



Journey to Automation: How Automation Can Improve Your Finance Function Performance

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Agenda

- Why Healthcare Organizations are Automating
- Automation Roadmap and Types of Automation
- Criteria to Evaluate Financial Processes for Automation
- Financial Processes with Automation Potential

Your Presenters



**TRACEY
COYNE**

CROWE LLP

Tracey Coyne is a partner within Crowe's healthcare consulting services group, based in Chicago. She has over 20 years of healthcare experience, including more than 10 years with a Big Four firm. Her focus has been on assisting large health systems and community-based entities through process improvement initiatives. She is a past president of the First Illinois Chapter of the Healthcare Financial Management Association.



**MEGAN
KENDALL**

CROWE LLP

Megan Kendall is a manager within Crowe's healthcare consulting services group, based in Chicago. She has over 10 years of healthcare consulting experience partnering with health systems, physician practices, managed care companies, and healthcare technology companies. In her current role, Ms. Kendall partners with CFOs and financial leadership to improve performance of financial operations.



**CEDWYN
BACHMAN**

SYMPHONY VENTURES

Executive sales leader with 10+ years of professional experience closing multi-million dollar complex professional services. Strong background in US payer and provider systems and insurance. Thought leader and subject matter expert for Future of Work technologies, specifically with Intelligent Automation.



