



Microsoft Dynamics GP financial management solutions for

HEALTHCARE PROVIDERS



Powerful Financial Management Tools for Healthcare. Healthcare providers today face major challenges. Rapidly rising costs, expanding regulations, and pressure to improve quality, safety, and access are just some of the issues faced by hospitals, clinics, and long-term care facilities. At the root of these issues is the difficulty healthcare professionals face in accessing information.

Whether it's information needed to make clinical decisions or financial data required to drive business decisions, healthcare providers are hampered by paper-based data collection and disconnected, proprietary information systems. Together, these two factors have a significant impact on the cost and quality of healthcare. To help healthcare providers respond

to the challenges they face, Microsoft provides a framework for streamlining the way medical information is created, collected, accessed, and shared through its Collaborative Health initiative. The goal: to enable clinicians, researchers, and administrators to work together in integrated collaborative teams to deliver affordable healthcare.

combining rapid return on investment with more cost-effective healthcare

Microsoft Dynamics™ GP, formerly known as Microsoft® Business Solutions–Great Plains®, can play a key role in helping healthcare providers achieve Collaborative Health. A fully integrated and highly extensible financial and business management solution, Microsoft Dynamics GP provides the tools and infrastructure healthcare organizations need to transform the way they record, track, and access critical business information. Microsoft Dynamics GP is also an ideal choice for integrated healthcare delivery systems that need to find a more cost-effective way to standardize and exchange financial information between their entities.



CUSTOMER PROFILE

Facey Medical Foundation

Based in Mission Hills, California, Facey Medical Foundation is a non-profit organization committed to providing affordable, high-quality healthcare. Founded as a single-practice office in 1923, Facey now has 12 medical clinics and more than 100 physicians in the San Fernando, Santa Clarita, and San Gabriel Valleys, and serves more than 160,000 patients annually.

Working with solutions provider Technology Management Concepts, Facey Medical Foundation implemented a comprehensive solution based on Microsoft Great Plains

[now known as Microsoft Dynamics GP] that included modules for inventory management, budgeting, automated banking, automated purchasing, and more.

With the Microsoft Great Plains solution in place, Facey has seen dramatic improvements in inventory management, budgeting, and purchasing. The new system has eliminated wasteful paperwork, shortened the time required to produce budgets and close the books, and given the organization powerful new tools for measuring performance.

Built to deliver the highest levels of ease-of-use, Microsoft Dynamics GP is based on the familiar look and feel of Microsoft Office Outlook®. Easy to learn, quick to implement, and straightforward to manage and maintain, Microsoft Dynamics GP delivers low total cost of ownership that translates to rapid return on investment. Microsoft Dynamics GP is based on a modular approach that enables healthcare organizations to implement the functionality they need. It is supported by a network of independent software vendors, value added resellers, and systems integrators that understand the specific requirements of the healthcare industry and can help healthcare providers select and implement the modules that will deliver the most benefit to their operations.

Today, Microsoft Dynamics GP is used by many companies around the world, including a fast-growing number of hospitals, clinics, and long-term care facilities. Backed by award-winning Microsoft customer service, Microsoft Dynamics GP is enabling healthcare providers to improve their financial and business processes, and ultimately deliver more cost-effective healthcare.

“One of the biggest advantages to the organization has been the decentralized workload. This is especially true in the budgeting area. Now managers feel like they are more in control of their own budgets and each one can be held accountable for the results.”

—Margie Melby
Administrative
Director and Controller
Facey Medical Foundation

a solid foundation

Improving Healthcare Financial Management

While the delivery of high-quality care is the number one priority for healthcare providers, finding ways to reduce the cost of care has become the number one imperative. Microsoft Dynamics GP offers modules that streamline processes, increase productivity, and improve decision-making in areas that are critical for healthcare providers.

- **Financials:** From General Ledger to Financial Reporting, Advanced Analytics, Budgeting and Forecasting, Accounts Payable, and Fixed Assets, Microsoft Dynamics GP offers a comprehensive set of modules to address all of the financial and business needs of integrated healthcare delivery systems, hospitals, clinics, and long-term care facilities.
- **Payroll Management:** Microsoft Dynamics GP Payroll modules streamline complex payroll processes through features like unlimited pay types, automatic calculation of shift differentials, overtime calculations, unlimited deductions, and more.

CUSTOMER PROFILE

Saint Francis Heart Hospital

Saint Francis Heart Hospital (SFHH) of Tulsa, Oklahoma, is a new 52-bed, 250-employee hospital that opened its doors in April 2004. A joint venture between Saint Francis Health and a number of area cardiologists and cardiovascular surgeons, it is one of the most advanced all-digital heart hospitals in the world.

