

Gundersen Health System cures vendor payment pains with CommerceVantage™ AP Automation - Payment Hub

To provide the best possible care, Gundersen Health System heavily relies on its vendors for necessary supplies and equipment. That means thousands of payments, equaling hundreds of millions of dollars, need to be efficiently handled and processed through multiple payment methods to ensure a seamless experience for Gundersen, their patients, and their vendors.

Struggling to create efficiencies, Gundersen's existing bank facilitated some vendor card payments, but left ACH and check payments up to the health system - a time-consuming and manual process. Their card program provider had no vendor enrollment initiative, so it was difficult to establish and maintain vendor participation, and as a result, the underperforming program yielded minimal revenue share. "It was painful," says Cindi Aasen, AP Manager. Gundersen needed to not only maintain a successful program, but grow it with the help of a full-service partner.

So when Commerce Bank approached Gundersen with the CommerceVantage™ AP Automation - Payment Hub, an automated payment solution that processes multiple payment types from a single instruction file, maintains all vendor information, and facilitates payments, Gundersen was interested. The health system was attracted to the solution because vendor enrollment, support, and education are 100% handled by Commerce Bank employees, relieving its staff of those responsibilities. Plus, the opportunity to earn monthly revenue share - generated from their card spend - was another big advantage.

"We expected customer service. The good surprise is that the customer service is very timely and great! Another great surprise is the number of vendors Commerce was able to put on the card program. We never projected the program to be as successful as it is. It has been a true partnership."

— Cindi Aasen, AP Manager



Customer

Gundersen Health System

Location

La Crosse, Wisconsin

Employees

6,000

About Gundersen:

Gundersen Health System is an award-winning group of healthcare facilities. As a respected leader in the industry, Gundersen operates four hospitals and dozens of health clinics, centers, and assisted-living homes throughout Wisconsin, Iowa, and Minnesota.

Product

CommerceVantage AP Automation
- Payment Hub

The Outcome

Gundersen's favorite benefits of their Payment Hub solution include:

- Easy implementation – Gundersen's first live transaction in only 8 weeks
- Commerce's enrollment team handles 100% of vendor enrollment
- Vendor payments through four possible payment types
- Less check runs creates substantial savings
- Monthly revenue share adds to bottom line
- Timely customer service from in-house teams

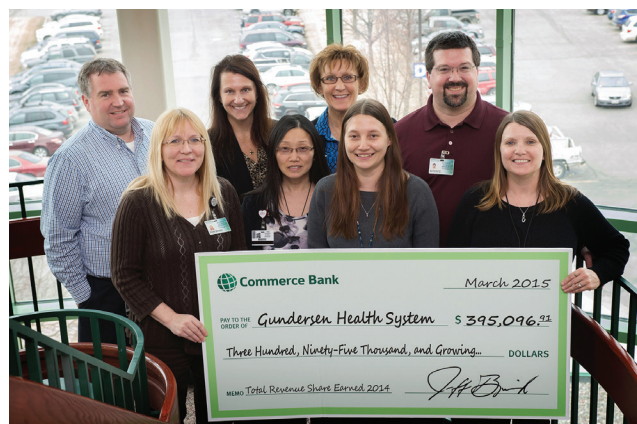
At program inception, in March 2014, the teams established specific automation goals which were surpassed by year-end. In the first 9 months, Gundersen paid over 40,000 invoices and earned \$321,500 in revenue share with the AP Automation - Payment Hub. By 12 months, Gundersen executed 16,000 payments toward more than 60,000 invoices through the program, resulting in over \$395,000 in revenue share. Those funds help offset expenses to meet organizational cost-reduction goals. Aasen says the program also created over \$50,000 in cost savings from eliminating the printing, mailing, postage, and clearing fees of more than 8,400 checks – about 700 checks per month.

To maximize program participation, the health system utilizes card, ACH, and check capabilities within the Payment Hub. During enrollment, vendors are given choices in their method of payment - making them more willing to opt in - while Gundersen retains full payment automation no matter what payment type they choose. Commerce Bank's dedicated team of full-service vendor enrollers was a key feature that helped the program exceed Gundersen's expectations.

“The Commerce team handles vetting all vendors and works to determine the most suitable payment means for the vendor. Having payment options to offer vendors made a huge difference,” said Aasen.

In addition, Commerce Bank's continuing high-touch service model is paired with every program, and is facilitated by teams of Commerce Bank employees that are based in the U.S. “We have worked with many great people at Commerce, from our initial meeting with the sales team, to the implementation and enrollment teams, to our current account management team. They listen and provide wonderful, timely customer service,” says Aasen.

Aasen recommends the CommerceVantage AP Automation program to other companies, especially those facing pains and hesitations. “Commerce Bank is a true partner and works with clients to make their programs successful. They listen and provide excellent customer service well beyond implementation.”



Gundersen's AP Team celebrates one year with Commerce Bank.

For more information on how Commerce Bank's accounts payable solution can pay you as you pay others, contact your Commerce Bank Sales Representative or call 1.800.892.7104.



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