Community behavioral health center reduces TCO by 40% with Sage Intacct

Health Solutions

"The creativity we can build into our reporting with Sage Intacct has been incredible. And since we've automated AP and allocations, and shortened the overall time to close the books, our staff have time to up their game in other areas—even as the company grows exponentially."

Paige Oldham
CFO, Health Solutions

Company overview

Health Solutions is a comprehensive, nonprofit community medical and behavioral health treatment provider with centers in Colorado's Pueblo, Huerfano, and Las Animas counties. The organization is committed to offering expert care to support recovery and other healthcare goals for those in need.
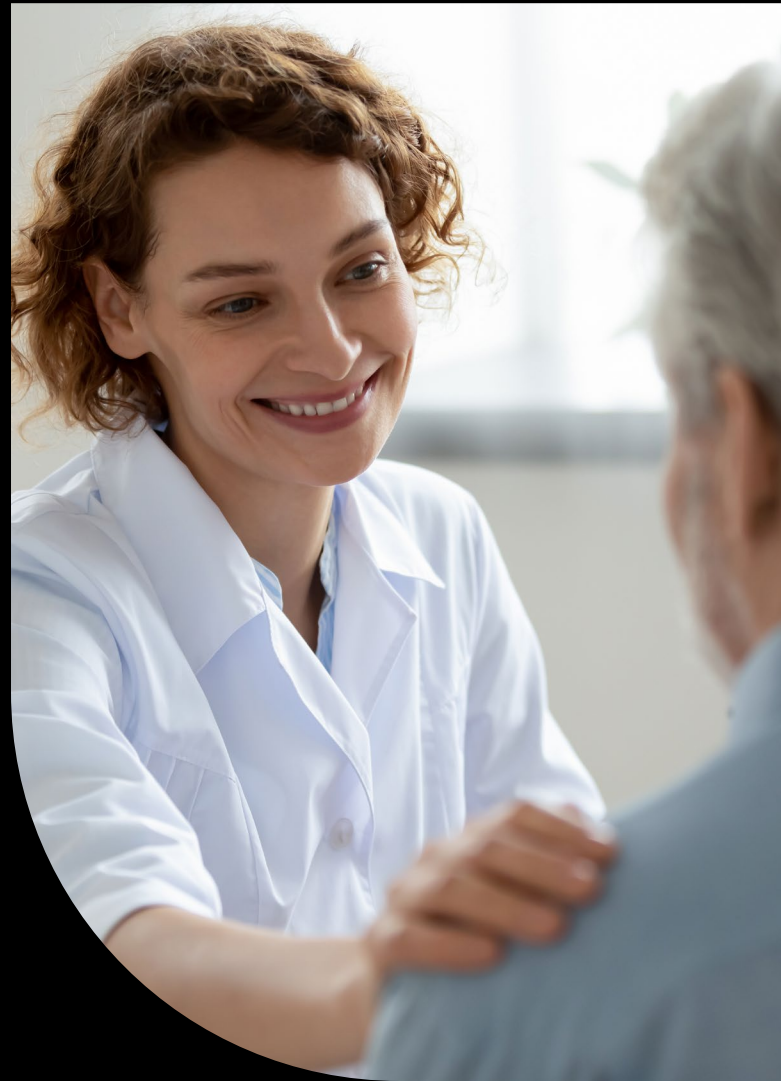
Executive summary

Previous software:
- Abila MIP

Results with Sage Intacct
- Scaled with over 5% growth, while reducing finance headcount by 25%
- Reduced TCO by 40% by consolidating financial stack
- Shortened monthly close cycle by 65%
- Delivered key metrics that helped expand funding from large donors

Company
Health Solutions

Location
Colorado, US

Industry
Nonprofit

Sage Products
Sage Intacct

Migrating to extensible cloud financial software

For over 50 years, Health Solutions has met the needs of underserved people in Colorado with severe and persistent mental health challenges. Funded primarily by Medicaid and state agencies, the nonprofit's safety net programs span residential and outpatient recovery services, acute treatment units, emergency crisis support, and even career programs. In recent years, the mental health center expanded to offer medical clinics for more integrated care, as well as highly sought-after programs such as medically assisted therapy for opioid addiction. Health Solutions now operates 15 locations with $45 million in annual revenue.

