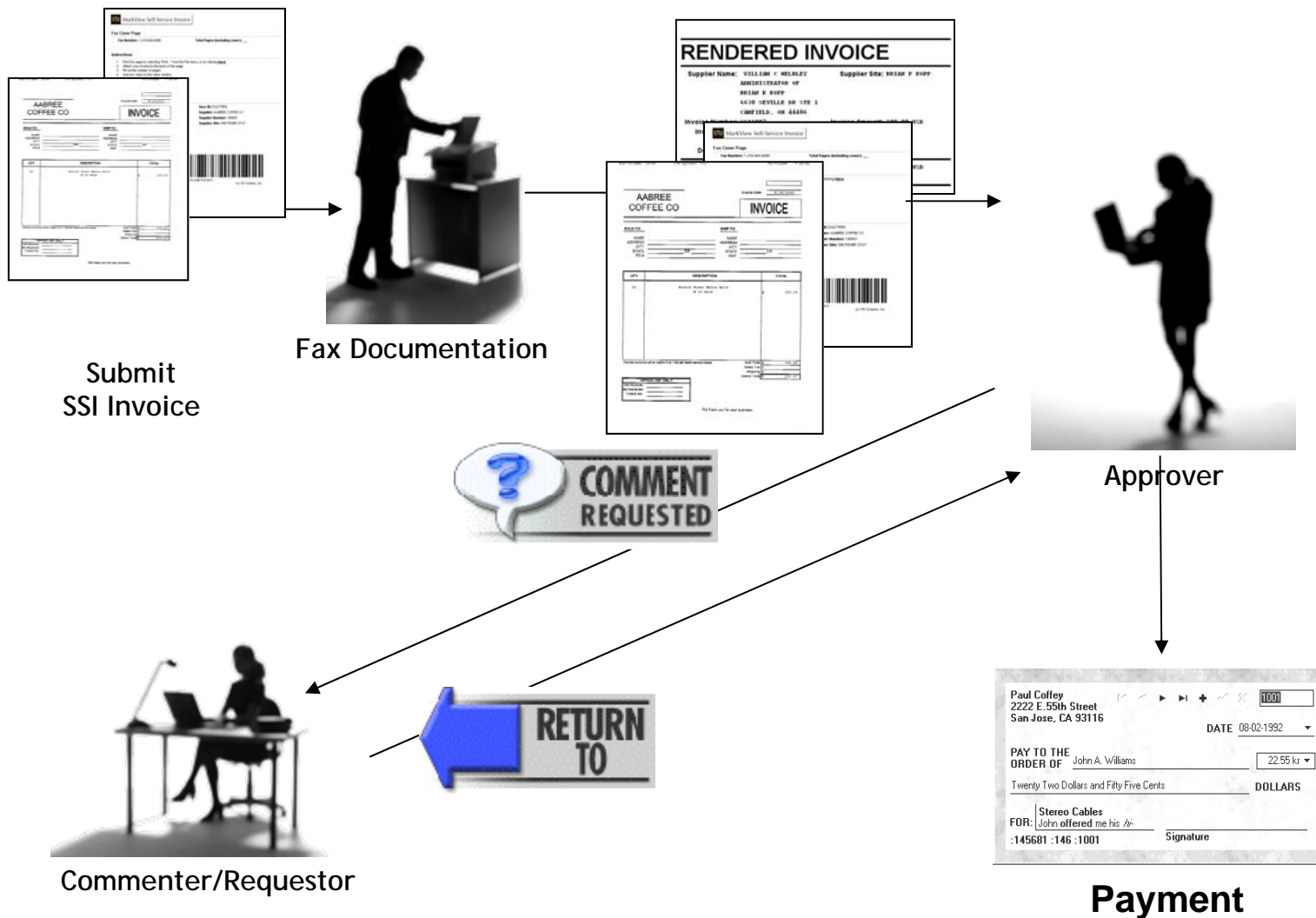
- Replace home-grown system with SSI
- Use 170 MarkView's workflow
- Utilize UH tier approval hierarchy
- Provide for non-standard approval hierarchy
- Eliminate paper and storage
- Provide drilldown to invoice image via Discoverer
- Provide transaction status to requestor
- Allow for Grants distribution
- Utilize 170 MarkView's interactive queries and process monitor tools

University Hospitals...Non-PO Invoices

- Use 170 MarkView email notification
- Incorporate existing CV rules
- Limit to Direct Buy suppliers
- Incorporate DFFs where applicable
- Decrease number of days in process stream
- Eliminate potential for lost documents
- Utilize 170 MarkView's mark-ups for effective communication

