



## Facey Medical Foundation Streamlines Business Processes

### Overview

**Country or Region:** United States  
**Industry:** Healthcare and Healthcare Insurance

### Customer Profile

Based in Mission Hills, California, Facey Medical Foundation is a non-profit organization committed to providing affordable, high-quality health care.

### Business Situation

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.

### Solution

With assistance from Microsoft reselling partner, Facey Medical Foundation implemented a comprehensive solution based on Microsoft® Business Solutions–Great Plains®.

### Benefits

- Improved inventory management
- Improved purchasing management
- Elimination of paperwork
- Faster close
- Faster budgeting

“One of the biggest advantages to the organization has been the decentralized workload. This is especially true in the budgeting area. Managers feel like they are more in control of their own budgets.”

*Margie Melby, Administrative Director and Controller, Facey Medical Foundation*

Founded in 1923, the Facey Medical Group has grown from a single storefront practice to encompass a dozen multi-specialty clinics in southern California; and it is still growing. In 1992, Facey Medical Foundation, a non-profit community benefit foundation was established as the umbrella organization for the Facey Medical Group medical practices. In 2001, as UniHealth divested itself of its clinics and medical centers, Facey Medical was forced to search for a new software solution. They wanted a solution that would increase efficiency, automate and integrate systems, reduce inventory, and streamline processes. Facey Medical implemented Microsoft Business Solutions–Great Plains with assistance from Microsoft reselling partner, Technology Management Concepts.

## Situation

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.'"

## Solution

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 Microsoft 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, Microsoft reselling partner, Technology Management Concepts (TMC) emerged as the clear winner.

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 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
- Microsoft FRx® Forecaster, to enable the company to eliminate paper-based budgeting processes

"Overall, the Microsoft 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."

Margie Melby, Administrative Director and Controller, Facey Medical Foundation

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

## Benefits

### Streamlined Financial and Inventory Processes

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.

### Increased Fraud Control

The new system has helped Facey control fraud, as well. "With SafePay, we can create a vendor payments file from Microsoft 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."

### Improved Budgeting

Facey's budgeting processes have also been streamlined and improved. With Microsoft Business Solutions for Analytics–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.

### Faster Close

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.

### Decentralized Workload

"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 Microsoft 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."

## For More Information

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For more information about Technology Management Concepts products and services, call (310) 559-3982 or visit the Web site at: [www.abouttmc.com](http://www.abouttmc.com)

For more information about Facey Medical Foundation products and services, call (818) 837-5710 or visit the Web site at: [www.facey.com](http://www.facey.com)

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- Microsoft Business Solutions Supply Chain Management
- Microsoft Business Solutions–Great Plains

### Partners

- Technology Management Concepts

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