

E-BOOK

Healthcare Financial Dashboards and KPIs That Matter

*How to leverage real-time visibility and insights to
make more informed decisions*

Healthcare



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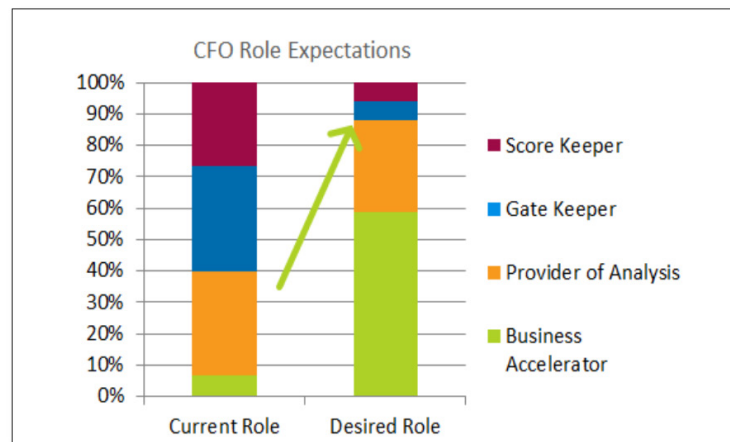
Introduction

The healthcare industry is undergoing exceptional change...

And that's without the added pressure of a global pandemic. While the world attempts to come to terms with a new normal, healthcare organisations are on the front lines of this crisis. And for an industry that has always been about helping others, maybe this information can provide you some help.

We've spoken to healthcare organisations about their approach to managing their financials during this unprecedented time. Their best advice? Focus on what you can control. You have a wealth of knowledge and data at your fingertips—you just need to figure out how to harness it so that you can make changes on the fly and stay nimble.

In good times and bad, healthcare CFOs and CEOs need better visibility into both financial and operational metrics to allow for more data-driven decisions. Research shows that healthcare CFOs would like to move away from being a financial "scorekeeper" and assume a more strategic partnership in organisational intelligence and planning.



Source: Armanino McKenna, The CFO Evolution. Benchmark Survey Results.

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Healthcare industry trends driving the need for more data

These five trends are changing the way healthcare organisations handle their financial information and monitor key performance indicators (KPIs):

1. **Moving to the cloud:** healthcare employees need access to data in real-time from any location.
2. **Growth through consolidation:** more healthcare practices are coming together to form larger entities. This consolidation has increased the need to understand and manage growth for long-term success.
3. **Cost-reduction initiatives:** as reimbursement rates continue to decline, healthcare organisations need a holistic view of their business in order to handle and analyse costs.
4. **Evolving regulatory requirements:** regulatory requirements are changing and evolving. Healthcare organisations need to stay on top of changing reporting requirements.
5. **Shift to consumer-driven healthcare:** consumers have access to unlimited information via the web—making them savvier customers.

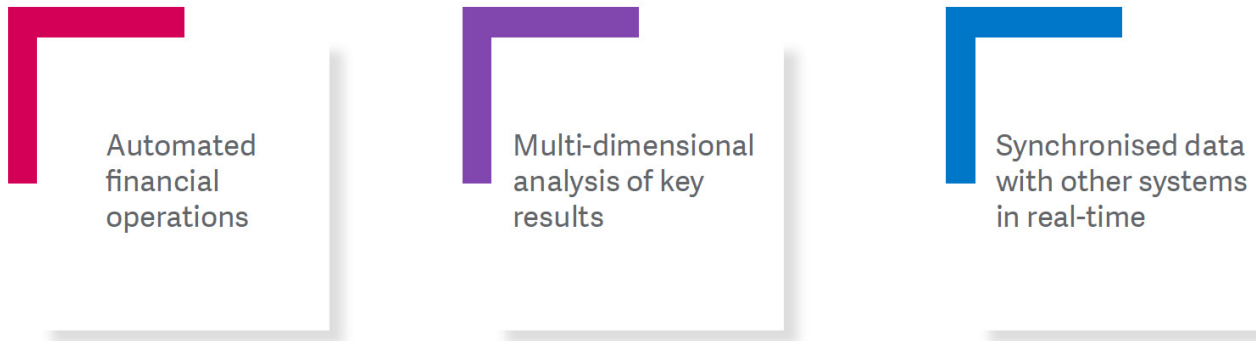


Healthcare organisations need more timely, insightful financial reporting

Market trends are calling for more interoperability of KPI monitoring strategies, but too often, healthcare CFOs aren't equipped with the tools they need to be data-driven. Healthcare organisations seek process automation, deep and wide visibility, and the ability to easily adapt to changing conditions. Reporting is the common thread that cuts across all of these strategic priorities.