Recognizing that good financial controls and timely financial reporting would be critical to the success of the new

venture, SFHH worked with Microsoft solutions partner Tectura to implement an end-to-end healthcare enterprise resource planning (ERP) suite that includes Microsoft Great Plains [now known as Microsoft Dynamics GP] modules for General Ledger, Payables Management, Payroll, Fixed Assets, Materials Management, HR, and Employee Self Service. The system has enabled SFHH to implement financial management, human resources management, and materials management processes that are efficient and cost effective.

- **Human Resources Management:** Microsoft Dynamics GP improves the ability of healthcare providers to attract and retain talented, motivated employees through tools that make it significantly easier to record, store, and access employee information.
- **Materials Management:** Microsoft Dynamics GP improves oversight over inventory and supplies, requisitions, and external purchase order processes.
- **Regulatory Compliance:** Microsoft Dynamics GP provides the infrastructure healthcare organizations need to manage, track, and protect financial information in order to achieve and maintain compliance with regulatory mandates.

Because Microsoft Dynamics GP can dramatically improve the way healthcare organizations securely access financial and administrative information, it can play an important role in improving operational efficiencies and reducing an organization's overall costs.



the power of partnership

Providing high-quality healthcare takes a team—physicians, nurses, specialists, and clinicians—working in close partnership. Microsoft Collaborative Health takes a similar approach to technology, partnering Microsoft with leading technology companies and software developers to provide the right solutions for today's healthcare organizations.

These technology partners combine extensive knowledge about Microsoft technologies in general and Microsoft Dynamics GP in particular with an understanding of the specific business requirements of healthcare providers. That knowledge and understanding enables Microsoft technology partners to quickly implement built-in functionality using Microsoft Dynamics GP modules that are matched directly with business needs. And it ensures that each Microsoft Dynamics GP deployment will integrate smoothly and rapidly with existing clinical and hospital information systems.

These partners also provide the expertise needed to customize Microsoft Dynamics GP with additional functionality that tackles challenges specific to the healthcare industry. In addition, Microsoft technology partners have developed a wide range of industry-specific solutions that offer end-to-end functionality perfectly suited to meeting the demands of today's difficult healthcare environment.

financials for healthcare

Microsoft Dynamics GP delivers the comprehensive financial management features and tools that healthcare providers need to run the business end of their operations with the greatest possible efficiency and business insight.

Microsoft Dynamics GP financial modules for healthcare providers include:

- **General Ledger:** The central nervous system for financial processes, the Microsoft Dynamics GP General Ledger module offers strong financial controls and audit trails, the ability to drill down from summary information to the corresponding details, and unit accounts for tracking non-financial statistical data. It also provides the flexibility to adapt to changing needs along with new process controls to ensure accuracy and consistency.

“Microsoft Great Plains [now known as Microsoft Dynamics GP] offered us the power of a true ERP solution at a fraction of the price of other solutions. It is a very intuitive system and a pleasure to use. The budgeting process this year was one of the easiest I have ever experienced and the ability to quickly get at information is a tremendous benefit.”

—Rusty Eldridge
Chief Financial Officer
Saint Francis Heart Hospital

Microsoft Dynamics GP can dramatically improve the way healthcare organizations securely access financial and administrative information.

- **Financial Reporting:** Microsoft FRx®, the industry-leading financial report writer from Microsoft, uses a spreadsheet-like interface to deliver the ultimate in report design flexibility. Powerful row, column, and reporting tree building blocks make it easy to construct new reports that are customized to answer specific business questions. Reports can be automatically distributed by e-mail, printed, viewed on screen, exported to a Microsoft Office Excel® PivotTable®, or published to the Web. FRx also offers exclusive drill-down functionality that enables users to access actual source documents. With Analytical Accounting, financial transactions can also be classified, reported, and analyzed in multi-level reports displayed in Excel for easy manipulation and integration.
- **Budgeting and Forecasting:** The FRx Forecaster module is a Web-based tool for creating and managing budgets and forecasts at any level. With FRx Forecaster, healthcare providers can shorten the budget cycle and generate more accurate financial forecasts. Highlights include automated workflow and planning coordination based on user-defined roles and rules.
- **Accounts Payable:** Microsoft Dynamics GP Accounts Payable enables healthcare providers to track and analyze extensive vendor information, efficiently process payables, and make the most of vendor discounts while maximizing cash flow. With Accounts Payable, healthcare administrators have instant access to all vendor history, including checks, invoices, and purchase orders.
- **Fixed Assets:** The Fixed Assets module provides features to record, track, and report on capital assets. Highlights include unlimited books to help track assets for corporate, federal tax, alternative minimum tax, adjusted current earnings, and more; total control over asset retirement and transfer; and integration with Accounts Payable and Purchase Order Processing with full drill-down capability to the original vendor invoice.

