SAP Concur C·

Solutions for Healthcare

How an Automated Spend
Management Solution Can
Help You Go From

Overwhelmed
to Overjoyed

THE BEST RUN **SAP**

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What Does it Mean to Have Automated Spend Management?

The COVID-19 pandemic accelerated the need for digital transformation. For some organizations, the move to support a digital environment wasn't intrusive. They had already digitized their back-office processes. But for others, especially those who lagged behind in updating their technology, the move felt sudden. Finance executives and back-office teams scrambled, trying to figure out how to process paper expense reports and invoices and manage budget when all of the components were back at the office. The move to remote work halted already overwhelmed finance and AP teams, inhibiting them from processing the financials needed to keep business moving and ensure compliance.

The point is – disruption is fast and sudden. Medical organizations can put off updating their back-office systems because it's so far removed from patient care. **But the truth is – it can save you money in the long run.**

What Does it Mean to Have Automated Spend Management?

An automated, cloud-based spend management system integrates travel, expenses, invoices and CME spend for greater visibility into budgets, increased compliance, and ease of use for better employee experiences. This new level of visibility and control over spend is especially important during times of economic hardship to combat fraud and direct travelers to stay inside policy.

In this eBook, we'll show you how automating your spend management process can help your organization:

- **Gain visibility into expenses.**

- **Reduce costs and improve cashflow.**

- **Ensure compliance, both internally and externally.**

- **Reallocate resources towards patient care.**
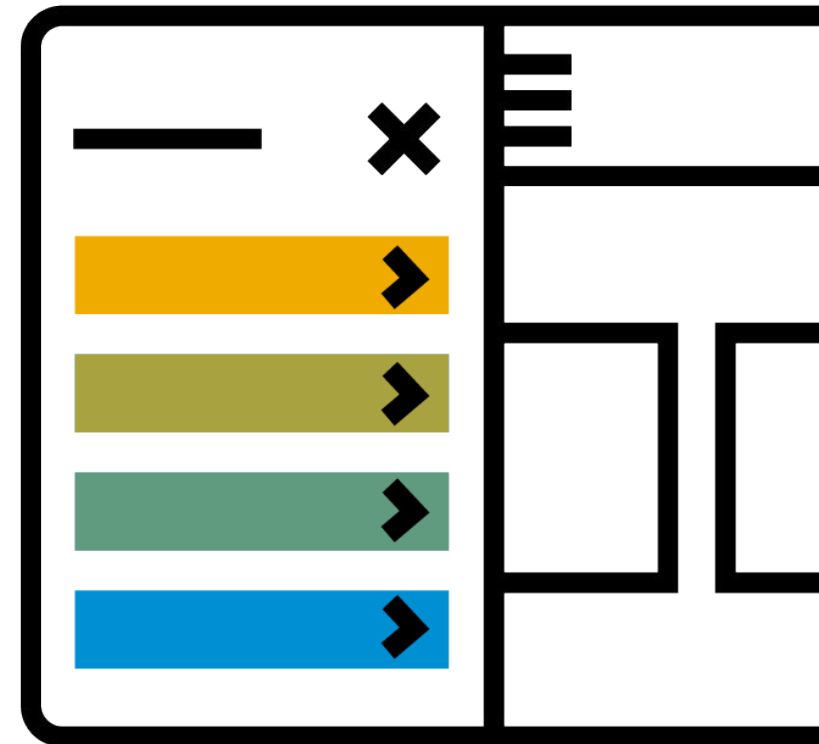
# Chapter 1: Better Budget Visibility and Control Over CME Expenses

Better Budget Visibility and Control Over CME Expenses

CME—it's a requirement that so many clinical employees need, and yet, often involves travel. Even if your organization has a dedicated travel agency or travel policy, enforcing the policy in a non-mandate culture is near to impossible, often falling on finance to track down the travel details and gather receipts to ensure it gets attributed correctly. Then it must be assigned to the right budget and ensured it's within compliance. But the paper and spreadsheet process of tracking CME expenses makes managing it challenging.