University Hospitals...Non-PO Invoices

Workflow

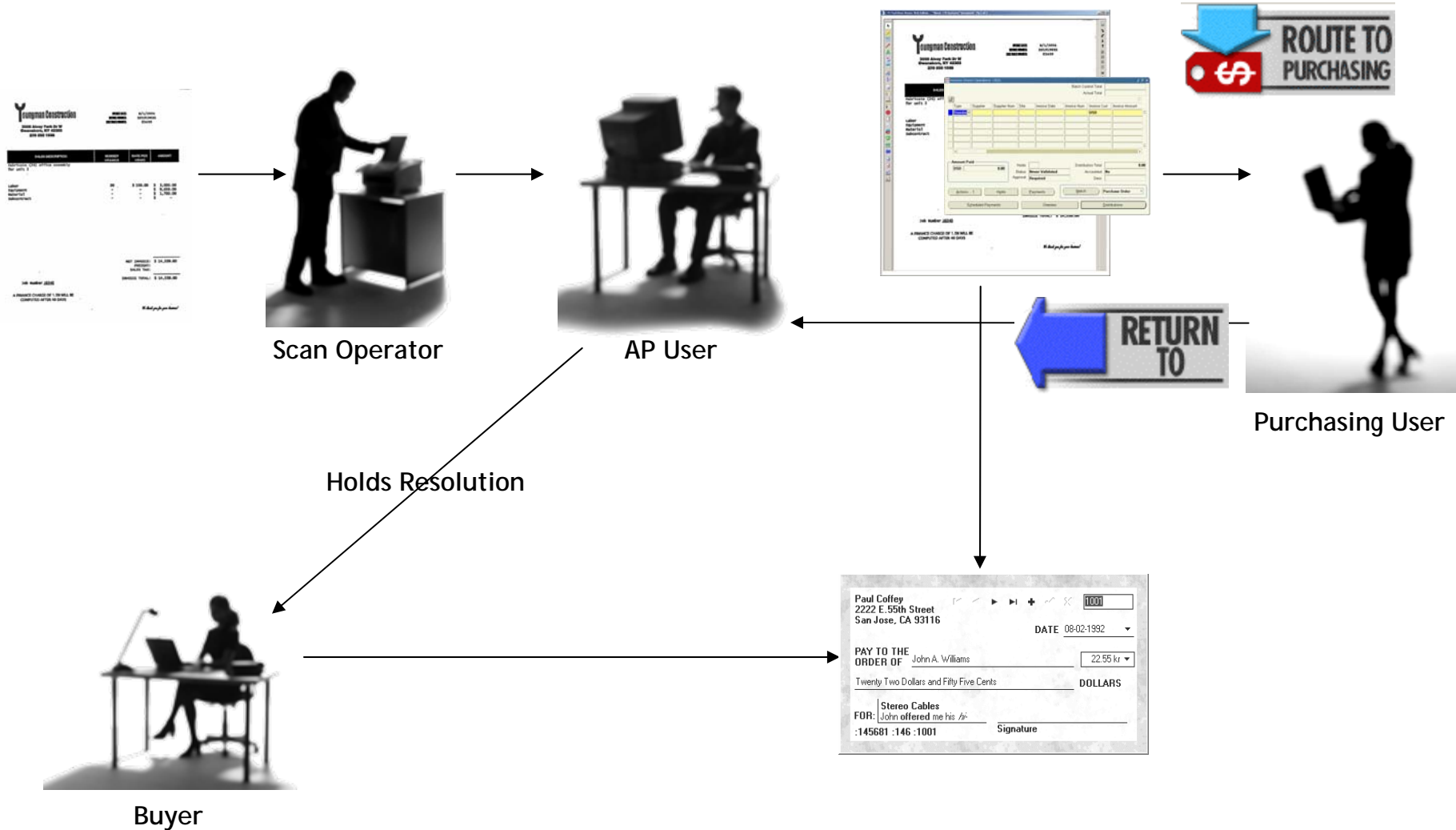


University Hospitals...PO Invoices

- Use 170 MarkView workflow
- Eliminate filing and storage
- Utilize markups for effective communication
- Create rendered invoices for EDI, ERS, and spreadsheets
- Utilize discounts
- Maintain ownership of invoices for accountability
- Provide drilldown to invoice image via Discoverer
- Provide access to invoice image via AP Inquiry
- Utilize 170 MarkView's interactive queries and process monitor tools

