



AR Automation

RX FOR SAVINGS: FASTER CASH FLOWS LEAD TO HEALTHY MARGINS

With healthcare costs in the U.S. continuing to rise, organizations across the supply chain are feeling the pressure to better manage their costs and improve efficiencies. As a supplier, you're likely seeking ways to protect your margins and trim unnecessary expenses. Take a look at accounts receivable—it's a prime area for saving time and money.

ROOM FOR IMPROVEMENT IN ACCOUNTS RECEIVABLE

More Transactions



\$500 billion

amount spent annually on healthcare supplies,¹ so any inefficiency in collecting is costly

Costly Payment Delays



\$33.13

the cost companies pay for a 40-day delay on an average \$3,000 payment³

Reward for Streamlining

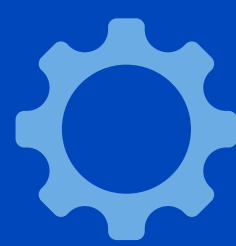


10% - 20%

expected profit increase for medical supply companies that improve efficiencies⁴



TRADITIONAL AR SOLUTIONS ARE INEFFECTIVE



Early payment discounts

When providers take the discount but don't pay early, suppliers bear the shortfall

Exception handling

About 10% of non-automated transactions have processing issues, adding to the overall cost²

Credit cards

Most credit card companies charge vendors a 2% - 3% processing fee

TIME IS MONEY AND AUTOMATION SAVES BOTH



**15
DAYS**

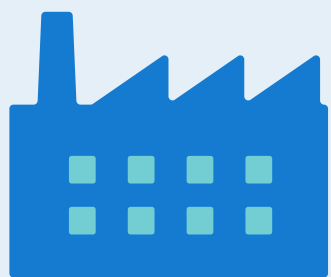
is the average time for suppliers to receive payments with the GHX ePay solution⁵



**42%
SAVINGS**

in transaction fees over traditional processing, thanks to a 25-day decrease in collection time alone⁶

SUPPLIERS OF ALL SIZES CAN BENEFIT FROM AUTOMATED AR



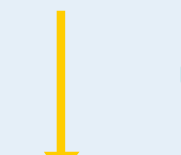
ROI

Getting paid sooner offsets costs associated with electronic payment solutions



LIQUIDITY

Cash on hand allows for strategic investments and paying down debt



CUSTOMER SERVICE

Improve relationships with providers, who often prefer electronic payments



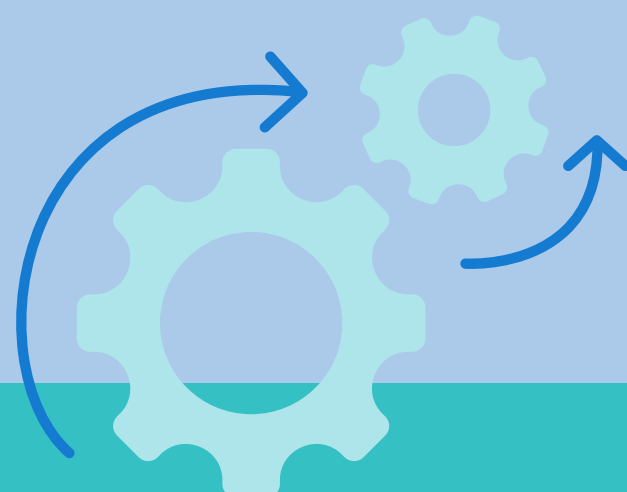
SHAREHOLDER VALUE

Actively deploy capital in a way that meets required rates of return

ACCOUNTING

Automated solutions provide rich transaction details for auditing

Automation solutions such as **eInvoicing** and **ePay** from GHX can help suppliers improve AR performance through greater efficiencies and cost savings.



Learn more about ePay at GHX.com

Sources

1 Dittman, J. Paul. (2016 April) "Managing Cost in the Healthcare Supply Chain." Retrieved from www.mpo-mag.com/issues/2016-04-01/view_features/managing-cost-in-the-healthcare-supply-chain

2 Harte Hanks Consulting Healthcare Supply Survey, 2018

3 Harte Hanks "What Is the 'True Cost' of Getting Paid? Optimizing AR in Healthcare" white paper

4 Ebel, Thomas; Larsen, Erik; Shah, Ketan. (2013, September) "Strengthening health care's supply chain: A five-step plan." Retrieved from www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/strengthening-health-cares-supply-chain-a-five-step-plan

5 Day Sales Outstanding ("DSO"), Industry Estimates Derived from the Harte Hanks Consulting Healthcare Supply Survey, 2018

6 Supplier Savings in Basis Points, non-electronic and electronic, Derived from the Harte Hanks Consulting Healthcare Supply Survey, 2018