Investing in an automated solution can help your organization bring together general expenses and budgets into a single, easy to use interface. It enables you to manage and track:

- Individual benefits

- Expenditures

- HCP balances

You get a 360-degree view into each individual's personal CME benefit, allowing you to not only view balances, but prevent expenses from being submitted when the benefit maximum has been reached. Flexible workflows and permissions allow you to take the right action at the right time, while customizable alerts – like when you approach preset limits – ensure you're never caught off-guard. Easy access reporting allows you to analyze data and make adjustments to individual CME benefits if needed.
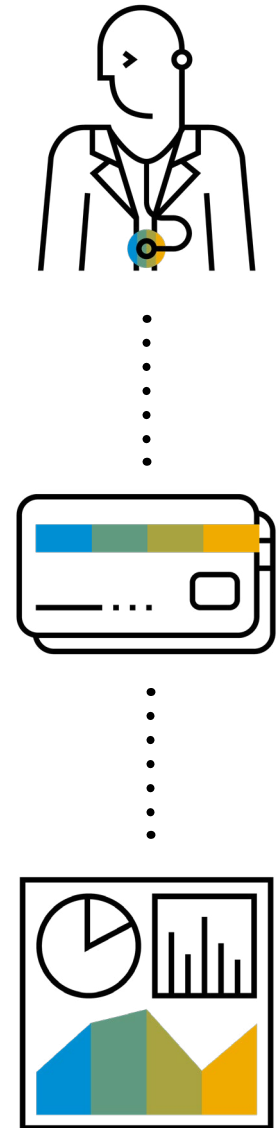
Chapter 2: Reduce the Cost of Self-Reported Mileage with Easy-to-use, Mobile Tools

Reduce the Cost of Self-Reported Mileage with Easy-to-use, Mobile Tools

How many staff members within your organization travel daily between facilities or visit patients to provide at-home care? Manual calculation of mileage isn't only inaccurate but gathering the right information from your drivers on a daily basis can be a nightmare. Plus, it's time-consuming and expensive.

In 2018, Mile IQ reported that 34.5 percent of employees admitted to inflating their mileage for reimbursement.[1] This could be costing your organization hundreds of thousands – if not millions of dollars.

Simple, mobile tools that automatically capture receipt images, categorize charges, and calculate actual mileage driven, reduce the time your clinicians, management, and finance staff have to spend. Your traveling healthcare staff can spend more time focused on patient care, while your organization improves accuracy, increases productivity, and reduces costs.

Metrics That Matter:

Accurate reimbursement can save organizations an average **$2,500–$3,500** a year per employee.[2]

Chapter 3: Improve Visibility into Cashflow by Integrating Corporate Cards and P-Cards

Improve Visibility into Cashflow by Integrating Corporate Cards and P-Cards

A good portion of your financials depend on how soon staff members can create and submit an expense report or reconcile the charges that come through corporate and purchasing card (p-card) statements. The sooner the charges are reconciled, approved, and recorded in the accounting ledgers the more visibility:

- Accounts payable (AP) has on payments due.

- Department heads have on actual expenses against their approved budgets.

- Internal audit has on checking for accuracy and compliance.

- Treasury has to monitor cashflow needs.

