



## athenahealth

### SugarCRM™ Delivers Platform for Vital Business Systems

#### Company Profile

##### Founded

1997

##### # of Customers

450

##### Company Fact

Manages over \$1B in physician revenues

##### Previous CRM Solution

salesforce.com

##### Key CRM Requirement

Needed customizable and flexible CRM

##### CRM Implementation Time

2 months

##### ROI

9 months

athenahealth is a leading provider of physician revenue cycle management services that integrate workflow, billing and collections into a single service on a single Web-based technology platform. Founded in 1997, the company has more than 450 customers with over \$1B in physician revenues under management.

athenahealth used salesforce.com for four years, managing sales and support activities. While its annual revenue grew from \$2 million to \$38 million during that time, athenahealth hit a wall and needed a more flexible CRM system for future growth. As a result, athenahealth recently replaced two hundred salesforce.com licenses with Sugar Professional. A key factor in their decision to move away from salesforce.com and onto Sugar Professional was an urgent need for advanced system integration and control of the CRM data and application.

“We’ve gotten to a size where we need more control and tighter integration with our internal systems,” athenahealth’s CTO, Bob Gatewood said. “We love open source, and we have a sizable development team already. This was really about getting the code.”

Gatewood’s group extensively modified Sugar Professional to suit its needs and has gone live with its deployment in May 2005. athenahealth has since rolled out

Sugar Professional to 200 employees, and so far has reduced the organization’s salesforce.com licenses from 300 to 100.

The move reduces athenahealth’s software licensing costs while providing a more flexible system that fits into their current processes. As the health care business is subject to regulatory pressures it was important for athenahealth to have a system that continues to meet their needs.

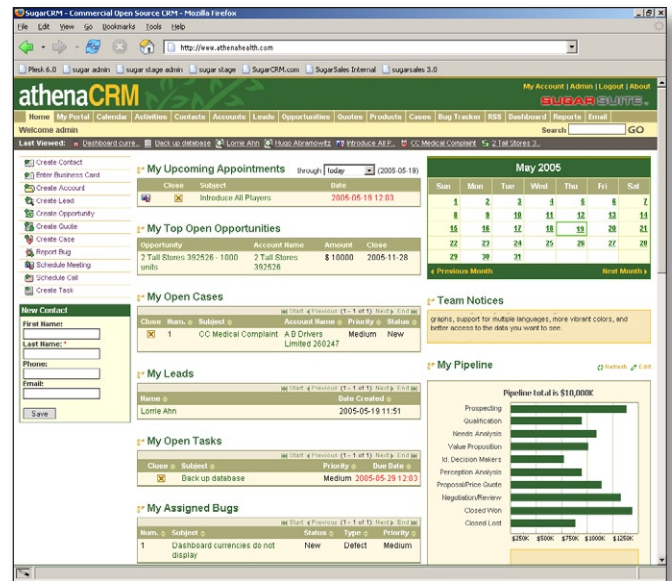
The return on investment (ROI) for 200 Sugar Professional annual licenses and implementation costs was achieved within nine months based on their previous salesforce.com expense. “Even with extensive modifications, we will break even in three months and meet our ROI goal in nine months. After that, savings continue to accrue indefinitely,” says Gatewood. The cost to complete the basic Sugar Professional customization and integration work cost the same as three months of their previous salesforce.com expense.

*“...we will break even in three months and meet our ROI goal in nine months. After that, savings continue to accrue indefinitely.”*

Bob Gatewood  
Chief Technology Officer  
athenahealth

From an implementation cost perspective, athenahealth's Sugar Professional license was a fraction of the cost of their salesforce.com fees. According to Gatewood, "athenahealth concluded that the salesforce.com license costs were out of line with the value the company was realizing, based on how we were using the system. Given that we completed the basic Sugar customizations in less than two months, we are able to use the savings in salesforce.com license expenses to fund further customizations in Sugar Professional."

A key element of their Sugar Professional implementation was the ability to seamlessly integrate Sugar Professional with their revenue-cycle management system, athenaNet, in order to provide exception-based routing of inquiries to subject matter experts. This portal is a competitive advantage for athenahealth, allowing the company to manage more cases and tasks daily with no increase in staffing and with shorter turnaround times. This type of tight integration was not possible with salesforce.com. "salesforce.com's data structure didn't make it easy for us to track case routing issues. In order to get the information we needed, we had to download salesforce.com data into a local reporting database several times per day. We made extensive modifications to our salesforce.com implementation, but in some important areas we felt limited." Gatewood said.



The cost to complete the basic Sugar Professional customization and integration work was paid with 3 months of their previous salesforce.com expense.

Gatewood has more ideas of where his Sugar Professional implementation can take athenahealth. "Sugar Professional has become the platform for our vital business systems, which encompass finance, sales, marketing, and support," he says. "With Sugar Professional, the installation and customization is managed like a software development project, and the software is a function of our process now, not vice versa."

### About SugarCRM

SugarCRM is the premier commercial open source customer relationship management application provider, breaking the rules set by conventional CRM solutions. The limitations of traditional CRM software can be summarized by the lack of flexibility, high costs, and closed-source structure which is embedded into the traditional product offerings. This has led to a failure rate of over 70% with traditional CRM implementations.

The 3 founders who started SugarCRM created a new kind of software company that smashes the CRM industry's antiquated methodologies—using distributed, open source product development. By leveraging the combined intelligence of CRM developers across the globe, SugarCRM has built a more revolutionary CRM application than what is offered by most proprietary software or hosting companies' today.