



CASE STUDY

ProMedica reduces complexity and expands focus on patient care with Infor CloudSuite Healthcare

ProMedica is a mission-based, not-for-profit health and well-being organization headquartered in Toledo, Ohio. The ProMedica Mission is to improve health and well-being across the entire lifespan of its patients. ProMedica's unique business model includes 2,500+ physicians and advanced practice providers with privileges, 1,000+ healthcare providers employed by ProMedica physicians, and 12 hospitals. ProMedica also includes 335+ assisted living facilities; skilled nursing centers; memory care communities; outpatient rehabilitation clinics; and hospice, palliative, and home health care agencies. ProMedica is also about more than just healthcare, offering a variety of clinically based health insurance plans, which currently cover 350,000 people.

 **PROMEDICA** | Your Health. Our Mission.

Headquarters

Toledo, Ohio

Industry

Healthcare

Infor product

Infor CloudSuite™ Healthcare,
Infor® Global Human Resources,
Infor Financials & Supply
Management

Website

promedica.org

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GARY MIERZWIAK

VP of Administrative Systems, ProMedica

ProMedica's acquisition of HCR ManorCare in April 2018, as well as the impending retirement of several mission-critical business systems of both companies, positioned the now-merged ProMedica to need to find an ERP solution that handled its enterprise-wide data in a seamless and safe manner, while ensuring its processes were as efficient as possible.

Improving the process of health care

When the not-for-profit ProMedica acquired the for-profit HCR, it brought together a mix of cultures. "HCR injected for-profit business practices into the organization, while ProMedica injected not-for-profit motivation and community focus," explained Murry Mercier, CIO of ProMedica. "Combined, there's a significant commitment and shared ethos toward patient care. There's a shared culture around compliance. There's an intense desire to improve the process of health care and have a broader impact outside of our walls."

Prior to the merger, ProMedica was made up of two business groups. One was a health insurance company; the other was a health provider network composed of hospitals, outpatient facilities, urgent care centers, and physician offices. So ProMedica's acquisition of HCR's skilled nursing, assisted living, home health care, and hospice business proved a perfect fit for ProMedica's mandate of caring for patients "from birth to death."

"It's all about health and aging," said Mercier. "There's the long-term health care where you can treat the disease. Or you can avoid the disease through better living. And there's always a balance of those two things. We're completely committed to the aging process, the aging-well process, aging at home, and the ability to provide services as close to the home as possible."

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MURRY MERCIER
CIO, ProMedica

Business challenges

- Implement a completely new ERP system to replace legacy systems and consolidate the common functional requirements of two merging companies
- Meet demand for a greater number of financial reports
- Consolidate inventory, item master, and vendor master data

Bringing together multiple lines of business

Merging these two large companies meant more than just blending different corporate cultures and expanding business models. From an IT perspective, it also meant ensuring that the organization's business systems could easily and safely share data, operate across processes, and roll-up the financial data of its now more than 1,000 business units and multiple lines of business. Further complicating matters was that both companies relied on legacy business systems that were approaching end-of-life.

"We were bringing two \$3.5 billion companies together," explained Mercier. "And they were both in similar conditions—for different reasons. But there was no migrating to what one company had versus another. Consolidating our systems with common functional requirements would require moving to a completely new ERP system. Running a \$7 billion business on the way to \$10 billion is completely different than what we were doing at half the size."

Relying on the cloud

Prior to the merger, both companies had independently determined that Infor solutions offered the best option to replace their respective legacy systems. According to Gary Mierzwiak, VP of Administrative Systems for ProMedica: “Infor’s solutions offered us flexibility of the configuration. It encompassed everything we needed from a financial reporting perspective to a financial-close perspective, as well as being able to monitor the close.”

ProMedica was only about six months away from going live with an on-premises implementation of Infor Global HR when the merger happened. HCR, however, had a different outlook on technology architecture than ProMedica; HCR had a “SaaS-first” philosophy and was operating with some cloud-based solutions and data as early as 2005. “We reversed a number of decisions from an architecture perspective to move the Global HR implementation to a SaaS-based model,” explained Mierzwiak. “We were able to slow that project down and integrate some key cloud-based business processes and functionality that would allow an easier integration of HCR ManorCare.”

“We’re quite capable of running our own data center,” said Mercier. “But as Infor already provides services to thousands of customers on a shared infrastructure, Infor is in a much better position to ensure the system runs optimally, as well as provide security and disaster recovery. For instance, if my data center goes down, I still have access to all of the other data centers that are out there. The idea that one hurricane is going to take out all of my systems, that just doesn’t exist. So, while Infor focuses on system maintenance and functionality to improve our business processes, as well as all of those other things that are more technically oriented from an architecture perspective, this frees us up to focus on what we’re good at—providing patient care.”

“ Infor monitors our environment 24/7, and makes sure the environment is tuned properly and that we’re running things efficiently. Infor has even reached out to me to explain how we could do things better. I can honestly say that Infor has been one of the best business partners I’ve dealt with over my 38 years in this field.”

GARY MIERZWIAK

VP of Administrative Systems, ProMedica

Business results

- Ensured the new ERP system enabled sharing of data, processes, and financial roll-ups of multiple business units and lines of business
- Significantly increased the number of financial reports for monthly distribution
- Reduced item master data from 60,000 items down to 13,000

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Overcoming complexity

Before the merger, HCR had just completed a software selection project to replace its aging financial system. HCR chose Infor CloudSuite Financials. This matched with the ProMedica decision to upgrade its Lawson Financials and Supply Chain to Infor Financials and Supply Chain. When the merger happened, the decision was made to implement and consolidate to Infor Financials and Supply Chain across the new enterprise, allowing the newly merged company to operate the system on a SaaS/multi-tenant architecture. When the implementation went live, it took ProMedica only one month to get back to schedule. And by the second month, the organization was once again meeting acceptable financial close dates. “You can’t discount the complexity of this go-live because of the variation across the business,” said Mercier. “We brought all the business units live in the same month.”

“We were able to bring together these two organizations and quickly produce a consolidated month-end process,” explained Mierzwiak. “We’re able to recreate over 2,000 financial reports on a monthly basis. We’ve been able to consolidate to a new chart of accounts, as well as a single inventory, item master, and vendor master. With Infor CloudSuite Healthcare, we were able to reduce our item master from 60,000 down to 13,000 items. That was a huge impact in maintenance across the board for our hospitals, and a huge cost savings for us.”

Keeping operations patient-centric

ProMedica’s operations and business—even from a technology perspective—are devoted to delivering quality patient care. “We have lots of cool toys and lots of really complicated technology, but we never do anything just because of that,” offered Mercier. “Those are all things that facilitate patient care. It all facilitates business results.”

Even with the infrastructure in place, ProMedica still has more work to do. “We’re only 40% to 50% there,” said Mercier. “I think that five years from now, we’re probably going to have the same conversation because we’ll keep moving the finish line. But for the next two to three years, we’re going to be focusing on significant improvements to our financial processing. And there are other areas of the organization that we haven’t touched yet. These areas all need assistance and Infor has tools that we can utilize there.”

“We’ve created tremendous amount of potential by what we just did,” continued Mercier. “And now we’ve got to mine that potential to help drive more electronic transactions. We have to get the reports where users can just bring up a financial dashboard every month and can see all the relevant financial expenses, drill downs, and so forth.”

Even amid all this present and planned digital transformation, the ProMedica Mission remains the focal point. “We never want to do anything that has a negative impact on patients,” said Mierzwiak. “It comes down to: What is the company’s priority? And that has always been the patients.”

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