**DANE
HARRIS**

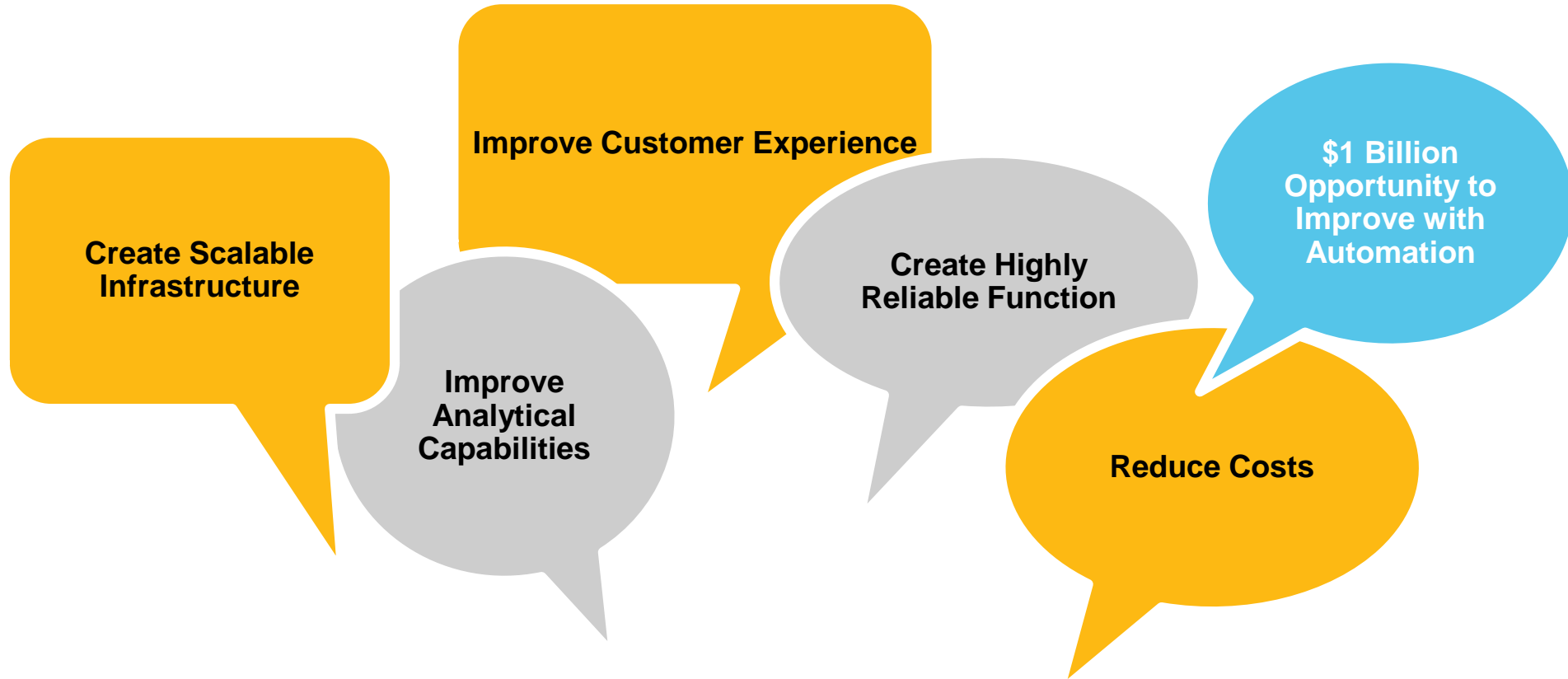
SYMPHONY VENTURES

Spending 13 of his final 30 years in the US Army Reserve as a Medical Services Officer, Dane commanded and led the planning operations and training of a multi-functional medical battalion, overseeing capabilities from logistics and supply to casualty/medical evacuation. Dane is a senior executive leader of enterprise consulting capabilities that deliver cutting-edge technology and innovative business process services to global clients.

Why Healthcare Organizations Are Automating



Multiple Priorities Are Challenging Finance Delivery Models to Automate...



Benefits of Intelligent Automation

Intelligent automation can rapidly enhance the value of a company by increasing growth potential and simultaneously cutting costs – resulting in a higher final valuation



Cost Efficiencies

- Optimization strategies to improve company's overall financial health
- Transparent and predictable cost to run business
- Significantly reduce overhead to manage large functions



Compliance

- Ongoing compliance with regulations
- Strong data integrity end to end
- Enhanced information security controls



Insight

- Flexibility to produce standardized yet customizable insightful reports without a myriad of applications
- Improved forecasting and reporting processes



Experience

- Resources focused on more strategic, value add activities
- Improved customer experience



Speed

- Increased speed to market
- Realize benefits quickly and iteratively



Agility

- Ability to respond to changing regulations and markets
- Low cost of adaptation



Quality

- Seamless integration across processes
- Reduced risk and improved accuracy

Polling Question

Which automation benefit is most important to your organization?