Previously, its finance team used a combination of Prophix for reporting and Abila MIP for accounting tasks, however, they struggled with connectivity issues, tedious consolidations, and getting a full view of performance. A few years ago, the organization turned to Sage Intacct for a better solution. "One of the big selling points for us was having the ability to import operational data and perform calculations along with our financial data," said Paige Oldham, CFO at Health Solutions. "As soon as I saw Sage Intacct, I knew it would make my life easier because of its flexible reporting, cool dashboards, and integration with any outside systems we might add," said Paige.

The healthcare provider replaced multiple financial applications with Sage Intacct, reducing total cost of ownership by 40%. By doing so, the team was able to scale effortlessly with the organization's 5% growth, shorten their monthly close cycle by 65%, and seamlessly blend key information from their finance, payroll, and electronic health (EHR) platforms for more holistic insight.

Sage

The finance team at Health Solutions appreciates the ease with which they can pull external data points into Sage Intacct.

Cutting the monthly close by 65% while scaling rapidly

Sage Intacct made a huge impact on Health Solutions' ability to scale with multiple entities and consistent growth. Intuitive workflows speed day-to-day processing for all account's payables and receivables, along with monthly allocations, multi-entity consolidations, prepaid amortization, and fixed assets. "By automating the entire intercompany process, Sage Intacct saves us at least two hours of journal entries. It also allowed us to consolidate our many bank accounts, minimizing all the related bank fees and administrative burdens," noted Paige. "And being able to complete expense prepaids and complex allocations with a few clicks dramatically cut down our monthly close," said Paige.

In fact, Health Solutions shortened its close from 20 to seven days, and Paige no longer needs to work weekends before board meetings. It now takes her just an hour to complete a final month-end review, and the built-in audit-trail has saved us 12% a year on our audit bill. The finance team also appreciates the ease with which they can pull external data points into Sage Intacct. For example, they regularly import bank transactions, Paylocity payroll information, and statistical details from their NetSmart EHR platform. They've also added the MineralTree app from the Sage Intacct marketplace for additional AP efficiencies.

Paige explained, "With Sage Intacct in place, I only need one core financial management and reporting solution, so our software costs are 40% lower. And because the system's automation just keeps getting better, it fully supports our needs as a $45 million organization. I know we'll have room to grow even if we expand to $100 million."

Painting a picture of success by blending data sources

Sage Intacct dimensions-based general ledger provides 360-degree visibility across the organization. With contextual tags added to each transaction, the team can combine or compare financials for Health Solutions' sixty active projects and contracts, specific program groupings or locations, or individual entities. For instance, they might slice and dice down income statements to a single clinician, the adult services department, one medical center, or all crisis programs across locations. And by bringing service unit data, such as patient encounters and employee hours into Sage Intacct, they can easily run calculations that add an important layer to their reports.

"On our old software, we couldn't even get a monthly balance sheet and it was such a headache to do allocations for our unit cost reporting that I only had the patience to do it once a year when the state required it," said Paige. "But now with Sage Intacct, we can combine different kinds of KPIs all in one report for a much clearer picture of what's going on with the business. I have my income statements, balance sheets, unit cost reports, headcount trends, and high-level forecasts all in one place and can drill-down as needed, which helps immensely," said Paige.

Health Solutions' CEO and head of clinical services check their personalized Sage Intacct dashboards frequently to monitor the margins for each program, in addition to graphs and summary financials for the board. Paige shared, "Donors and grantors are definitely impressed with how quickly we can give them both financial and operational metrics. At any time, we can run an income statement for a specific program and tell the story of what was done with the funding. The more we show them what we can do, the more growth we see from large donors."

Sage