



Industry: Healthcare

Geographies: U.S.

Company Overview:

- # of Locations 150+
- # of Employees 2,000+
- ERP: Great Plains

Solutions

- Coupa Procure
- Supplier Risk and Management
- Coupa InvoiceSmash

Results

- 70% of addressable spend under management
- 50% of invoices electronic
- 50% invoices are PO backed

Axia Case Study: Scaling Accounts Payable Efficiencies with Coupa

For Axia Women's Health, sustained growth combined with a paper-based invoice process posed a problem: after-the-fact spend management that made it virtually impossible to manage accounts payable processes at scale. Here's a look at how Coupa helped Axia reduce paper invoices and increase electronic invoicing to streamline Accounts Payable (AP) and improve cash flow.

Shifting the paradigm

Axia is revolutionizing women's health. With a focus on what matters to women — from comprehensive prenatal care to gynecology, fertility, and breast health — Axia is committed to creating care paradigms that are more personal, more connected, and more advanced. And with more than 400 providers across 150 women's health centers, Axia is the nation's largest, privately integrated women's healthcare company.

The challenge: Reducing manual processes and paper-based invoices

The company has quickly grown. Starting in New Jersey and SE Pennsylvania region it has since expanded into Indiana, Ohio, and Kentucky — proof of the need for the connected, committed care Axia provides, it also highlighted an operational hurdle to smart growth: inefficient and delayed paper-based invoice processing.



As noted by Ryan Mulcrone, Director of Strategic Sourcing at Axia Women's Health, "We were a large, paper-based organization. Invoices were going everywhere, with some coming into the main office, and many going to one of the 150 individual offices, where it was routed for additional approval. The manual process Accounts Payable had in place was based on someone physically signing an invoice, scanning a copy, and sending it to accounts payable."


As a result, spend approval occurred after the fact — if purchases weren't approved or other, more cost-effective options were available, it was already too late since the initial spend had already occurred. This not only negatively impacted spend visibility but, according to Mulcrone, "lent itself to a lot of late fees for Axia." Coupa offered a way for Mulcrone and Axia to reduce manual processes and improve working capital management by moving spending approval where it belongs: up front.



The solution: Better visibility and timely invoice processing with Coupa

Mulcrone notes that "With Coupa, our AP team knows spend is approved prior to purchase and at the right level." Even more, with improved visibility, individual care centers have insight into spending without having to wait when requesting reports and invoice payment status from Finance.

The move towards greater visibility included significant change for staff. "We were going from no process to a new system and new process. Many of our staff had never used a purchase order (PO). Coupa simplified the process of training people and getting them up to speed." With Coupa, Axia can now drill down into purchasing data by care center, region, or company. It's also now possible to access per-supplier data across multiple items in order to compare pricing to better manage working capital and overall spend.



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— Ryan Mulcrone, Director of Strategic Sourcing

The results: Improved PO-backed e-invoicing and supplier adoption

Axia has now moved its entire invoicing process to Coupa. “We’ve processed at least 50,000 invoices through the system,” says Mulcrone, “and more than 50% are now backed by a PO.” The organization is aiming for 85% PO-backed purchases and has plans to publish center-by-center purchasing data to help individual care operations improve their overall AP process.

Mulcrone also points to the benefits of Coupa in sourcing and distributing COVID-19 PPE. “At the beginning of the pandemic, we could only find and buy PPE in bulk,” he says. “We had a supply partner who adopted and embraced the Coupa Supplier Portal when we launched Coupa. They created a catalog and acted as a third-party warehouse, allowing us to ship COVID PPE directly to them and then have Axia-owned PPE redistributed to all care centers, which meant significantly less disruption.”

Strategic procurement and sourcing: an untapped value source for many companies

In December 2019, Mulcrone went on what he describes as a “road show,” visiting with office managers across the Axia ecosystem to show them what Coupa was capable of and how it could positively impact their processes. Armed with a high-level guide and a functioning test environment, he gave leaders and managers the chance to see what Coupa could do firsthand, then went live with six pilot sites and opened up the test environment to everybody. Just in time too, as four months later everyone would be sent to work from home as COVID spiked in the region.

Mulcrone also highlights the potential benefits of Coupa business spend management for driving value for procurement “Procurement and sourcing is a field that isn’t always viewed as integral, but it can do more than push purchaser orders,” he says. “It’s an untapped value source for many companies and can help directly impact the bottom line.”