A

Cost efficiency

B

Compliance

C

Insight

D

Experience

E

Speed

F

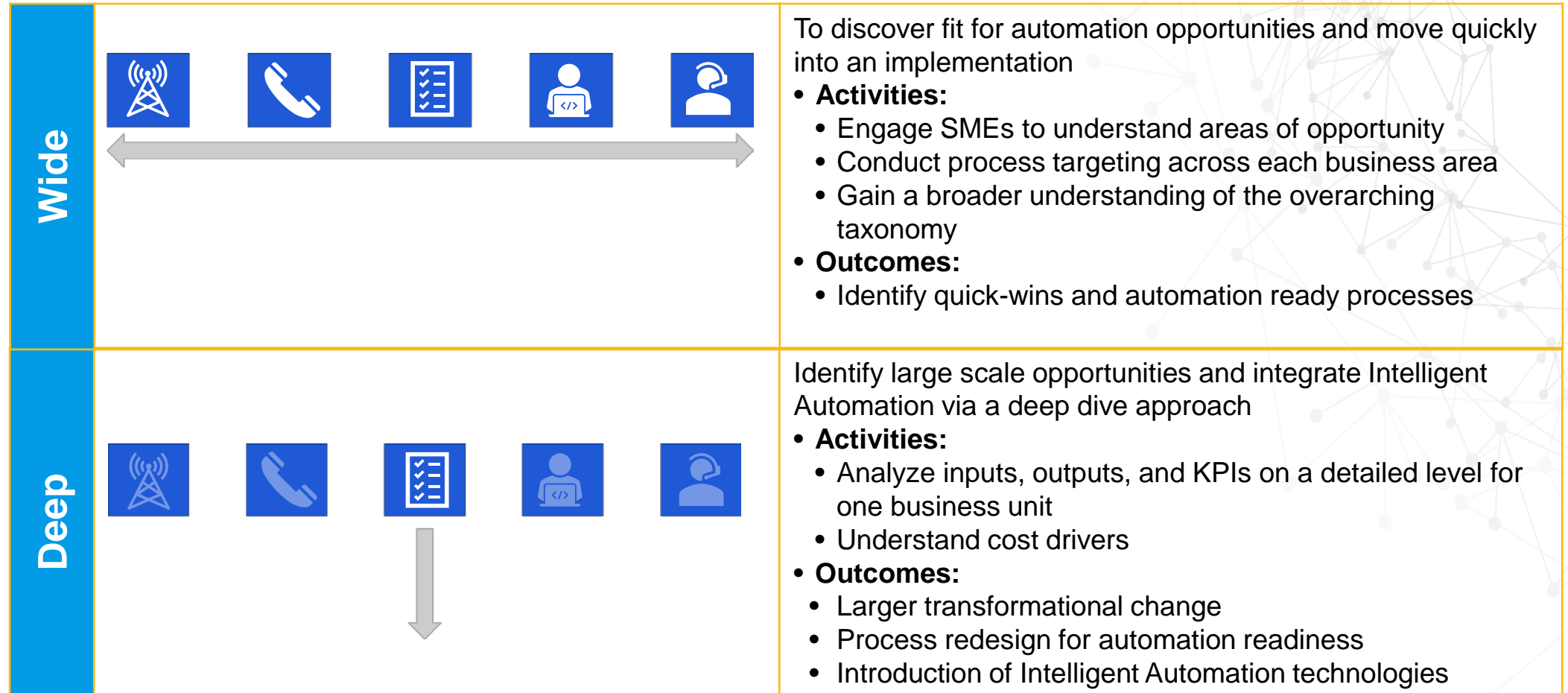
Agility

G

Quality

How Can Finance Automation Be Scaled

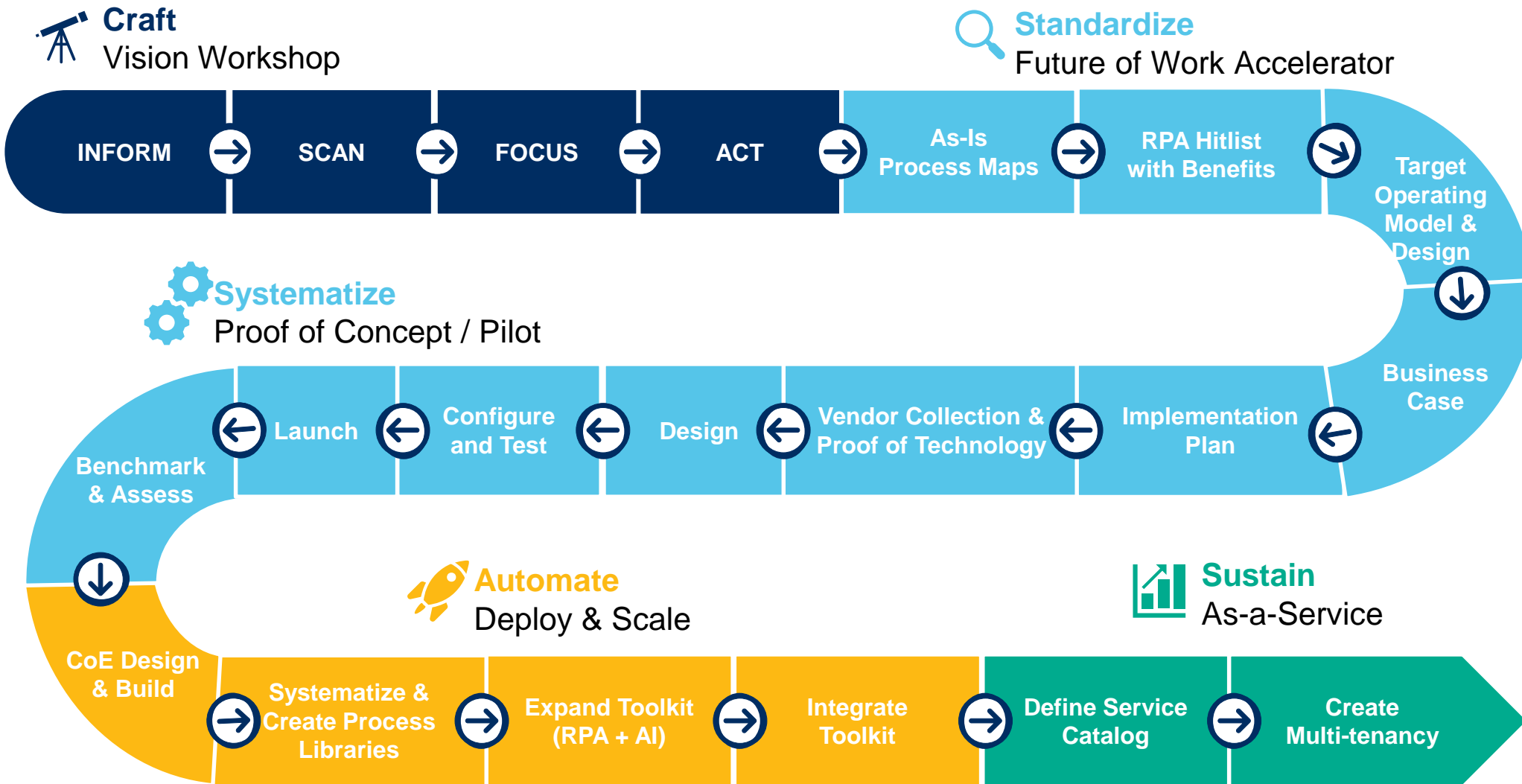
Fundamentally, there are two different ways to approach Automation at Scale...



