

Sage 500 ERP | Customer Success

Sage 500 ERP—Just What the Doctor Ordered

Nearly two centuries ago, Catherine McAuley devoted her life to ministering to Dublin's poor, sick, and uneducated. When she inherited a vast fortune, she built a "House of Mercy" to shelter abandoned and abused women and children.

Her work continues today through the Sisters of Mercy Health System of St. Louis, which operates 17 acute care hospitals, a heart hospital, a psychiatric hospital, outpatient care facilities, physician practices, skilled nursing, and long-term residential care facilities in seven states, as well as community service projects and education programs on health-related topics. Mercy hospitals and medical centers are recognized for their commitment to meeting the needs of the communities they serve, regardless of patients' ability to pay.

Mercy Health Plans (MHP) was created in 1994 as part of the Sisters of Mercy Health System. MHP is a managed care organization offering integrated healthcare throughout metropolitan St. Louis, Central and Southwestern Missouri, and Laredo, Texas. The goal of MHP is to establish a team approach, where all players have a vested interest in both controlling costs and ensuring positive outcomes.

Ailing System

Until recently, the MHP accounting package was seriously ill. Balance sheets wouldn't balance. Transactions didn't add up on the general ledger report. System crashes were frequent. There was no audit trail for consolidated reports, since data had to be entered by hand into a series of spreadsheets.

"The lack of reliability was very frustrating," explains Bob Zweibel, MHP's controller. "We needed a solution that was 100 percent dependable, with greater functionality plus a complete range of intercompany capabilities." Sage 500 ERP* was the perfect prescription for what ailed MHP.

*Sage 500 ERP was named Sage ERP MAS 500 when Mercy Health Plans initially implemented this solution. The product names have been updated in this case study to reflect current naming.

Challenge

To replace an unreliable, labor-intensive accounting package with an integrated and automated financial system that offers substantial analysis and reporting capabilities.

Solution

Sage 500 ERP financial modules.

Results

Ten-fold increase in functionality and reliability; streamlined automation of manual processes; elimination of redundant data input; a clear and accurate audit trail; enhanced financial analysis and reporting.

Customer

Mercy Health Plans

Industry

Healthcare insurance

Location

St. Louis, Missouri

Number of Locations

Three

Number of Employees

307

System

Sage 500 ERP

- General Ledger
- Accounts Payable
- Accounts Receivable
- Advanced Allocations
- eExecutive
- Sage Fixed Assets
- Purchase Order



Robust System Health

Sage 500 ERP is now the foundation for all of Mercy Health Plans' financial operations, and accounting functions are healthy again. Not only does Sage 500 ERP perform all general ledger and payable functions, but it can receive data from MHP's administrative system, a vertical product designed for the health insurance industry.

"We've experienced immediate benefits from Sage 500 ERP in processing intercompany transactions," says Steve Jansen, director of accounting. "Before, our staff accountant would spend approximately two days each month performing manual entries and adjustments between groups. Now each intercompany entry is made only once, reducing our total time spent on such entries to about half a day each month."

Another major improvement has been in reporting capabilities. "Our former system's report writer had very limited capabilities," Jansen says. "As a result, we did reports on spreadsheets. Now everything is integrated through Sage 500 ERP. Reports, like monthly and year-to-date income statements and budget variances, are produced quickly and easily. Best of all, we know the numbers in the reports are right!"

A clear audit trail lets MHP have confidence in its numbers. "Before, consolidations were done on a spreadsheet; we never saw the entries," says Zweibel. "Any questionable entry had to be researched by hand. Now that Sage 500 ERP handles consolidations, we have a clear audit trail on each and every item."

Previously, checks were printed on preprinted stock and signed by a machine. Today Sage 500 ERP produces checks from a laser printer using blank check stock. "We really appreciate the security and convenience of not having preprinted check stock laying around, and not having to use the signature machine," Jansen notes.

"Sage 500 ERP was definitely the right move, giving us the reliability and functionality we need now, plus the ability to embrace changes as they occur in the future."

**Bob Zweibel, controller
Mercy Health Plans**

Zweibel says the IS team has been pleased with Sage 500 ERP because it requires little or no maintenance. "Other than installation and interface setups, we've never had to call in our IS folks to fix anything on Sage 500 ERP," he says.

Zweibel is confident that Sage 500 ERP will serve Mercy Health Plans well as it grows and improves. "We're getting a new administrative system soon, and having Sage 500 ERP in place now means that we're well-prepared," he comments. "And after six months we've only begun to utilize all the new features. Sage 500 ERP was definitely the right move, giving us the reliability and functionality we need now, plus the ability to embrace changes as they occur in the future."

About Sage

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers' needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, manufacturing, nonprofit, and real estate industries. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 12,300 people and supports more than 6 million customers worldwide. For more information, please visit the website at www.SageNorthAmerica.com or call 866-996-7243. Follow Sage North America on Facebook at: <http://www.facebook.com/SageNorthAmerica> and Twitter at: <http://twitter.com/#!/sagenamerica>.