

## WHY MEDSTAR HEALTH CHOSE A FASB 842 COMPLIANT SOLUTION WITH LEASE ADMINISTRATION BENEFITS

“Storing our leases in AMTdirect will help us manage critical dates going forward. The software is intuitive, easy to manage, and will save us money and time in the long run.”

**Katie Perry, Director of Financial Services**



MedStar Health

|               |                           |
|---------------|---------------------------|
| <b>2</b>      | states                    |
| <b>10</b>     | hospitals                 |
| <b>6,000</b>  | physician practices       |
| <b>31,000</b> | employees                 |
| <b>\$5.5</b>  | billion in annual revenue |

## THE FASB 842 DILEMMA

MedStar Health is a nonprofit, community-based health system with hospital locations, ambulatory care and urgent care centers, and the MedStar Health Research Institute. **In 2019, it faced a challenge along with many other private companies: compliance with the new accounting rule passed down by the Financial Accounting Standards Board (FASB) called ASC 842.**

The MedStar Health team had an added dilemma. They were outsourcing all their real estate services to a 3rd party and it wasn't meeting data quality standards.

Whether this was due to inaccurate data gathering processes or miscommunication, MedStar Health was sure of one thing: It wasn't on par to meet FASB 842 requirements.

They needed a new solution.



**\$23,000**

**APX. DOLLARS SAVED PER YEAR**

**900**

**APX. HOURS SAVED PER YEAR**

## WHY AMTDIRECT?

Cost was a significant factor in choosing AMTdirect. But so was the fact that **the software was already compliant with FASB 842**. AMTdirect also consolidated equipment leases into a repository. This increased efficiency and accuracy of reporting. It also **hugely improved** review and approval processes.

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