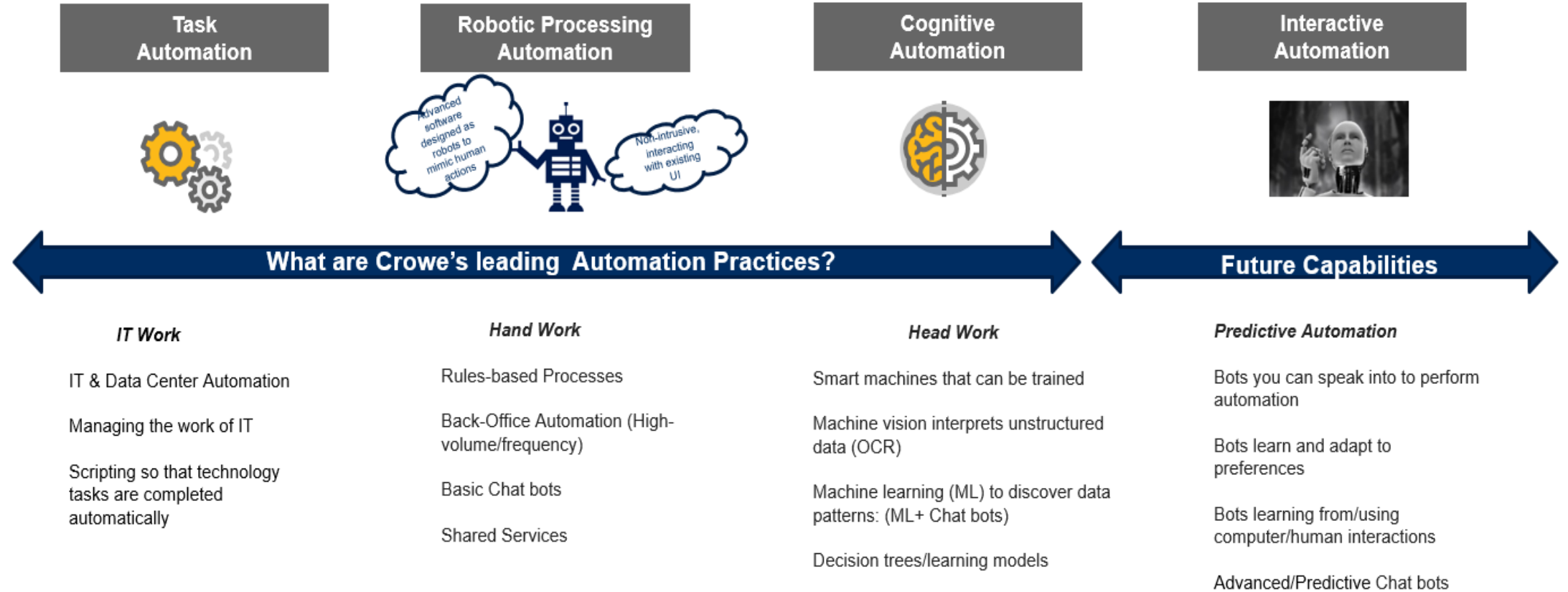
Automation Roadmap and Types of Automation



