

Case Study

Alameda Health System



Customer Support Helps Drive Growth and Value for Alameda Health System

Background

Alameda Health System (AHS) is a patient and family-centered healthcare system consisting of nine facilities, including three hospitals and four wellness centers, in the Bay Area of California. AHS is committed to medical excellence, with a teaching hospital that attracts the nation's top medical students.

An advocate for equitable, compassionate, and culturally sensitive care, Alameda Health System serves the traditionally underserved in its communities. Since 1864, AHS has provided compassionate care and health services and stands as a pillar in the communities it serves.

With an accounts payable staff of twelve covering all of their facilities, AHS needs their payments to flow smoothly.

A few years ago, AHS had undergone a company-wide Lean Team initiative to improve workflow processes. Their payment process had been streamlined and was functioning well. AHS regularly made payments within seven days of net terms.

However, the process improvement project found their credit card program was stagnant and could stand to increase vendor participation, growth, and functionality for the company.

Problem

AHS's biggest challenge was that the credit card program wasn't growing and was severely deficient in customer service.

Cher Duvernay, AP Manager, recalls the lack of support they received from their previous card program. "They set us up, but after that, the company wasn't trying to get more vendors on the program. We just had the same vendors and weren't getting any more. And we didn't have much contact with our representative."

In addition to the need for more new vendors on the card program, reconciliation was also an issue.

Although AHS made payments on time, the vendors did not always process the payments in a way that allowed for timely reconciliation. AHS's payment transactions were typically for several invoices at a time. And the vendors were able to take

partial payments to try to match their invoices. This meant money was often left off transactions because the vendors accepted specific amounts from the payment instead of the entire payment. Naturally, this complicated reconciliation for Cher's team.

Solution

When the Lean Team decided to find a different card program, they solicited three payment automation companies. According to Cher, "The other two solutions didn't come close to Edenred Pay's offer."

"I liked Edenred Pay's promise of customer service, reporting, and rebate. But I was very adamant about getting what they were promising. I wanted to be sure they would deliver." AHS signed on to Edenred Pay's virtual card program with the intention of growing their vendor acceptance and for the potential rebate.

Cher was impressed with Edenred Pay's proactive approach to vendor enrollment. "Once we sent our vendor list over, they went through it very thoroughly. They scrubbed our vendor lists and ensured they had all the correct contact information, which was a service we hadn't received before. It helped us because we leveraged that information to update AHS records."

Edenred Pay took advantage of its own list of established vendors. They made AHS aware of vendors that were already accepting card payments and would be a good fit for the card program. "Edenred Pay was also good at enrolling our existing vendors that were not previously in the card program."

The implementation process for Alameda Health Systems took about two weeks. Cher noted, "The preparation that went into getting everything they needed up front helped to make the implementation go smoothly. The implementation team made sure they had what they needed prior to us going live. And we also did a couple of test runs that went really well."

Edenred Pay has integrations with over 350 ERPs and accounting systems. So, the integration with AHS's Lawson ERP software was seamless and straightforward.

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Results

“ Our rebate amount has increased significantly compared to our previous card program. And our vendors are happier too because they are getting paid faster. ”

Cher Duvernay, AP Manager, Alameda Health System

Any concerns that Cher had about Edenred Pay delivering on their initial offer were alleviated. “We’ve seen a lot of success in our program,” Cher confirmed. “Our rebate amount has increased significantly compared to our previous card program. And our vendors are happier too because they are getting paid faster. Several vendors have said they feel like payments are smoother now.”

There were other benefits that Cher had not initially anticipated. “I am all about reporting, so I like the portal and its reporting abilities. And if my team is having trouble running a report, our relationship manager and customer care team are very helpful in resolving the problem. They pull the report for us and help us identify the issue.”

Additionally, reconciliation is much easier for AHS. With Edenred Pay’s card program, the vendors also receive payment information, which makes it easy to match payments with their invoices. So there’s no need to accept partial payments. “With our Edenred Pay card program, vendors don’t have the option to take partial payments. They know exactly what they’re getting paid for, making reconciliation much easier.”

Above all of the other benefits that AHS has experienced with Edenred Pay, customer service is what Cher values most. “The customer service and support we receive is number one for me. Edenred Pay lived up to their proposal. I really appreciate working with Edenred Pay because we don’t feel alone.”

Conclusion

It’s been over a year since AHS became an Edenred Pay client. In that time, they successfully increased their vendor enrollment. They are receiving a significant rebate as well.

Cher mentioned that the previous card process would take a day or two to confirm payments matched invoices. “But now, with Edenred Pay’s file template and the data on it, it’s so much easier than what we had before. And it saves us an average of 40 hours a month.”

- **Income:** Total rebate for the 14 months since the inception of the Edenred Pay program - \$279,300.00, roughly \$20k a month
- **Conversion Rate:** 38% vendor acceptance, which is above the 20% average
- **Time savings:** AHS saved an average of 40 hours a month in credit card processing and reconciliation
- **Stellar customer service** from the relationship manager, customer care, and vendor enrollment teams
- **Happier vendors** that are getting paid faster with a smoother process

Cher Duvernay appreciates that Edenred Pay delivered on their initial proposal. In addition to all of the benefits of their new virtual card program, AHS has extra cash on hand from the payments they make every day.

Cher noted, “The vendor enrollment team makes sure to enroll as many vendors as possible so that you can get vendors that you may not have had before. The customer service and support from the customer care team are excellent.”

“ The customer service and support that we receive is number one for me. I really appreciate working with Edenred Pay because we don’t feel alone. ”

Cher Duvernay, AP Manager, Alameda Health System