



**Community
Physician Network**

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Quick facts

Industry

Healthcare

Company overview

Operating since 2012

Annual revenue: \$165 million

Full-time employees: 1,700

Head office: Indianapolis, IN

G/L: McKesson

ROI

- Replacement of FRx Reporter, spreadsheets, and database software with a single unified solution
- Reduced budget cycle time from 5 months to 2 months (a 60% savings) with improved opportunities for review and analysis
- Automated connection to their McKesson general ledger software. This saves time, prevents errors, ensures data integrity, and allows end users to drill across into McKesson and investigate details
- Straightforward analysis of physician service types and payer mix, tracking insurance providers and more



Having encountered frustrations with spreadsheets and knowing that Microsoft would discontinue their FRx Reporter tool, Community Physician Network (CPN) implemented innovative Corporate Performance Management software from Prophix. CPN has since revamped and automated a wide range of valuable financial processes.

Company background

With more than 600 providers, Community Physician Network is one of Central Indiana's largest multi-specialty medical groups. Community Physician Network is part of Community Health Network, which is ranked among the nation's most integrated healthcare networks and includes specialty and acute care hospitals, health pavilions, surgery centers, home care, MedChecks, behavioral health, and employer health services.



The business problem

Taking a leading role in their organization's drive for growth, members of the office of finance at Community Physician Network sought Corporate Performance Management (CPM) software to replace their existing systems. In their analysis, streamlining their budgeting, forecasting, reporting, and planning processes with a single, unified system could have a major impact on the way that the organization conducted its business.



According to Connie Noonan, CPN's Finance Manager – Forecast and Reporting, "We needed a true picture of our organization's financial health. Using spreadsheets for budgeting and forecasting won't allow you to pull all of your information together. You can only stay high-level, you lose a lot of detail, and you sacrifice accuracy. We also faced a pressing need, since Microsoft was set to discontinue our financial reporting tool, FRx Reporter. We took our time with our decision, however; we had to make sure that our non-financial end users could master the software to submit their budget inputs without causing concerns regarding version control. Prophix provided a great fit."



Steps in Community Physician Network's previous budgeting process

- Update / format massive spreadsheets
 - Add new practices, providers, accounts
 - Edit links and formulas
 - Add base assumptions
- Export general ledger data and copy into spreadsheets
- Divide and distribute templates to sites
- Collect data from sites and consolidate
- Report consolidated budget
 - Export Excel budget data into Access
 - Generate journal entry to post to general ledger
 - Use reporting software to view budget
- Review from executive leadership
- Change assumptions included in the spreadsheets
- Regenerate consolidated reports

Typical frustrations for organizations that rely on spreadsheets

- Security and compliance
- Manual distribution
- End users struggle to fill out budget templates
- Poor data consolidation
- Lack of accountability
- Manual processes
- Frequent errors
- Inability to conduct scenario planning
- Duplicated efforts
- Wasted time
- Infrequent opportunities for analysis
- Difficulties building various report types





Benefits

Community Physician Network uses CPM software from Prophix to...

- Build assumptions and pre-populate their annual budget
- Automatically send templates to sites
- Track submissions, deadlines, and approvals from management
- Automatically consolidate data
- Perform on-the-fly analysis



CPN used to spend 5 months preparing and finalizing their annual budget. Most of this time involved pulling the data together, formatting, adjusting formulas, and consolidating information—then reworking the data from there. The organization had very little time for review. With Prophix, preparing the annual budget and related analysis now takes CPN just 2 months. More importantly, their finance experts spend minimal time populating, formatting, and consolidating their information. Instead, they allocate most of that time toward valuable analysis.



Overall value to Community Physician Network

- A single source of truth
- Quickly change assumptions
- Review data with ease
- Reduce errors
- Automatically distribute templates and collect inputs
- Easily consolidate data
- Produce uniform reports with little effort
- Compare multiple scenarios

Data integration

CPN leverages a direct ODBC connection to their McKesson general ledger software, automatically pulling data into Prophix on a nightly basis. CPN's finance users only check to see if the software has rejected anything—a cost that should not be included, for instance. Overall, this integration saves time, prevents errors, and ensures data integrity.

Reporting and analytics

“Our executives wanted scorecards. In Prophix, they now have a summary Report Binder that shows service volumes, a snapshot of the income statement, actuals to budgets, and more. This was designed with our CEO in mind. We also use statistical analysis to understand whether our doctors are providing the right mix of services. Having a graph to trend actual payer mix enables us to assess our revenues from insurance providers, as well as accounts paid via Medicaid and Medicare. Finally, our operations team uses weekly reports to closely monitor work relative value units (wRVUs), which we use to measure physician productivity and calculate physician compensation.”

Connie Noonan
Finance Manager – Forecast and Reporting
Community Physician Network



Buy-in from end users

Working with Prophix has helped CPN to earn buy-in from their end users, beyond the office of finance. In the near future, Noonan plans to train CPN's directors and other non-financial users to 'slice and dice' their numbers. Conducting variance analysis on an ad hoc basis will enable them to understand why they see (or might see) a spike in their numbers, drilling-across into their McKesson general ledger software to view transactions that relate to the summary data in Prophix. Prior to their Prophix implementation, CPN users would have needed to review more than 60 pages of reports to investigate details.

Future plans

CPN's plans with Prophix include the following and more:

- Map the workflow process for their entire budget cycle
- Automate balance sheet assumptions
- Automate provider compensation calculations
- Conduct advanced revenue planning
- Track and analyze patient level data
- Utilize Prophix Mobile for the iPad
- Build reports for routine leadership inquiries:
 - o Driving factors for changes to budget
 - o Net impact of new acquisitions
 - o Net impact of new providers
 - o Administrative staff changes by employee

Ease of use and analysis

"A major reason that we recommend Prophix stems from the product's ease of use. Finance can run the software without IT support. Companies that rely on spreadsheets sacrifice important details and waste valuable time. By automating non-transactional processes, Prophix allows organizations to claim this time back, avoid errors, and analyze their financial position from every angle imaginable."

Connie Noonan

Finance Manager – Forecast and Reporting
Community Physician Network



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