Example Approach & Detail Roadmap Steps



Types of Automation



What is RPA?

Robotic Process Automation (“RPA”) is the application of software mimicking human actions to perform high-volume, repeatable tasks to address repetitive, time consuming, and high-cost processes hindering business operations

Key Attributes of RPA



Mimics Human Interaction

🖥️ RPA mimics a human doing highly manual repetitive tasks using multiple interfaces, tools, and actions



Creates a Digital Workforce

🖥️ Creates a digital workforce controlled by a Line of Business or Centralized Robotics Function



Easy Infrastructure Integration

🖥️ RPA works along side and with your current IT infrastructure resulting in a low impact solution

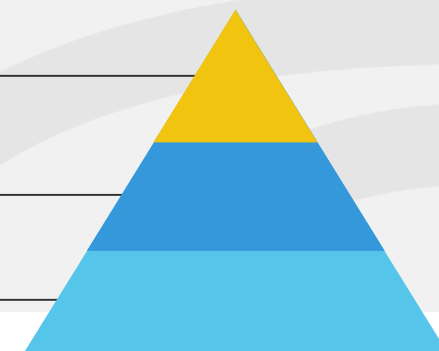
Benefits of RPA

- ✓ Removing highly manual processes
- ✓ Improved employee experience
- ✓ Reduced sourcing costs
- ✓ Reduction in human error
- ✓ Improved process cycle times
- ✓ Improved regulatory compliance and auditing
- ✓ Scaled easily

Robotic Process Automation

Business Applications

Technology Infrastructure



Polling Question

Has your organization invested in the following types of automation?

