

GE Commercial Finance  
Healthcare Financial Services

*At The Customer, For The Customer*  
Case Study

“The GE process was so easy to implement. GE is there with you every step of the way.”

Mark Hale  
Chief Financial Officer  
Wexford Health Sources Inc.



## GE helps financing client Wexford Health improve purchasing process and costs

Wexford Health Sources Inc.'s inventory and ordering process had grown unwieldy when it turned to GE Healthcare Financial Services for help. Wexford, which provides healthcare services to inmates at jails and prisons across the country, had adopted a decentralized approach to purchasing because of the different needs of each facility. But after expanding its services to 73 facilities, the company's purchasing process became cumbersome, slow and ad hoc.



### Provider Profile

Wexford Health Source Inc.  
Pittsburgh, PA

Wexford provides comprehensive medical services to inmates in prisons and jails under fixed-fee contract agreements. Its services include clinical care, management, staffing, contract services, mental health services and substance abuse services. The fast-growing company now operates at 73 facilities across the United States.

### Lender Summary

GE Healthcare Financial Services:

- First arranged a \$4 million credit facility in 1996
- Currently provides \$35 million revolving credit facility

*"The At The Customer, For The Customer program is a clear advantage of doing business with GE Healthcare Financial Services."*

The arrival of a new senior management team prompted Wexford to begin reexamining its business practices. Shortly after joining Wexford as chief financial officer, Mark Hale worked with GE to expand the company's revolving credit line from \$25 million to \$35 million. At GE's invitation, Hale also attended a seminar which introduced him to the *At The Customer, For The Customer* program. After conferring further with GE's senior management, Wexford decided to team with GE Healthcare Financial Services to improve Wexford's purchasing process.

### Ensuring employee buy-in

To kick off the project, Wexford pulled together a core team that included purchasing, finance, nursing and administrative managers from a number of its facilities as well as corporate purchasing staff. The team held a series of conference calls during which GE led the group through a number of steps, including identifying what information – such as types, amounts and frequency of purchases – it would need to move forward.

"This process ensured that the facility employees felt they were part of the process," notes Hale. "They were part of the solution, not simply told what to do."

Wexford and GE then brought the team together for a one-day meeting that culminated in a revamped purchasing process. To leverage its buying power and consolidate suppliers, Wexford centralized purchasing at the corporate level. It created buying criteria and an approved vendors list and standardized the ordering process. Wexford also established a streamlined approval process for each specific facility. The approval process included inventory par levels for each site, allowing the facility to purchase some supplies in small quantities without obtaining a corporate OK.

### Savings flowing to the bottom line

As a result of the changes, the company has cut 15 percent from its annual purchasing costs. Beyond these measurable savings, Hale points to additional savings from reducing the time and costs associated with ordering, seeking approval and otherwise running the gauntlet of the old process. "The GE process was so easy to implement. It lasted just six weeks from start to finish," says Hale. "And GE is there with you every step of the way."

Wexford has been so pleased with the first project, it is making plans to tackle another project with GE focused on its payroll processes. Says Hale, "The *At The Customer, For The Customer* program is a clear advantage of doing business with GE Healthcare Financial Services."

For more information on how we can help you successfully meet your business objectives, contact us at 1-800-598-6201 or visit us at [www.gehealthcarefinance.com](http://www.gehealthcarefinance.com).



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