Flexible reporting functionality is a top need for healthcare organisations wanting to replace an underperforming financial management solution. The right financial management and reporting solution can be a critical driver of efficiency and visibility; the wrong solution can be a critical roadblock to growth.

Three things healthcare finance leaders need to be data-driven:



Metrics that healthcare organisations need to measure

By automating financial operations in the cloud, healthcare finance leaders can remove the manual work of measuring the performance of their business and quickly gather the information necessary to make strategic decisions. These are some of the KPIs healthcare companies should focus on:



Revenue per bed/revenue per clinician/revenue per treatment

With increasing pressure to reduce costs, it's imperative that healthcare organisations must understand what is profitable—and, perhaps more importantly, what isn't. By looking at revenue on a granular level, healthcare CFOs can make strategic decisions about the future of the organisation.



Number of patients served/number of encounters/number of clinicians

In today's consumer-driven healthcare environment, it's imperative that healthcare organisations must have a firm grasp of the numbers as it relates to each location. If one clinic is out-performing others, executives can complete a strategic analysis as to why that might be the case.



P&L by location / P&L by actual budget

As consolidation of practices becomes commonplace, being able to accurately depict profit and loss by location or budget is essential. This data can set an organisation up for growth, or drive partnership where it makes sense.

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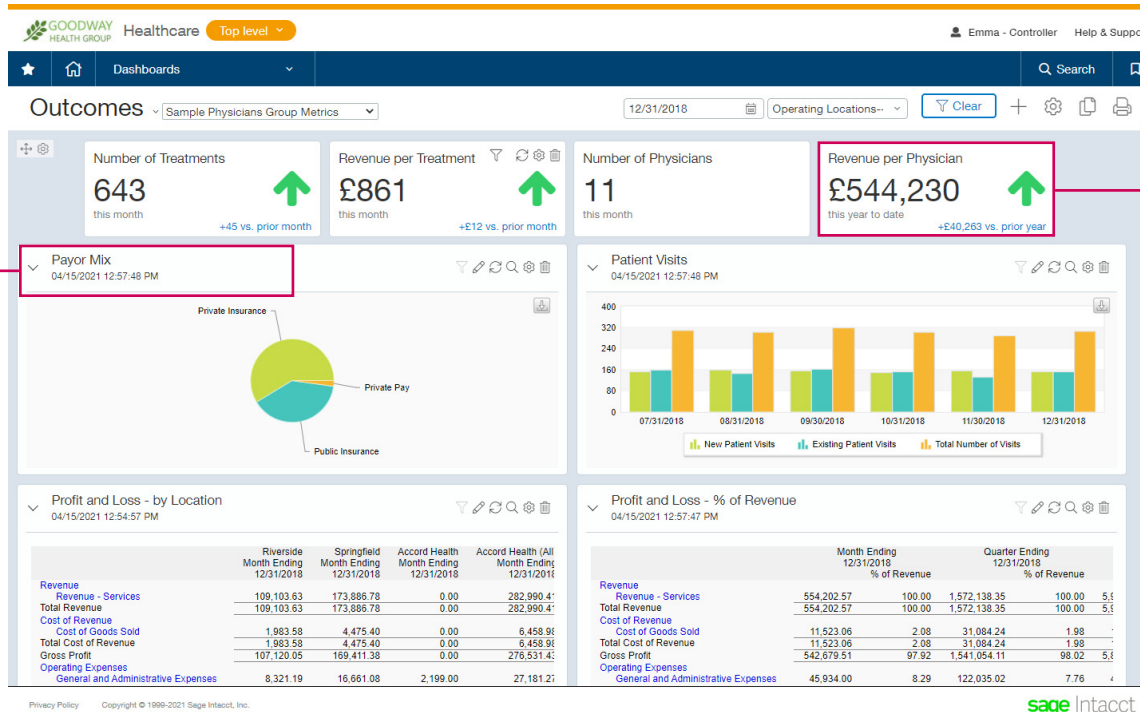
Dimensional reporting for simplicity and accuracy