A

Task
Automation

B

Robotic Process
Automation

C

Cognitive
Automation

D

Interactive
Automation

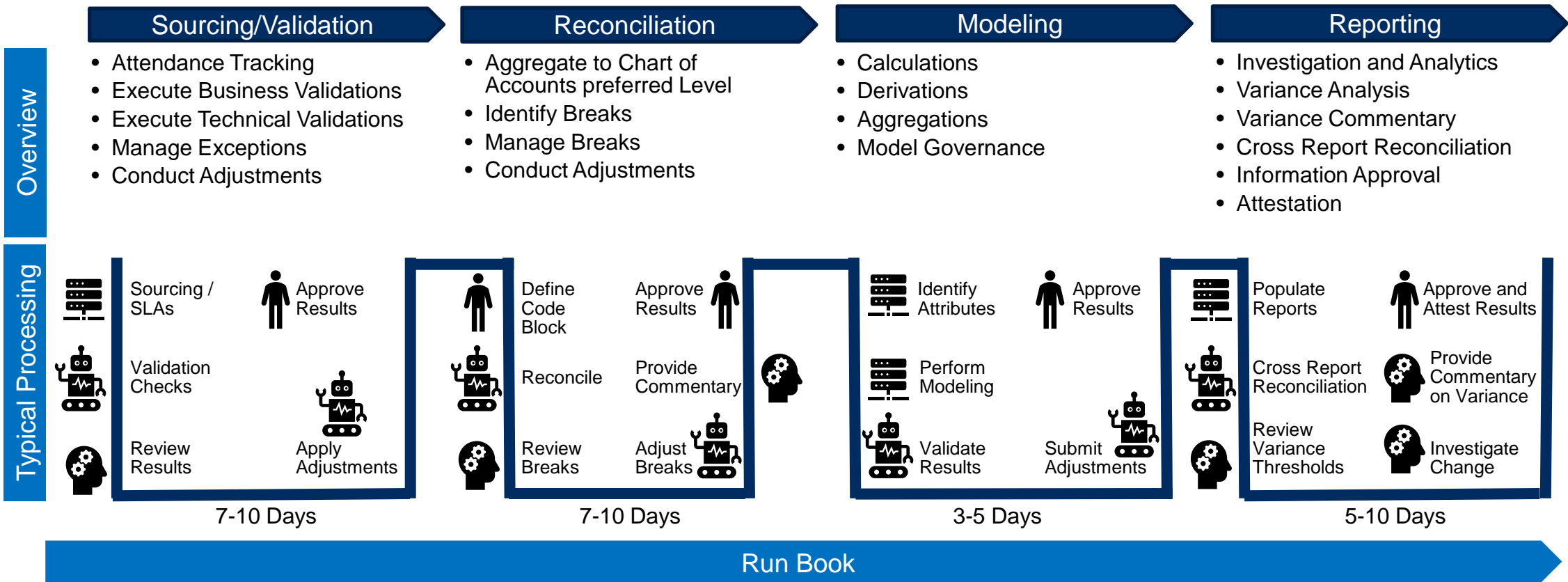
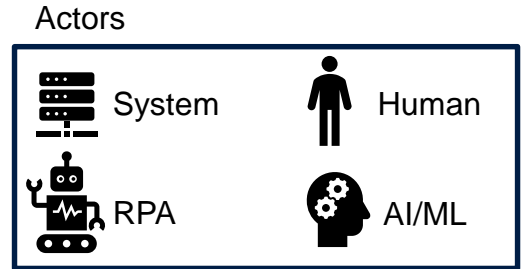
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More than one
of the above

Criteria to Evaluate Accounting Processes for Automation

Typical Accounting / Finance Automation Process Considerations

RPA can tactically support manual data work as a result of the inability to source and apply recurring adjustments while data quality issues are remediated



Polling Question

Which area do you think has the most automation potential?