University Hospitals...PO Invoices

Workflow

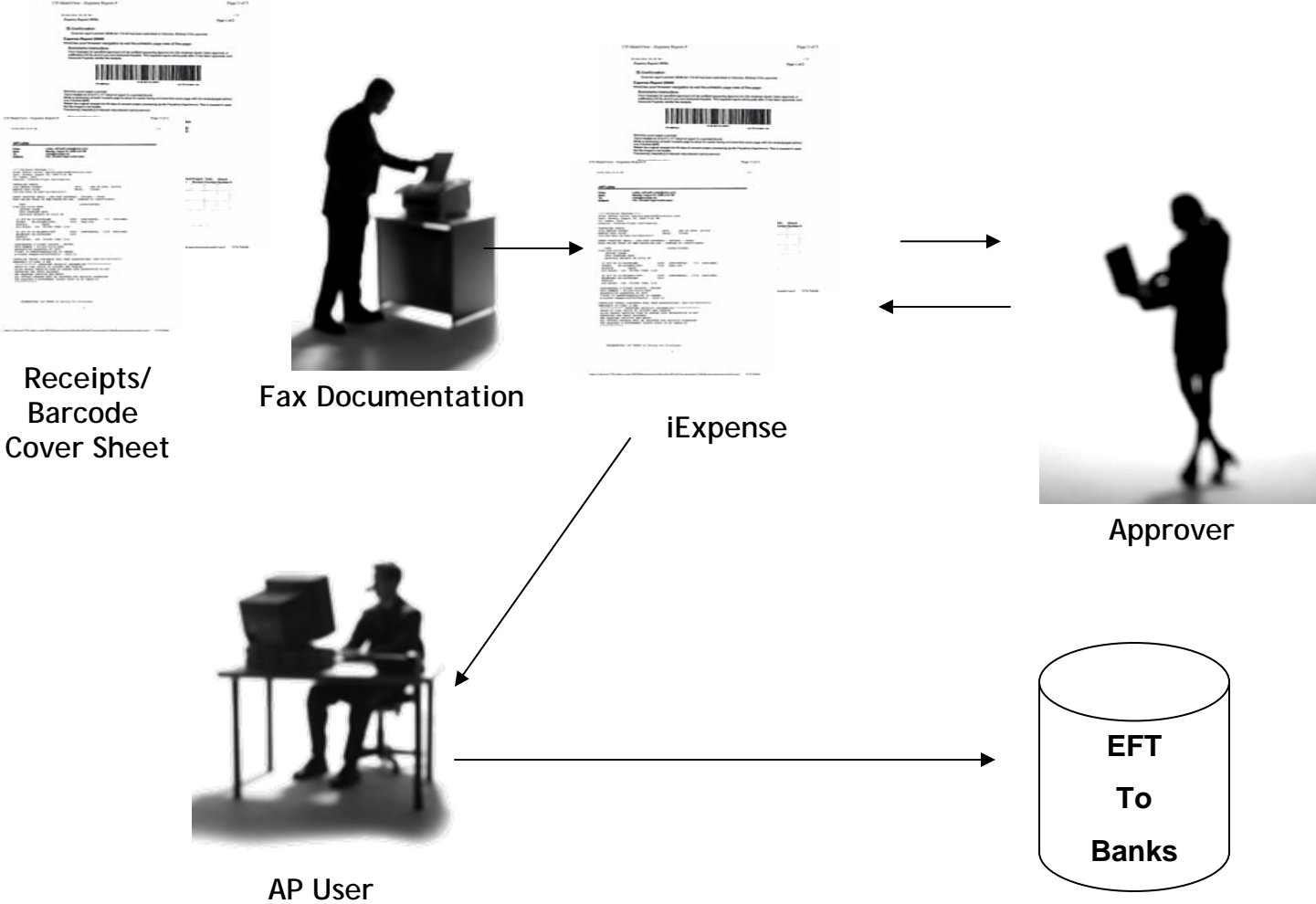


University Hospitals...Expense Reports

- Implement Oracle iExpense
- Leverage 170 MarkView Expense Management application with Oracle iExpense
- Utilize 170 MarkView's workflow
- Eliminate redundant keying of data
- Utilize AME Rules for approval
- Use 170 MarkView email notification
- Provide status to requestor
- Use EFT for payment
- No approval w/o supporting documentation
- Eliminate paper

University Hospitals...Expense Reports

Workflow



University Hospitals...Timeline

• Kick – Off Meeting	April 24 th -25 th
• Configuration Document and Project Plan	May 15 th
• Hardware Acquisition	May 20 th
• Integration Lab Walkthrough	June 28 th – 29 th
• Installation at UH	July 10 th – 14 th
• Training	July 25 th
• User Acceptance Testing	August 3 rd – 23 rd
• UH Rolls out User Training	August 24 th
• Migration to Production	September 29 th –30 th
• Go – Live (Progressive Roll Out)	October 1 st – January 10 th

University Hospitals...what didn't work

- Proper configuration of hardware for concurrent user demand
- Required more IT technical support than anticipated
- Exposes an organization's process deficiencies
- Stay current with MarkView upgrades
- Integration lab walkthrough at 170 Systems
- Adequate hardware for test environments
- Big-bang implementation

University Hospitals...what worked

- End user training
- Decreased Non-PO process stream time
- Phased implementation
- Buy in from users
- Document accountability and accessibility
- Eliminated lost documents
- 170 Systems train-the-trainer methodology
- Improve communication
- Process ***improvement*** & visibility
- Rendered invoices

University Hospitals...what worked

- Eliminate paper shuffling, filing, and storage
- Increased use of discounts
- User friendly
- Document traceability
- Utilized DFFs
- Incorporated CV rules
- Utilized specific error messages
- Incorporated UH approval API
- Reduced AP staff
- Redirected AP staff

Thank you.
Questions?