payroll and human resources management

Dependent on the skills and experience of physicians, clinicians, nurses, and other professionals, and organized to meet around-the-clock needs, healthcare providers have extremely complex requirements when it comes to payroll and human resources management. Microsoft Dynamics GP Payroll and Human Resources modules include functionality to coordinate calculation of payroll tasks automatically, even as employees work in different departments and at different rates in limitless combinations.

- **Payroll:** Microsoft Dynamics GP Payroll module delivers the features, control, and security needed to manage sensitive payroll information. Direct deposit processing streamlines salary disbursement, reducing costs and enhancing security. The Payroll module offers seamless integration with Human Resources, unlimited pay types, automatic calculation of shift differentials, unlimited deductions and benefits, on-screen inquiries, drill-down capabilities, unlimited pay history, and automatic tax updates.
- **Human Resources:** Attracting and retaining talented, motivated employees is critical to the success of any healthcare provider. The Microsoft Dynamics GP Human Resources module is designed to address both of these requirements by providing the ability to track an applicant's references, education, skills, and interview information. It also provides tools for tracking everything from an employee's demographic information to attendance, benefits, pay history, position history, training, and much more.
- **HRM Self Service:** The HRM Self Service Suite enables healthcare organizations to empower managers and employees and reduce administrative costs, all in a more secure environment. Easily customized, the HRM Self Service Suite is a browser-based application that includes self-service functionality for managers and employees, employee pay history inquiries, benefits enrollment and status, employee profile review and updates, and skills and training information.





CUSTOMER PROFILE

Nexion Health, Inc.

Based in Baltimore, Maryland, Nexion Health Systems employs 4,100 people in 39 skilled nursing facilities across Texas, Louisiana, and Colorado, and reports \$164 million in annual revenue. With a total of 60 operating and holding companies, Nexion needed to take a very strategic approach to business processes and financial management and analysis routines. After assessing major healthcare ERP solutions—including Oracle, PeopleSoft, and industry-specific solutions—Nexion chose to implement Microsoft Great Plains [now known as Microsoft Dynamics GP] because it represented the best fit for the organization and provided the greatest scalability and flexibility.

Nexion implemented Microsoft Great Plains with the assistance of Microsoft solutions partner RSM McGladrey and worked with Virtual Care Provider to host the Microsoft Great Plains solution. Other firms provide healthcare-specific processes, including American Healthtech for receivables and clinical services, DSSI for automated materials procurement, and ADP for payroll. To streamline reporting, tracking, and analysis Nexion has developed front-end and back-end information feeds for its partners directly into the Microsoft Great Plains system. The system, which enables consolidated financials for all companies to be rolled up in as little as 15 minutes so that current data is available whenever needed, is a model for multi-site facilities management.

“Microsoft Great Plains [now known as Microsoft Dynamics GP] is one of the keys to our success because it’s so scalable. We worked with the right people when we set this up, we have access to good third-party development talent when we need it, and we’ve been able to integrate our systems together the way we want. Being able to create financial reports the way we want to see them has been extremely important to us.”

—Bretton Bolt
Chief Financial Officer
Nexion Health, Inc.

Extending the Power of Microsoft Dynamics GP Payroll and Human Resources Management

Build on Microsoft Dynamics GP Payroll and Human Resources to deliver a broad range of additional functionality that targets the specific needs of healthcare organizations.

- **Payroll and HR Modules for Healthcare:** Healthcare-specific Payroll and HR modules provide features and capabilities for dealing with complex pay structures, including shift differentials, varying pay rates, employees working in multiple departments and positions, and overtime rate calculations. They offer the ability to report on payroll costs for full time equivalents, departments, and other areas of responsibility that are critical to budgeting and financial reporting. These solutions also track employee certifications and licenses, employee health records, and deductions in arrears, and seamlessly integrate payroll tax withholdings, deductions, and garnishments with the accounts payables module.
- **Self Service, Benefit Management, and Open Enrollment:** Because healthcare organizations typically operate around the clock, you can extend the capabilities of Microsoft Dynamics Business Portal with self-service modules that enable employees to enroll in or change benefits, look up pay history, request time off, review benefit plan details, add dependants, change withholding information, and more at anytime. These changes and requests are then automatically routed through organizational approval processes. With open enrollment, changes in job status, location, or family can be made online, which reduces paperwork and costs. Enrollment records are automatically posted to Payroll and Human Resources modules, eliminating the need to enter changes manually.