A

Sourcing/Validation

B

Reconciliation

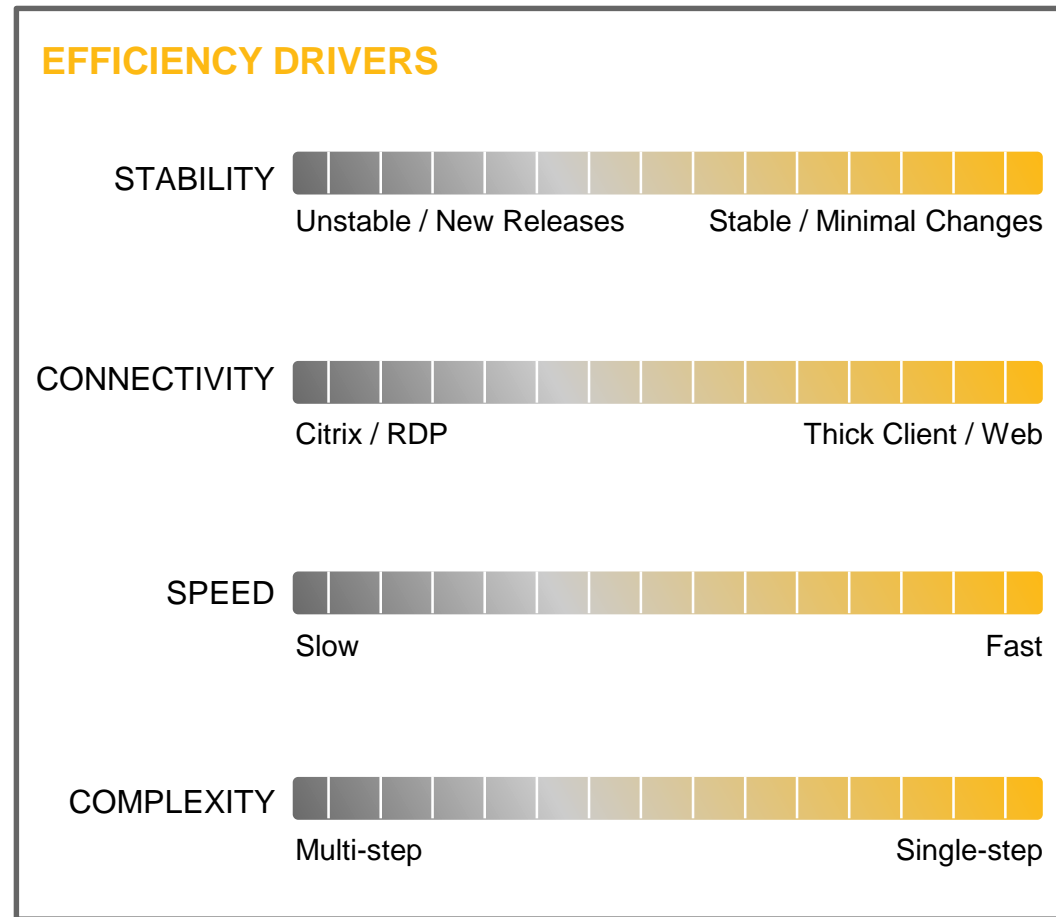
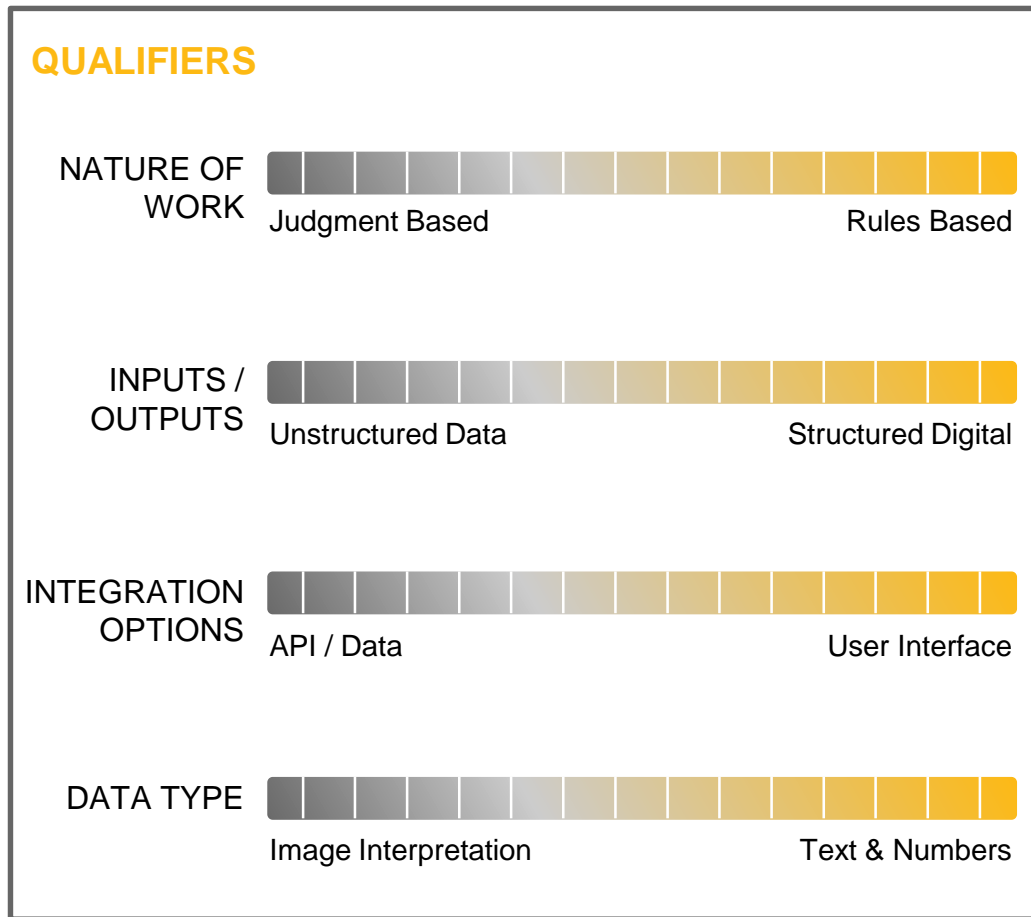
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Modeling

