CHS Community Health Systems

Community Health Systems supports the patient journey while saving millions with ServiceNow

95%
Automation of software tracking

40%
Savings in license true-up costs

Greater understanding of software contracts and licensing

Industry: Healthcare
Location: Franklin, Tennessee
Size: 120,000 employees

Community Health Systems is dedicated to delivering quality healthcare across the nation

Community Health Systems (CHS) is one of America's leading operators of general acute care hospitals. Through affiliates, CHS owns, operates, or leases 127 hospitals in 20 states, offering a wide range of diagnostic, medical, and surgical services for both inpatients and outpatients.

CHS is dedicated to providing quality local healthcare and fostering economic development in the communities it serves.

With ServiceNow, CHS gains visibility to accurately track and manage software assets among hospitals

CHS had already replaced its legacy IT service desk tools with ServiceNow IT Service Management, and turned to ServiceNow IT Asset Management to help manage its software assets. According to Briana Alexander, Vice President of Process and Performance Excellence at CHS, "Just planning an upgrade of our existing tools took two years, and it would have taken us another 18 months to get there. And we didn't have a collaborative relationship with our existing vendor. With ServiceNow, we had a far better starting point—more control over our platform, and a much stronger partnership."

At the time, each hospital tracked its software assets manually using spreadsheets. As a result, CHS's software inventory was incomplete, inaccurate, and out of date. This made it incredibly hard to challenge vendor audits, exposing CHS to compliance risk and significant fines.

Briana says, "Each hospital ordered its own software, and we had multiple contracts with each vendor. So, when an audit came along, it took five to 10 people several months to pull together a company-wide view. That's easily
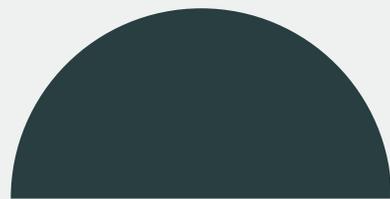
Challenge
Upgrade manual software asset management system to improve accuracy, simplify the audit process, and reduce costs

Products
- ServiceNow® IT Service Management
- ServiceNow® IT Asset Management

Solution
Software Asset Management connects the enterprise with a single platform to automate the IT lifecycle with workflow

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more than $100,000 of effort for each audit. And our argument was still weak because we didn't have up-to-date data. That was incredibly costly, both from a compliance and resource perspective."

Joshua Willoughby, Senior Manager of IT Service Management at CHS, agrees. "We would get best-guess license information from each hospital. In one vendor audit, it took our corporate team 10 months to collect, correlate, and validate the data. We needed to automate the process, bringing all our license information to a single pane of glass. That's why we chose ServiceNow® Software Asset Management."

ServiceNow empowers CHS to put patients and policies first

Now, ServiceNow automatically discovers and tracks 95% of CHS's software assets. Briana says, "Before, we didn't have the information we needed to take control. For example, we didn't understand all our software purchasing paths, and we couldn't relate these back to our deployed licenses. With ServiceNow, we have the visibility we need to put policies and processes in place."

CHS saves 40%, totaling millions of dollars, on license true-up costs

This visibility and control adds up to major financial benefits. Joshua says, "We are seeing millions in hard-dollar savings. For example, we can see when we're double counting licenses because we have a suite and a different version of one of its components installed on the same machine. So far, we've found 19,000 machines with this type of license overlap. And, as a major hospital system, we regularly make acquisitions and divestitures. Now, we can see the impact of our divestitures and optimize license usage across our hospitals. By consolidating our software asset information, we can have better conversations with our vendors—whether that's pushing back on audits or negotiating volume pricing. Overall, the potential savings are 40% of our license true-up costs."

Briana adds, "Before, gathering data for a single vendor audit cost us more than $100,000. With ServiceNow Software Asset Management, we can save millions on compliance fines and resource costs."

Building success through its partnership with ServiceNow lays the groundwork for future growth at CHS

Relationships were another key reason why CHS succeeded. Briana credits careful planning and close cooperation throughout the project. She says, "We work hand in hand with ServiceNow and its partner, KPMG. It isn't just about deploying software—it's about transforming the way we manage our software asset portfolio. For instance, KPMG helped us inventory and understand thousands of existing software contracts, which is critical. ServiceNow is helping us to optimize our license reclamation strategies based on the asset data we've seen. And our CHS team has dramatically grown its software licensing knowledge. We're really proud of that."

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Briana Alexander, Vice President of Process and Performance Excellence, Community Health Systems

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