You need to be able to access data quickly, monitor daily, and share essential information with others in the organisation based on role. Financial metrics are universal, like income statements and balance sheets. But financial metrics only tell half of the organisation's story. Healthcare organisations also need to track business or operational KPIs. Unlike financial metrics, business metrics are unique to your individual organization at a point in time.

Sage Intacct Financial Reporting makes it easy to understand and manage performance—both the “universal” financial metrics and the “unique” operational and outcomes metrics – like revenue per bed. Because every transaction in the system is tagged with key business driver attributes called “dimensions,” finance teams can sort, view, filter and report on the specific information needed with just a few clicks.



Automated reporting of key performance indicators



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Dimensions enable you to independently tag transactions (for example, based on practice area) instead of hard coding individual accounts.

Revenue per Physician
£544,230
this year to date
+£40,263 vs. prior year

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This allows you to slice and dice your financial information to create a more focused analysis (like analyzing revenue per clinician).

Deep visibility in role-based dashboards

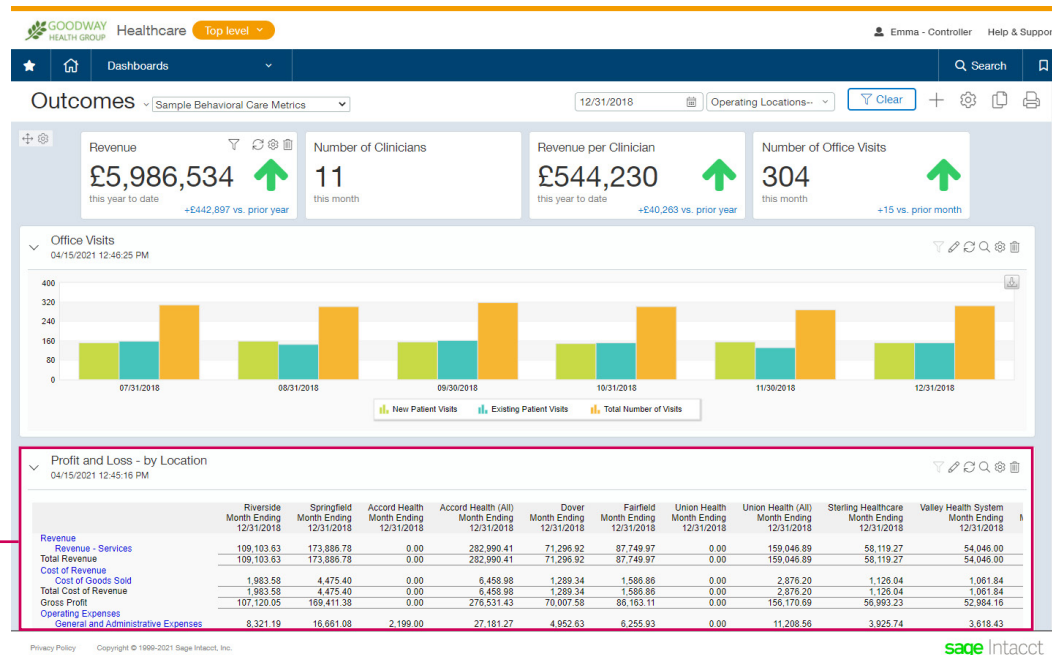
Once you have access to real-time metrics with the context of dimensions, you will want to provide staff and management with the ability to gather the most relevant information together in one place. Customised dashboards display just the information needed for a specific role or a particular type of analysis.

Dashboards can contain charts, graphs, and reports, as well as communication streams between staff so they can collaborate.

In Sage Intacct, the finance team can easily configure dashboards, or even set permissions to ensure that each user only receives information that is relevant and approved based on their role.



