Healthcare Providers

11 Best Practices for GHX Invoice & Payment Automation

Automating invoice and payment processes helps to reduce manual processes and improve cash management, forecasting and cost savings. Here are 11 best practices to improve and expand your invoice and payment automation program based on GHX customer feedback and relationships with more than 19K healthcare facilities.

Educate and Socialize Internally

1 **Get Buy-In from Senior Leadership:** Educate senior leadership and your suppliers on the mutual value of Accounts Payable (AP) automation. Their engagement can be crucial for efforts to strategically leverage and expand the program.

2 **Tell the Story Across Departments:** Communicate the value of your program cross-functionally to increase alignment and proactively discover opportunities to expand automation further.

Identify Opportunities to Refine and Connect Automation

3 **Establish a Standard for Accounts Payable Excellence:** Automating both invoice and payment processes can help compound your return on financial health. You'll gain better visibility to forecast cashflow across the entire order-to-pay process.

4 **Refine Order Management by Leveraging Invoice Data:** Cross-compare invoicing data with your item master to cleanse and confirm accuracy against contracts. Look for discrepancies in parts numbering, units of measure, designated names, prices, etc. Synchronizing your item master with contract information can help reduce late fees, streamline the procure-to-pay process and increase the opportunity for achieving early-pay rebates.

5 **Level Up Your Savings Opportunities:** Automate the procure-to-pay process, bringing together Accounts Payable and Procurement, by leveraging end-to-end automation such as EDI 850, 855 and 810. Review EDI-capable partner invoicing communications for any non-EDI invoicing or invoice duplication and switch or streamline to EDI-only invoicing when possible. Minimizing EDI and non-EDI duplicates can reduce confusion and the need for manual intervention.

6 **Streamline the Reconciliation Process:** Use settlement files to aid reconciliation and confirm that all available automation is active.

Monitor Your Program to Expand Success

7 **Conduct a Yearly Evaluation:** Identify new opportunities to find more value in your program by conducting AP file analyses annually. Stay aligned cross-functionally on program progress and continue to communicate successes on a quarterly or annual basis to maintain engagement.

8 **Track Exceptions and Non-POs:** Take action to identify non-PO invoices and remediate exceptions before they hit your ERP. GHX customers can reach out to their representative for help in reviewing methods to handle non-PO invoices and leverage Advanced Workflow when using GHX eInvoicing.

9 **Identify the Most At-Risk Suppliers:** Review for ACH compliance and identify suppliers with the highest volume of out-of-compliance payments. For GHX ePay customers, we can help you start a conversation with the right people at your supplier account.

10 **Leverage Key Contract Events:** Work with your senior leadership, including Supply Chain and Procurement, to re-engage with select suppliers during contract renewal, negotiations or RFP process. Use this opportunity to review the value of ePay as an economical and sustainable payment option benefiting both suppliers and providers.

11 **Enforce Consequences:** If a supplier declines a fee-based payment option, enforce full payment terms or extended terms and payment by check.

» **See Best Practices in Action**— Northwestern Medicine leveraged best practices to achieve **90% payment term compliance and 133% increase** in annual rebates.

GHX