

Healthcare Business Grows Profitability 30% with Sage Intacct

Accurate Neuromonitoring



Challenges

Company Slashes Outsourcing Costs 40% While Managing Growth

Accurate Neuromonitoring is a healthcare practice that provides live monitoring services during surgical procedures throughout 100 hospitals across 11 states. After operating for a decade as a small local provider, its partners decided to secure a private equity investment and grow the business through several acquisitions. In preparation, they transitioned from cash-based to accrual accounting and started consolidating financial statements across their multiple entities.

As part of getting Accurate Neuromonitoring to the next level of financial maturity, the partners also hired a CFO and controller. Tim Trexler, the company's controller, remembers some of the process challenges from that time, "When we were maintaining three separate entities in QuickBooks, consolidations were very painful. We had outsourcing help to support our month end close and reporting package for investors, but it quickly became apparent that we needed a more scalable financial management solution."

Sage Intacct partner RSM recommended and implemented the solution, and Accurate Neuromonitoring immediately benefited from Sage Intacct's multi-entity consolidations capabilities and integration with best-in-class applications like Bill.com. Since deploying the system 18 months ago, the company has boosted profitability 30 percent, improved efficiency 66 percent, and reduced outsourcing costs 40 percent.

Solutions

Streamlined Multi-Entity Financial Processes Improve Efficiency 66%

After working with RSM to design a new dimensions-based chart of accounts in Sage Intacct, integrate it with Bill.com for accounts payable (A/P), and add Tallie for expense automation, the company greatly streamlined its time-consuming monthly close and achieved several other benefits. Accurate Neuromonitoring went from needing the support of three outsourced accountants, to managing its own financials with a single in-house resource – increasing efficiency by 66 percent.

Trexler noted, "Now that we're able to better manage our cash position in Sage Intacct and schedule payments with Bill.com, we've improved cash flow. We're sitting on a lot more cash than we used to, which brings flexibility to the business, and I love that I no longer have to look at a



Company Overview

Accurate Neuromonitoring, LLC is a dedicated IONM practice that provides service to over 400 surgeons and 100 hospitals and ambulatory centers in eight states. The organization offers a level of excellence that exceeds the standards of the profession, built on years of clinical and operating room experience, monitoring many complex and high-risk procedures.

Executive Summary

Previous Software:

- Intuit QuickBooks

Results with Sage Intacct:

- Improved profitability 30% with better insight for informed decisions
- Increased efficiency by 66%
- Cut outsourcing costs 40%

cash forecasts all day.” His A/P workflows have gone from hours of data entry, approval routing, and check writing each week to just 15 minutes of oversight.

Today, the receptionist enters A/P invoices, employees route their own expense reports, all of the company's finance tools sync in real-time, and Sage Intacct creates inter-company journal entries automatically. All of this saves Tim around 20 hours each month that he now puts towards more strategic tasks like consolidations and board packets. Sage Intacct's flexible reporting capabilities eliminate another four hours that he used to spend preparing a 30-tab worksheet for board meetings. And Tim uses the system's entity groupings, dimensions, and statistical accounts to effortlessly produce detailed management reports and dashboards for specific locations and entities.

Results

Newfound Productivity and Visibility Increase EBITDA Margin Over 30%

As a result of these improved processes and better resource utilization, as well as the unprecedented transparency Sage Intacct provides into the company's performance, Accurate Neuromonitoring is increasing its EBITDA margin and overall profitability. “With Sage Intacct, any new entity we bring on can just fold right in as we continue to make acquisitions,” shared Trexler. “Even with our planned expansion over the next few years, finance headcount will not move because we can easily scale and still keep our G&A expense nearly constant.”

Early on, the organization's CFO, Michael Montemarano, identified new healthcare-specific KPIs he wanted to track in addition to the company's core financial statements. Thanks to Sage Intacct, he can analyze both financial and operational data at any level, whether in a consolidated fashion, or for a more granular review of KPIs by entity, state, business unit, facility, clinician, etc. Executives now monitor real-time metrics like revenue by payer, reimbursement rate by facility, profitability by state or region, case volume by clinician, cost per case, and more. As a result, they have better visibility into things like what drives revenue fluctuations, which surgeons work the highest quality cases, and which new regions are likely to be most profitable – and can steer the business accordingly.

“Our CEO especially appreciates that his Sage Intacct dashboard and performance cards offer a quick snapshot of our net revenue for the month or year-to-date and net revenue per case, which is the number one driver of our business,” said Trexler. “In the past, he might have an idea of what was going on, but his analysis was hindered by our systems. With Sage Intacct, I can just drill down from the top level into specific details to quickly give him answers instead of building everything from the ground up each time we want to investigate a performance issue or trend.”

“Once we got Sage Intacct in place and everything was humming along, I could get more involved in supporting the business with forward-looking analysis. Now, I don't have to push back on requests because I'm busy doing the close. I can look at new opportunities and be more of an advisor versus being just the nuts and bolts guy manipulating the data.”

Tim Trexler, Controller,
Accurate Neuromonitoring