Role-based dashboards for stakeholders



Profit and Loss - by Location 04/15/2021 12:45:16 PM

	Riverside Month Ending 12/31/2018	Springfield Month Ending 12/31/2018	Accord Health Month Ending 12/31/2018	Accord Health (All) Month Ending 12/31/2018	Dover Month Ending 12/31/2018	Fairfield Month Ending 12/31/2018	Union Health Month Ending 12/31/2018	Union Health (All) Month Ending 12/31/2018	Sterling Healthcare Month Ending 12/31/2018	Valley Health System Month Ending 12/31/2018
Revenue	109,103.63	173,886.78	0.00	282,990.41	71,296.92	87,749.97	0.00	159,046.89	58,119.27	54,046.00
Revenue - Services	109,103.63	173,886.78	0.00	282,990.41	71,296.92	87,749.97	0.00	159,046.89	58,119.27	54,046.00
Total Revenue	109,103.63	173,886.78	0.00	282,990.41	71,296.92	87,749.97	0.00	159,046.89	58,119.27	54,046.00
Cost of Revenue	1,983.58	4,475.40	0.00	6,458.98	1,289.34	1,586.86	0.00	2,876.20	1,126.04	1,061.84
Cost of Goods Sold	1,983.58	4,475.40	0.00	6,458.98	1,289.34	1,586.86	0.00	2,876.20	1,126.04	1,061.84
Total Cost of Revenue	1,983.58	4,475.40	0.00	6,458.98	1,289.34	1,586.86	0.00	2,876.20	1,126.04	1,061.84
Gross Profit	107,120.05	169,411.38	0.00	276,531.43	70,007.58	86,163.11	0.00	156,170.69	56,993.23	52,984.16
Operating Expenses										
General and Administrative Expenses	8,321.19	16,661.08	2,199.00	27,181.27	4,952.63	6,255.93	0.00	11,208.56	3,925.74	3,618.43

Role-based dashboards provide at-a-glance views of the metrics that matter most to that particular person. A CFO can quickly assess important business drivers like revenue per bed or profit and loss by location.

Real-time data, metrics, and reports

Real-time reporting and dashboards enable healthcare leaders to look forward and plan, based on what's really happening at different clinics or locations or practice areas.

With Sage Intacct, you can log-in anywhere in the world and get an instant, real-time view of the data you need.

Sage Intacct makes it easy to compare data for any view needed, resulting in real-time, deep visibility across budgets, transactions, and operational measures. Sage Intacct's dashboards and reports, when used with statistical accounts (accounts that track non-financial data) to provide valuable historical views, gives healthcare executives the information they need to make more proactive management decisions.



See the full picture with Sage Intacct

In the age of expected transparency, healthcare organisations can't afford to continue manually reporting of financial and operational performance.

Healthcare CEOs and CFOs need timely, relevant, and accurate reports to make informed decisions about expansion, cost reduction, and reimbursement methods.

A true cloud financial management solution like Sage Intacct helps healthcare organisations look forward, not backward, at every level—from individual clinics to the entire system.

Sage Intacct is purpose-built to provide easy and customisable reporting that drills down to the smallest detail and can also roll-up multiple entities for a 30,000-foot view of organisational performance. It delivers real-time, dimensional reporting of both financial health and operational outcomes to provide healthcare organisations the data they need to stay nimble and make more informed decisions.





Sage Intacct


Sage Intacct is the innovation and customer satisfaction leader in cloud Financial Management. Bringing cloud computing to finance and accounting, Sage Intacct's innovative and award-winning applications are the preferred financial applications for American Institute of Public Accountants (AICPA) business solutions. In use by organisations from startups to public companies, Sage Intacct is designed to improve company performance and make finance more productive. Hundreds of leading CPA firms and Value Added Resellers also offer Sage Intacct to their clients. The Sage Intacct system includes accounting, cash management, purchasing, vendor management, financial consolidation, revenue recognition, subscription billing, contract management, project accounting, fund accounting, inventory management, and financial reporting applications, all delivered through the cloud.

Learn more at www.sage.com/uk/intacct



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