



CUSTOMER STORY

Health System Unlocks New Revenue with AP Payment Rebates

Embeds Rebate-Generating Virtual Card and ACH Payments Directly into Existing AP Workflows





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This multi-hospital health system delivers academic medical care and outpatient services across the Mid-Atlantic region of the United States. As a long-time customer of MHC for more than a decade, the organization has modernized their accounts payable process, transitioned their operations to the cloud, and taken steps to continually improve efficiency and financial performance along the way.

The Challenge:

Unlocking More Value from Existing Payment Programs

Building on those efforts, the organization implemented several electronic payment and card initiatives to capture rebates and reduce manual processing. But leadership knew additional value remained untapped.

Expanding those programs proved difficult. Many required manual, supplier-by-supplier enrollment, slowing adoption and limiting scale. As a result, rebate growth began to level off, and AP teams were managing multiple payment channels without a unified approach.

The organization needed a way to increase rebate revenue, activate more eligible suppliers, and streamline execution—without disrupting current programs or adding the burden of new enrollment campaigns.

The Solution:

MHC NorthStar Payments Plus with Paymode® Embedded

The organization selected **MHC NorthStar Payments Plus**, which embeds Paymode® directly into the MHC NorthStar ecosystem, enabling premium ACH and virtual card payments to be executed seamlessly within existing AP workflows.

With access to the Paymode network of more than 600,000 suppliers, the organization discovered many of their suppliers were already



Industry:
Healthcare



Size:
15K+ employees
across a multi-site
care network



Location:
Mid-Atlantic United
States



Solution:
MHC NorthStar
Payments Plus
with Paymode®
embedded



Use Case:
AP payment
optimization for
virtual card and
premium ACH with
rebate generation



Scale:
245,000 invoices
annually; 50%
of staff access
W-2s and 1095s
electronically

enabled to accept these payment types. Through this “open acceptor” model, eligible suppliers could be activated immediately—monetizing spend from day one without lengthy enrollment or onboarding. The shift also created an opportunity to move check-based vendors to digital payments, reducing print and processing costs.

Why They Chose MHC

While the organization evaluated multiple rebate and payment optimization offerings, several factors made MHC’s approach more compelling:

- ➔ **Strong Financial Case Backed by Spend Analysis**
A detailed spend analysis identified significant potential rebate generation, validating the opportunity (see table on page 4).
- ➔ **Immediate Opportunity Through Paymode Network**
Paymode’s pre-enabled supplier network allowed rebate-eligible payments to begin immediately, and unlocked suppliers not yet activated through the organization’s other rebate programs.
- ➔ **Embedded Experience Inside NorthStar**
Because Payments Plus operates directly within the NorthStar platform, AP teams could manage payments in one place without adding new systems.
- ➔ **Trusted Relationship and Platform Alignment**
As a long-time MHC customer already advancing its AP cloud strategy, the organization valued working with a trusted partner familiar with its environment and modernization roadmap.

Key Benefits and Results

Building on their existing rebate programs, MHC NorthStar Payments Plus gave the organization instant access to untapped suppliers—delivering measurable financial and operational results.

“The network model changed the game for us. Many of our suppliers were already enabled, which meant we could begin capturing rebate value immediately—without running another enrollment campaign. It also gave us a path to move check vendors to digital payments and reduce processing costs.”

[Accounts Payable Director, Integrated Health System]



Area	Result
Rebate Generation	Identified ~\$800K in projected annual rebates through expanded payment optimization.
Spend Activation	Enabled ~\$110M in supplier spend to transition to rebate-eligible virtual card and premium ACH payments.
Check Reduction	Expected to save ~\$50K annually by converting check vendors to digital payments that can also be monetized.
Accelerated Supplier Activation	Leveraged an established payment network to activate suppliers without one-by-one onboarding.
Time to Value	Embedded optimized payments directly into MHC NorthStar, simplifying payment workflows and enabling rollout in roughly 2½ months.

Financial Impact of Payment Optimization Table

Together, these benefits and results turned the accounts payable function from a cost center into a revenue driver—contributing measurable financial value while supporting broader modernization goals.

Conclusion: Expanding the Value of AP Modernization

By implementing MHC NorthStar Payments Plus alongside its transition to the NorthStar cloud, the organization extended its modernization strategy to include payment optimization and rebate generation.

The solution unlocked additional value from supplier spend while simplifying execution within a familiar workflow—allowing the health system to scale electronic payments, reduce complexity, and strengthen the financial impact of accounts payable.

Take the Next Step Toward Smarter AP Payment Optimization

Ready to transform your accounts payable function into a revenue-generating strategic asset?

Learn how **MHC NorthStar Payments Plus** can help you expand rebate opportunities, streamline electronic payments, and modernize your AP operations. **Contact us today.**