



# FREEING CAREGIVERS TO FOCUS ON PATIENTS THROUGH HEALTHCARE SUPPLY CHAIN DIGITIZATION

## Baylor Scott & White Health

The largest not-for-profit healthcare system in Texas and one of the largest in the United States.

**Headquarters:** Dallas, TX

**Industry:** Healthcare Services

**Employees:** More than 7,500 active physicians and over 49,000 employees

**Region:** 50 hospitals, more than 800 patient care sites, in Dallas and Temple.

**Revenue:** \$10.1B

“ With Ivalua we were able to digitize our complete source-to-pay process for all spend, including complex processes unique to the healthcare industry.

With the paperwork out of the way, our caregivers can now better focus on their patients.”



**Tony Johnson,**  
SVP & Chief Supply Chain  
Officer  
Baylor Scott & White Health

## ? THE CHALLENGES

Baylor Scott & White Health was ready to embark on the journey to procurement transformation. The organization wanted to go away from manual processes that distracted healthcare staff from the core function of serving patients. Various outdated legacy systems, including a highly entangled ERP-based P2P system, complicated processes and created inefficiency. Healthcare-specific integration requirements limited their ability to leverage standard out-of-the-box spend management solutions. A diverse user base, spanning multiple hospitals, doctor offices, clinics and suppliers added to the difficulty of change management. As a not-for-profit organization, Baylor also faced a particularly tight operating budget, as well as the need to coordinate around other major IT and EMR projects.

## THE GOALS

- ✓ Re-invent procurement to better support the business
  - Simplify and unify existing supply chain processes
  - Drastically improve the user experience
  - Improve data capture to ensure accurate billing and patient data
  - Ensure transparency into all purchasing activity
- ✓ Implement quickly as to not interfere with another, even larger, enterprise software deployment
- ✓ Improve collaboration and communication with suppliers
- ✓ Reduce total cost of care to reduce patient financial burden
- ✓ Support goal attainment of \$100M in savings in 3 years
- ✓ Increase customer visibility to order status

## + BENEFITS AFTER IMPLEMENTATION

1 YEAR  
&  
1 MONTH

Digitized the full source-to-pay process in two phases  
– 1st phase delivered value within four months

100%

Transparency into all spend (direct and indirect)

>40K

Suppliers enabled

UX

Improved purchasing experience for users and suppliers

4,800

Contracts digitized (100%)

AUTO  
MATED

Patient billing pass through, patient product tracking, PO and invoice processing

# THE SHELBY GROUP / IVALUA SOLUTION: PEOPLE + TECHNOLOGY + IMPLEMENTATION



The alliance of The Shelby Group and Ivalua gave Baylor Scott & White Health the confidence to take on a transformative procurement initiative. The Shelby Group is a leading system integrator for e-procurement platform implementation and optimization, with hundreds of successful initiatives for global brands. Backed by an impressive 98%+ customer retention rate, Ivalua brings rapid value, flexibility, best-of-breed capabilities and a unified source-to-pay suite.

Together, Ivalua and The Shelby Group expertly deployed transformative solutions for Baylor Scott & White Health, spanning:



## THE PROJECT:

### The approach

Implemented a single, integrated digital platform for all spend (indirect and direct), users, suppliers and processes.

Digitized the full source-to-pay process in two 6-month phases. (User Structure, Organizational Model, Accounting Structure, etc.)

#### Phase 1

*Future state design and implementation of:*

- Supplier Life Cycle Management: over 40k Suppliers loaded
- Strategic commodity-based Sourcing and Spot Buy processes
- Contract Lifecycle Management for various agreement types
- Master Data Setup (User Structure, Organizational Model, Accounting Structure, etc.)

#### Phase 2

*Future state design and implementation of:*

- Catalogs: 300,000 items managed over 4,400 active contracts with 1,100 distinct supplier sites
- Full Procure-to-Pay Cycle (Requisitions, POs, Receipts, Invoices, Payments)
- EDI integration with GPO and cXML enablement for B2B punchouts

#### Key Success Factors

- High level of engagement and support from leadership, key business owners, and project sponsors
- Use-case driven methodology to reflect business processes to ensure user adoption
- Key integrations resources with in-depth knowledge of interdependencies between systems and business processes
- Ongoing Change Management and Communications planning, supported by in-depth training materials customized by various stakeholder groups

## THE RESULTS

- ✓ **Single, integrated digital platform** for all spend (indirect and direct), users, suppliers and processes
- ✓ **Caregivers free to focus on patients** rather than paperwork
- ✓ **Existing Vizient EDI integration with suppliers maintained**, leveraging existing connections to accelerate value
- ✓ **Automatic 2-way PO-Invoice match** for operating room supplies (as PO created after procedure so receipt assured)
- ✓ **Unique PO workflow** configured to route operating room POs and capture special needs / serial number tracking / patient tracking details, automating highly manual process
- ✓ **Digitized capture** of critical information such as doctor, patient MRN and procedural "envelop" as requisition controls
- ✓ **Flexibility** to adjust processes for unique or evolving requirements, ensuring long term value
- ✓ **Unified data model** delivering **real time visibility** across all source-to-pay processes and **360 degree supplier visibility**



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