With an automated spend management system, you can integrate card feeds to automatically pull spending data in, so you can get a single, cohesive view of all your outgoing spending. You also have greater control to get the data you need by setting thresholds for receipt requirements right in the system, so you no longer have to track down receipts or blindly approve rogue expenses. And payments can be made in days, rather than weeks, which means you can cash in on those valuable rebates and early payment discounts.
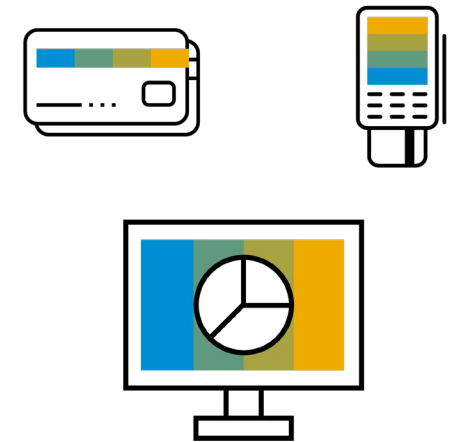
What's the Difference

Corporate cards are cards issued by a bank or financial institution to employees that the firm wants to grant access to corporate funds.

Purchasing cards, also known as P-cards, are account numbers a financial institution – referred to as issuer or provider - issues to an organization for the purpose of making purchases by its employees. They are generally used for small, recurring purchases such as office supplies.

Chapter 4: Set Controls to Reduce Costs, Mitigate Fraud, and Ensure Compliance

Set Controls to Reduce Costs, Mitigate Fraud, and Ensure Compliance

Perhaps more than any other industry, healthcare organizations face a great deal of scrutiny around fiduciary responsibility, primarily due to anti-fraud laws such as the Stark law and Anti-kickback statues. Failure to comply with these laws can lead to serious costs – both detrimental to budgets and brand – so, it's important for healthcare organizations to have granular levels of visibility, such as line-items on an expense report. To meet these regulatory practices, healthcare organizations must focus on:

1. Gaining visibility and control over the large portion of T&E spend that comes from **dispensing annual stipends**.

2. Reporting on how the organization spends the **grant money or endowments** they receive.

Without total and immediate visibility into spend, it's near impossible to ensure compliance or mitigate fraudulent activity. It's also more difficult to prevent cost overruns due to basic human error, limit control over HCP spending, and differentiate between accidental claims versus intentional acts of fraud.

Metrics That Matter:

For the healthcare industry in particular, the Association of Certified Fraud Examiners (ACFE) report that corruption represents the highest risk (40% of cases), followed by billing schemes (33% of cases).

Set Controls to Reduce Costs, Mitigate Fraud, and Ensure Compliance

With an automated spend management system, your healthcare organization can set controls for compliance based on your unique policy and remind travelers to stay inside spending guidelines. As for meeting compliance regulations such as the Stark law, simply pull a report of all expenditures with the applicable physician's name to track their spend.

The system also accesses the **HCP National Database of doctors** so when a doctor has a common name, say Michelle Lee or Robert Johnson, you can be sure that only the related expenses are pulled.

Proactive vs. Reactive?

The ACFE reports that proactive, anti-fraud controls play a key role in an organization's fight against fraud as it sends a clear message to staff about the organization's anti-fraud stance.
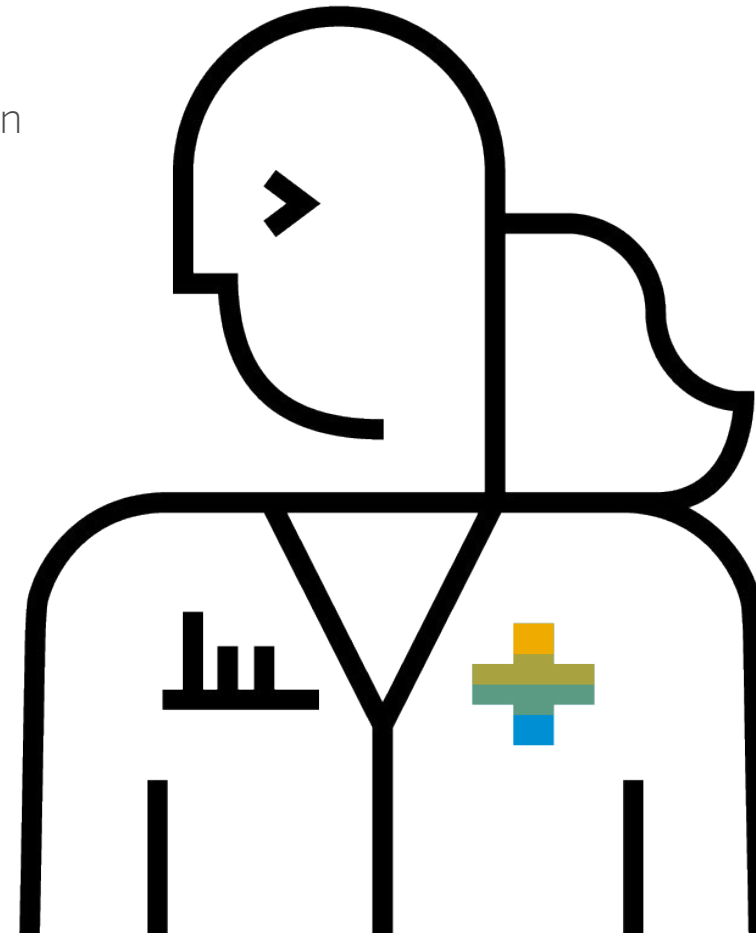
Chapter 5: Pull Reports to Find Savings
and Re-Invest Into Patient Care

