



## Starpoint Health Consolidates Financials For Fifteen Installations

### Overview

**Country or Region:** United States  
**Industry:** Healthcare and Healthcare Insurance

### Customer Profile

Starpoint Health, Inc. owns and operates outpatient surgical centers in three locations in Southern California.

### Business Situation

Starpoint Health was operating more than 15 separate QuickBooks installations. These solutions were not integrated and failed to provide comprehensive, inter-company visibility for management.

### Solution

Microsoft® Business Solutions–Great Plains® was chosen as the software solution for Starpoint Health. They added Integration Manager, Advanced Inter-company Transactions by MC2, and FRx® software.

### Benefits

- Consolidated financials
- Integration of data
- Improved reporting
- Improved profitability

"Profits for the company have increased by ten percent annually as a result of implementing Microsoft Business Solutions."

*Eric Friedlander, CEO, Starpoint Health*

Operating in three locations in Southern California, Starpoint Health (formerly Ambulatory Surgical Centers) needed a solution to integrate 15 separate QuickBooks installations and to provide a complete and accurate view of their companies to the management team. Microsoft Business Solutions–Great Plains has helped Starpoint Health consolidate their financials from five locations. Starpoint Health's internal IT staff added an interface that helps schedule, verify insurance, and scan referral notes, prescriptions, X-rays or other electronic images. In short, they have turned their patient charts into electronic files. With consolidated statements, real-time reporting, and seamless integration of data, the management team has gained valuable strategic insights for identifying profitable areas of the company and sustaining a high rate of growth, even in a less than favorable economy.

## Situation

Headquartered in Irvine, California, Starpoint Health, Inc. is a high growth health care business operating in three sites in Southern California with 55 employees.

The company is comprised of outpatient surgical centers, a medical management company, and a specialized medical equipment business. The Starpoint Health outpatient surgery group specializes in orthopedic, pain management, and podiatric procedures. The company has recently added an equipment rental operation called Shockwave Systems. This part of the company is experiencing exceptional growth.

In 2001, Starpoint Health was operating more than 15 separate QuickBooks installations. These installations were not integrated and lacked the comprehensive inter-company visibility that company executives needed.

Eric D. Friedlander, the CEO, had just instituted sweeping changes to the organization, including a vast restructuring of the operation. He had closed unprofitable divisions and consolidated others.

At the same time these changes were occurring, decisions were made to switch from cash to accrual accounting and to move the accounting function in-house. Previously, the company had used an outside accounting firm.

The search for a more adequate accounting and reporting system was the

next logical step towards strengthening the company's infrastructure.

Friedlander brought in consultant Marie O'Brien to help select a system to meet the company's needs. O'Brien researched a number of solutions and found few that could handle the company's sophisticated reporting needs while facilitating ease of entry across multiple sets of books.

## Solution

The company selected Microsoft® Business Solutions—Great Plains, the only mid-market solution with enough functionality to meet the needs of the Starpoint Health. Microsoft reselling partner, Tensoft, Inc., recommended including Integration Manager, Advanced Inter-company Transactions by MC2, and FRx® for a complete solution.

Tensoft worked with Starpoint Health to create a structure to create a structured, yet flexible, implementation plan. At the same time, Dayle Burton, CIO, drove the effort to build a data warehouse designed to interface with the Microsoft Great Plains® software solution and provide customized functionality for the company's medical and surgical practices. Once the QuickBooks files were converted to the new solution, the benefits quickly became obvious.

Using Integration Manager, weekly imports were set up to download data from Starpoint Health's third party medical billing and collections processing company. The tight integration of sales and accounts receivable data sets Starpoint Health apart from most companies in their industry. Most others typically make monthly adjustment entries based on figures

"Everyone said the implementation was going to be difficult; but with Tensoft's help, it was very manageable. It didn't disrupt operations and we were able to achieve what we wanted."

Eric D. Friedlander, CEO, Starpoint Health

provided by their outsourced billing provider.

"Microsoft Business Solutions is exceeding my expectations," says Friedlander. "Everyone said the implementation was going to be difficult; but with Tensoft's help, it was very manageable. It didn't disrupt operations and we were able to achieve what we wanted."

### Benefits

#### Consolidated Financials

The ability to consolidate financials for the company saves Somesh Roy, CFO at Starpoint Health, five to eight business days per month or about 25 percent of his time. This provides for a faster turnaround of month closing. Including both salary and benefits, this saves the company in excess of \$50,000 annually and allows Roy time to improve management of the company.

#### Seamless Data Integration

Utilizing Microsoft SQL Server™ to develop direct integrations with their third party biller's database has provided significant savings of time and money for Starpoint Health. Previously an Accounts Receivable (AR) clerk would be hired each month to do what is now done with the "Billings and Collections" data through Microsoft Business Solutions.

#### Fewer Staff Needed

The consolidation of Accounts Payable (AP) and the ability to enter intra-company transactions allows Starpoint Health to operate with only one AP person. Without

the integration provided by Microsoft Business Solutions, Starpoint Health would be required to have an estimated three additional people on staff (AP clerk, AR clerk, and finance officer). Friedlander estimates this integration is saving the company \$180,000 annually.

#### Improved Profitability

Implementation of Microsoft Business Solutions has provided Starpoint Health with real-time, improved management information. Previously, the company had little knowledge of the profitability of one line of business over the other. Forecasting future cash flows and understanding key expense areas was impossible.

Now, seamless data integration and consolidated statements for all of its companies provides management with highly visible, real-time information. The company has improved their profits by focusing on high growth, profitable areas. Unprofitable areas have been identified and closed. Friedlander estimates that profits for the company have increased by ten percent.

## For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: [www.microsoft.com](http://www.microsoft.com)

For more information about Tensoft, Inc. products and services, call (888) 450-4030 or visit the Web site at: [www.tensoft.com](http://www.tensoft.com)

For more information about Starpoint Health products and services, call (949) 705-5100 or visit the Web site at: [www.starpointhealth.com](http://www.starpointhealth.com)

## Microsoft Business Solutions

Microsoft Business Solutions offer integrated business applications and services that allow small and midsize organizations and divisions of large enterprises to connect employees, customers, and suppliers for improved efficiency. The financial management, customer relationship management, supply chain management, and analytics applications work with other Microsoft software, including the Microsoft Office System and the Windows operating system, to streamline processes across an entire organization. This gives businesses insight to respond rapidly, plan strategically, and execute quickly. Microsoft Business Solutions are delivered through a worldwide network of channel partners that provide specialized services and local support tailored to a company's needs.

For more information about Microsoft Business Solutions, go to: [www.microsoft.com/businesssolutions](http://www.microsoft.com/businesssolutions)

### Software and Services

- Products
  - Microsoft SQL Server 2000
- Solutions
  - Microsoft Business Solutions Financial Management

- Microsoft Business Solutions Supply Chain Management
- Microsoft Business Solutions—Great Plains

### Partners

- Tensoft, Inc.

© 2005 Microsoft Corporation. All rights reserved. This case study is for informational purposes only. MICROSOFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS SUMMARY. Microsoft, Great Plains, Windows, Windows Server, and Windows Server System are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries. The names of actual companies and products mentioned herein may be the trademarks of their respective owners.