materials management

Access to the right supplies when and where they are needed is essential to high-quality healthcare. Microsoft Dynamics GP enables healthcare organizations to reduce costs by efficiently managing the entire chain of supply with distributed requisitions management and approval, firm control over purchasing, enhanced vendor management, and comprehensive inventory tracking and control. Bar-coded labels, handheld data collection capabilities, expiration dates, serial and lot management, and multi-bin and multi-location management ensure that supplies are on-hand where needed.

Microsoft Dynamics GP modules for materials management include:

- **Material Requirements Planning:** Take advantage of deep visibility into material requirements in order to achieve more effective resource planning, reduce stock outages, and drive down inventory costs.
- **Bill of Materials:** Use complete, consistent, and correct materials information to maximize efficiency and cut inventory costs across the organization. By tightly integrating different types of bills and customized definitions, Bill of Materials helps improve performance and ensure materials are where they should be, when they are needed.

Microsoft Dynamics GP combined with software from partners offers comprehensive materials management capabilities that can transform the way hospital supplies are ordered, distributed, and monitored. Together, these tools and technologies can drive down procurement costs, increase efficiency, and enhance the overall quality of patient care.

- **Procurement and requisitions:** Minimize the cost of purchasing through Web-based requisitioning, streamlined requisition to purchase order workflow, and direct integration of procurement workflow with Microsoft Dynamics GP Accounts Payable.
- **Inventory control:** Optimize inventory levels through complete item tracking and usage reports that improve forecasting and streamline supply replenishment.
- **Receiving and issuance:** Reduce receiving and issuance costs by automating the flow of materials within the organization.
- **Charge management:** Improve tracking of consumption of hospital materials and automate billing processes for goods and services delivered.
- **Approval routing policies:** Ensure authorized people approve transactions through approval policies. A robust workflow engine enables unlimited levels of approval that can be defined according to item ID, item type, general ledger account, vendor, department, and more.
- **Advanced budgeting and contracts:** Enable inquiry and enforcement of budgets and contracts. Budgets can be based on general ledger, vendor, department, user, item, and more.
- **Online receiving:** Decentralize receiving functions and allow users to create receipts using the ReQlogic browser interface.
- **Request for quotes:** Send requests for quotes to suppliers by e-mail. Suppliers can and respond online, eliminating paper processes.

reducing the cost of healthcare operations

Microsoft Dynamics GP delivers a wide range of additional features and capabilities that offer significant potential to streamline operations and reduce costs.

Those features include:

- **Microsoft Dynamics Business Portal:** Healthcare portal solutions streamline information sharing by providing a single central location where healthcare organization financial professionals can access important business information. Microsoft Dynamics Business Portal provides an ideal way to deliver human resources information to employees, and provide a wide range of self-service features for employees. Built on Microsoft SharePoint® technologies, Microsoft Dynamics Business Portal can be easily integrated with other applications in the enterprise.
- **Multi-entity capabilities:** Today's integrated healthcare delivery systems provide a full range of provider services through hospitals, clinics, long-term care facilities, and home health agencies. Microsoft Dynamics GP is an extremely cost-effective solution that addresses the problems inherent in standardizing and exchanging financial information between healthcare organizations within an integrated delivery system.

regulatory compliance

In an age of ever-increasing regulatory oversight, healthcare organizations face a heavy burden in their efforts to achieve compliance with a growing number of regulatory mandates and standards. The challenge? A typical healthcare organization runs dozens of disconnected systems: everything from clinical solutions to records applications, financial management tools, and much more. To achieve compliance, healthcare organizations must be able to automate the flow of financial information not only across internal systems, but also with the health plans that pay insurance claims and with a wide range of governmental organizations, all while improving information security.

Microsoft Dynamics GP provides the tools and ERP framework that can help healthcare organizations connect systems and implement practices and procedures that are the foundation for achieving and maintaining regulatory compliance.

Microsoft Dynamics GP offers security features—such as strong passwords—for implementing the higher levels of system security that are an essential first step in any compliance initiative. The comprehensive ERP approach also provides the framework for adopting information audit processes so that healthcare organizations can ensure the highest levels of data integrity.

