



# Facey Medical Foundation Streamlines Business Processes with Microsoft Business Solutions – Great Plains and Technology Management Concepts

*Formerly a member of an integrated healthcare delivery system called UniHealth Foundation, Facey Medical Foundation was forced to replace critical financial systems when UniHealth divested itself of its medical centers and clinics. After exploring a number of options, Facey chose Microsoft Business Solutions–Great Plains. Benefits of the new system have included a sharp decrease in paper-based processes, better inventory management, and increased staff efficiency.*

## SOLUTION OVERVIEW

### COMPANY PROFILE

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

### SITUATION

Until 2001, Facey Medical Foundation was part of Unihealth Foundation, an integrated healthcare delivery system. When Unihealth divested itself of clinics and medical centers, Facey Medical Foundation was forced to replace the financial and inventory infrastructure that had been provided by Unihealth.

### BUSINESS SOLUTION

Working with solutions provider Technology Management Concepts, Facey Medical Foundation implemented a comprehensive solution based on Microsoft Business Solutions–Great Plains that included modules for inventory management, budgeting, automated banking, automated purchasing, and more.

### BENEFITS

With the Microsoft Business Solutions–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.

Founded in 1923 by Dr. Frederick Facey, the Facey Medical Group has grown from a single storefront practice to encompass a dozen multi-specialty medical clinics in Southern California. Today, Facey Medical Group provides medical care to over 160,000 patients annually. During the coming year, Facey anticipates nearly 600,000 patient visits from managed care and fee-for-service patients, as well as providing indigent care for the community. Next year, Facey will open two new clinics and improve access to primary care services and specialties such as ophthalmology and oncology.

Facey Medical Foundation, a non-profit, community benefit foundation, was established in 1992 to serve as the umbrella organization for the Facey Medical Group medical practices. In 2001, Facey Medical Foundation embarked on a wide-ranging initiative to implement new finance and accounting solutions to replace the financial infrastructure formerly provided by UniHealth Foundation.

According to Margie Melby, Administrative Director/Controller of Facey Medical Foundation, the need to implement new systems provided Facey with an opportunity to improve inefficient processes that hampered operations under the old infrastructure. Lack of integration between systems and a heavy reliance on manual data input and paper-based transactions had sharply limited the organization's ability

to streamline processes. Purchasing was just one area plagued by problems.

“Because it took so long to receive routine supplies, many of our clinics maintained large inventories of drugs and medical supplies just to make sure they always had what they needed,” says Melby. “The purchasing process also lacked controls, so there was nothing to keep clinics from buying what our CFO sometimes calls ‘golden needles.’”

### THE CLEARER PATH TO ACHIEVING STRATEGIC OBJECTIVES

After looking at a number of options, Facey's selection committee opted for an infrastructure based on Microsoft Business Solutions–Great Plains. Because Great Plains provides tight integration with both EDI and electronic purchase order systems, it offered the clearest path to one of Facey's most important strategic goals—a reduction in the amount of paper required for internal process. According to Melby, the selection committee also felt that Great Plains offered the best combination of features and ease of use.

Facey's selection committee then turned its focus to selecting a technology provider to design and implement the new system. Following interviews with a number of companies, Technology Management Concepts (TMC) emerged as the clear winner.



TECHNOLOGY MANAGEMENT CONCEPTS



A Microsoft® Certified Business Solutions Partner, TMC came with nearly 20 years of experience and an impressive list of clients.

"TMC had the right mix of industry knowledge and product knowledge, and they were able to assign a team to our implementation project immediately," says Melby. "We were also really impressed by their other health care clients."

### A TEXTBOOK CASE OF TEAMWORK

A TMC team consisting of a project manager, implementation specialist, and technical specialist began working with Facey in July, 2001. Rollout commenced in October. Components of the solution included:

- Purchasing and inventory control using Microsoft Business Solutions–Great Plains Purchase Order, and eRequester from Paperless Business Systems
- FRx Forecaster, to enable the company to eliminate paper-based budgeting processes
- Safe Pay and eBanking, to automate and streamline banking processes and reduce check fraud
- EDI integration, to reduce manual input and eliminate transaction errors between Facey and major trading partners

"This really was a textbook case of team work," says TMC Business Development Director Brenda Diener. "TMC provided design, implementation, training, and customization, along with all the project management. TMC coordinated and project-managed implementation not only of the Microsoft Great Plains solution, but also FRx Forecaster, eRequester by Paperless Business Systems, and EDI by VSync Technologies. I think the results really speak for themselves."

### BETTER PRODUCTIVITY AND A STRONGER SENSE OF CONTROL

Those results include a complete transformation of Facey's financial and inventory processes. Instead of maintaining large stocks of expensive medical supplies, for example, Facey has been able to cut its inventories to near zero, and achieve something close to a just-in-time inventory delivery system. The Microsoft Business Solutions–Great Plains

Purchase Order Processing module combined with EDI integration has also enabled Facey to move toward its goal of paperless purchasing. Before the system was implemented, it took one employee three hours or more each day to key in orders to Facey's main vendor. The Great Plains solution eliminated that task, while reducing errors that plagued the previous system.

The new system has helped Facey control fraud, as well. "With SafePay, we can create a vendor payments file from Great Plains which is electronically transmitted to the bank to be matched against those checks when they are presented to the bank," says Melby. "That has helped eliminate the fraudulent use of our checking account, something that cost us more than \$25,000 in the past."

Facey's budgeting processes have also been streamlined and improved. With FRx Forecaster, budgeting can be handled by managers at each of Facey's medical centers, a change that has resulted in a dramatic workload reduction for Facey's central accounting staff. As a result, the budgeting process has increased in both importance and value. Now clinic managers and Facey Medical Foundation executives can use the budgeting process as a tool to evaluate performance of a wide range of metrics.

The move to FRx Reports has also enabled Facey to close the books at the end of each month in a much more timely fashion, while giving managers instant access to near-real time financial information.

"I think one of the biggest advantages to the organization has been the decentralized workload," says Melby. "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. Overall, the Great Plains solution has enabled us to improve productivity and accuracy while helping to increase the sense of ownership and responsibility by providing more control. For a healthcare organization committed to providing high-quality patient care, those are critical qualities."

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– Margie Melby  
Administrative Director and Controller  
Facey Medical Foundation

## CONTACT INFORMATION

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Founded in 1984, Technology Management Concepts (TMC) provides high-quality business solutions through a unique combination of experienced business professionals and award-winning software. TMC's success is built on a proven formal implementation method and a commitment to partnership with clients. TMC has been a member of the Microsoft Business Solutions President's Club for the past 10 years, and has earned Great Plains' awards for Organizational Excellence, Technology Services, or Excellence in Service each of the last three years.

### MICROSOFT SOFTWARE USED

Microsoft Business Solutions–  
Great Plains

### OTHER PRODUCTS USED

MICR Checks by Mekorma  
EDI by vSync Technologies  
eRequester, from Paperless  
Business Solutions

### ABOUT MICROSOFT BUSINESS SOLUTIONS

For more information about Microsoft Business Solutions, visit:  
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