Pull Reports to Find Savings and Re-Invest Into Patient Care

When budgeting travel and expense for the year, wouldn't it be great to have accurate data at your fingertips, so you can plan ahead? Do you need to know what was spent last month on travel, office supplies, or on a particular physician for compliance? Could you simply be more cost effective? These are all valid questions that are hard to determine when spend is spread across multiple systems, or simply inaccurate due to the inconsistencies of manually reported spend.

The complete visibility you get with a spend management system makes these queries easy. No file cabinet deep-dives needed. Plus, the more you know about what's happening in your organization, the more you can refine your processes for even greater efficiency.

The ability to answer these questions concisely with data will help determine the efficiency of your budget and drive compliance to increase productivity and revenue. **And when it comes down to it, that's how you start gathering savings, so you can re-invest back into your patient's health care.**

Choosing SAP Concur Solutions as Your Automated Spend Management Platform

Hospitals and medical organizations have specific needs that differ from other types of commercial businesses. While it may seem like you're avoiding risk by giving everything personal attention, in reality, a lot of time is wasted, and more risk is created.

SAP® Concur® solutions can help bring order and oversight to spending – even as spending changes – while freeing back-office staff and HCPs to buy what they need to fulfill their roles.

It starts by creating consistency and clarity in your process, so each type of spending gets directed through the proper approvals, the appropriate policies get applied, and spending data is centralized. You'll get the visibility to see the actual story that your spend data is telling you, then adapt and close gaps in policies created by new priorities and new regulations. And by creating a continuous, digital experience for all your medical staff, you'll make following the rules the easiest, fastest option no matter where staff members are working. So, when HCPs need to spend for CME, you'll have confidence that they're choosing the right supplier, the right product or service, and the right price – and you'll know you're getting the best value for the dollars that make up your budget.

Learn more about how to **automate AP, expense, and travel management** to speed up processes, improve staff satisfaction, and gain more time dedicated to patient care. Then **contact us** to start improving your spend management processes today.

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Sources:

[1] MileIQ, 2018

[2] Motus

Learn more at concur.com

ABOUT SAP CONCUR
SAP Concur is the world's leading provider of integrated travel, expense, and invoice management solutions, driven by a relentless pursuit to simplify and automate these everyday processes. With SAP Concur, a top-rated app guides employees through every trip, charges are effortlessly populated into expense reports, and invoice approvals are automated. By integrating near real-time data and using AI to audit 100% of transactions, businesses can see exactly what they're spending without worrying about blind spots in the budget. SAP Concur eliminates yesterday's tedious tasks, makes today's work easier, and helps businesses run at their best every day. Learn more at **concur.com** or the **SAP Concur blog**.

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