D

Reporting

Choosing The Right Process



 = Processes with these attributes are good candidates for Intelligent Automation

Financial Processes with Automation Potential



Finance Automation Opportunities

Transactional Roles							
Accounting	Accounts Payable	Budgeting & Planning	Capital Management	Decision Support	Payroll	Net Revenue & Reimbursement	Treasury
Bank Recs.	Matching Invoices & PO's	Monthly Variance Review	Capital Project ROI and Spend	EDW Data Reconciliation and Metadata Reporting	Variable Pay Calcs. & Accruals (Phys. Comp)	Net Revenue Explanation & Projection	Balance & Transaction Reporting
Audit Schedule Preparation	Vendor Master Data	Budget to Actual Reporting	Purchase Approvals and Controls	Cost Allocation (EHR/RVU)	Incentive Pay Calculations & Reporting	Cost Report Schedule Preparation	Optimization of Price and Service based on Banking Relationships and Accounts
J/E Preparation and Review	Expense Report Policy Compliance	Annual Budgeting & Scenario Analysis	Fixed Asset Tracking against Plan	Update of Cost per Charge	Employee Fringe Benefit Rate Calc. & Allocations		
Non-reoccurring Manual Accruals	Payable Manual Accruals	Consolidated Reporting	Lease vs. Buy Decisions	Patient and Financial Data Collection and Reporting	Monitoring & Reporting Employee PTO and Leave Balances	Compilation of Settlement Items	Bank Reconciliation & Fraud Monitoring
Inter Co. Entries & Allocations	A/P Reporting & Analytics		Develop 1-Year, 3-Year and 5-Year Capital Plans	Ad Hoc Initiative Analysis	Employee & Contract Labor Reporting	Third Party Settlement Recs & J/E's	
Analytical Roles							
Variance Analytics		Exception Resolution		Anomaly Detection		Decision Support Reporting	GAAP, Federal & State Reporting

Degree of Automation Opportunity



Polling Question

Which finance function do you think has the most potential for automation?

A

Accounting

B

Accounts Payable

C

Budget and Planning

D

Capital Management

E

Decision Support

F

Payroll

G

Net Revenue and Reimbursement

H

Treasury

Example Process For Automation

YOUR NAME: <u>Fred</u>		PROCESS NAME: <u>Pay Integration</u>	
Dept: <u>Payroll & Timekeeping</u>		Team Size: <u>50 FTE (5 others outside)</u>	
Location: <u>St. Louis, MO</u>		Work Volume: <u>2.2k employees per mos</u>	
PROCESS <i>Describe work performed, steps involved, stakeholders and expected outcomes</i>	PEOPLE <i>Team structure, labor type, attrition, training, tenure, etc.</i>	TECHNOLOGY <i>Applications used, age of systems, stability, IT roadmap, home grown work-arounds</i>	
<ul style="list-style-type: none"> • Intake team enter details from form into PeopleSoft • Payment Integration team calculate benefit • Manager / PI team enter coding into Time 	<ul style="list-style-type: none"> 12 - Intake FLMA 17 - Pay Integration 12 - Call center agent 12 - Call center caller 10 - NCAL Manager 	<ul style="list-style-type: none"> • Peoplesoft Case Management • Outlook • Payroll System • Access • Excel 	
PAIN POINTS <i>Describe work performed, steps involved, stakeholders and expected outcomes</i>	OPPORTUNITIES <i>Describe potential solutions, existing efficiency efforts, related projects in progress, process transformations</i>		
<ul style="list-style-type: none"> • \$1m in known overpayments per year • Source of Union complaints • Systems are slow and risk failure • Payroll system is hard to use • Managers find the process complicated and therefore this drives large call volume 	<ul style="list-style-type: none"> • Remove manual data entry • Automate rule based work • Handle all Payroll entry • Perform QA on manager approvals 		



Questions?



Thank you

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