In addition, the combination of Microsoft Dynamics GP and partner solutions can assist healthcare organizations in their efforts to implement and document standard operating procedures required by regulatory mandates, and then create the data control framework they need to enforce those required procedures. Based on a modular approach, Microsoft Dynamics GP enables healthcare organizations to implement exactly the functionality they need, while providing the flexibility to adapt their ERP framework as business needs evolve.

With Microsoft Dynamics GP, healthcare organizations can begin the process of achieving ERP compliance with regulatory mandates such as:

- **HIPAA:** Focused on protecting patient's privacy rights, the Healthcare Information Portability and Accountability Act requires the strong security foundation that Microsoft Dynamics GP can deliver.
- **JCAHO:** An independent, not-for-profit organization, the Joint Commission on Accreditation of Healthcare Organizations serves as the accrediting body for healthcare organizations nationwide. JCAHO accreditation is required by Medicare, the Department of Defense, and a wide range of health plans and insurance companies. The Microsoft Dynamics GP ERP framework can help healthcare organizations implement processes needed to achieve JCAHO accreditation.
- **HHS-OIG:** Health and Human Services Office of the Inspector General was created to protect the integrity of Department of Health and Human Services (HHS) programs and the health and welfare of the beneficiaries of those programs. With Microsoft Dynamics GP, healthcare organizations can begin to meet HHS-OIG guidelines that focus on medical billing standards and requirements.
- **Sarbanes-Oxley:** Microsoft Dynamics GP provides the tools and features that healthcare organizations need to create processes for financial data validation and control that are essential to complying with Sarbanes-Oxley requirements.

Microsoft Dynamics GP offers modules that can assist healthcare organizations as they work to achieve compliance with critical standards and regulatory requirements:

- **Electronic Signatures:** The Electronic Signature solution helps healthcare organizations improve security and enhance data validation by providing the ability to enforce dual signature authorization in addition to the capture of preformatted reason code information and text comments during system transaction activity.
- **Audit Trails:** Audit Trails provides tracking, tracing, and reporting accountability capabilities for Microsoft Dynamics GP. With Audit Trails, healthcare organizations can capture and archive changes to all electronic data and documents required for maintaining regulatory compliance through features including before and after transactional information, User ID, and time and date stamps.





Microsoft Dynamics GP delivers the comprehensive financial management features and tools that healthcare providers need to run the business end of their operations with the greatest possible efficiency and business insight.

utilizing the power of microsoft technology

Created to deliver tangible benefits and rapid return on investment today, Microsoft Dynamics GP has also been engineered to provide a solid platform for integrating new innovations that will emerge to help healthcare organizations in their quest to provide high-quality, affordable healthcare.

Built on proven Microsoft technologies, Microsoft Dynamics GP protects business value and provides an integrated environment that can be extended across systems and platforms:

Microsoft Windows Server™: Microsoft Windows Server is the foundation of Microsoft Dynamics GP. It delivers reliability, security, and scalability, along with efficient management, ease of use, and support for the latest advances in networking and server hardware.

Microsoft SQL Server™ 2005: A data management and analysis engine with extensive, enterprise-level management, development, and business intelligence capabilities, SQL Server 2005 delivers critical, timely business information that can be tailored to the specific needs of a healthcare organization. Microsoft Dynamics GP utilizes the full scalability and performance power of SQL Server 2005 for data management and analysis.

The Microsoft Office System: Business productivity software that healthcare professionals are familiar with, the Microsoft Office System is a tightly integrated system of applications that delivers easier access to critical information, and better collaboration between healthcare providers and across healthcare teams. SharePoint Portal Server 2003 enables hospitals to develop portals that integrate data from various systems into a single solution, helping doctors, nurses, and administrators share information quickly and easily. The Microsoft Office Solution Accelerator for Sarbanes-Oxley streamlines regulatory compliance processes.

Microsoft BizTalk® Server 2004: BizTalk Server helps organizations efficiently and effectively integrate systems, employees, and trading partners. Along with the BizTalk Accelerator for HIPAA and the BizTalk Accelerator for HL7, BizTalk Server enables healthcare organizations to share access to information, automate the flow of financial data, and achieve and maintain cost-effective compliance with regulator mandates.

Tablet PC: Mobile, wireless solutions based on the Tablet PC enable healthcare professionals to access the accurate, up-to-date financial information they need when and where they need it. Combined with industry solutions from leading independent software vendors, the Tablet PC can improve safety, eliminate paper-based forms that hamper productivity, and streamline compliance and improve security.

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

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0206 Part No. LSBR-0000-HC00000