

Espresso

Avamere Health Services case study

Facility profile

Avamere Health Services provides long-term care for seniors across Oregon and Washington including 24 skilled nursing facilities, 12 community-based care facilities, and 4 campuses. In addition, Avamere owns ancillary companies providing home health, rehabilitation therapy, hospice, medical supply, and mobile diagnostic imaging services. Avamere provides the highest quality of care in a choice of settings that best meet the senior's needs and preferences. Avamere's mission is to enhance the lives of everyone they serve. For the Northwest community, Avamere is committed to advancing the quality of life and care for seniors, offering hope, dignity, and a richer life through enhanced choice, the finest living environments, and superior quality of care.

Challenges

- No unified accounting software across companies
- Inconsistent financial reports
- Difficult analysis of Accounts Payable vendors
- Inadequate statistical information
- Inaccurate postings to General Ledger requiring manual entry
- Cumbersome process for extracting information
- Limited security
- Double journal entries

Solution

Espresso

Espresso is an integrated financial management package designed for multi-location enterprise organizations, powered by single database technology. Access is reliably controlled through flexible system administration allowing for centralized or decentralized access, defined by individual user security profiles.

This system includes a variety of features and functions to help you efficiently manage the Accounts Payable process across an entire organization as well as providing an up-to-the minute picture of all your accounts. This user friendly system includes features such as flexible reporting, powerful querying and drill down tools, various invoicing options, online bank reconciliation, budget management and tracking, and more.

Results

- Consolidated financial reporting using data warehouse
- Time savings
- Consistent and accurate data entry
- Flexible reporting
- Efficient data querying

In any multi-facility organization, the major business challenge is capturing and organizing financial data across all aspects of the business. Before Avamere Group implemented Espresso in 2008, facilities across the organization were utilizing MDI Achieve AP/GL and QuickBooks for their accounting activities. Due to the various lines of business, using two different systems created a major challenge when it came to preparing consolidated financial reports. The two separate software applications also inhibited the ability to create a consistent chart of accounts and made it difficult to do an analysis of AP vendors. These challenges, among others, moved Avamere to seek out an integrated system designed for multi-location organizations.

Single data warehouse translates into time savings

Avamere's process of extracting data from two systems was cumbersome. With the switch to Espresso, data across the entire Avamere enterprise is stored in a single database. "By utilizing the single data warehouse, consolidation of financial reports is efficient and accurate," says Zilda Heusinkveld, facility controller at Avamere Health Services. "Another benefit we've found is Espresso's flexible chart of accounts. It is flexible enough for all of our lines of business which has also helped with consolidated reports." Heusinkveld adds, "Our accounting staff feels the biggest benefit is the data warehouse because of the time savings."

In addition to consolidated reports, Espresso has expedited the journal entry process. Before Espresso, staff found themselves doing double the work. Entries were created in Excel first, then approved, and finally entered into the accounting software, creating a lot of additional data entry. Using Espresso's direct interface with Avamere's AR module, templates for both recurring and generic journal entries can be created to ensure consistency in data entry, eliminating the need for duplicate entries. Heusinkveld notes, "Elimination entries for consolidated reporting are easier to identify because we can pull information by primary code groups to ensure all accounts are included. The reporting capability on journal entries is also flexible and we can run by entry date or range of entry numbers. Also, accurate posting from the AR module to the General Ledger improved with Espresso, resulting in time savings for us."

Improved management of important information

On the Accounts Payable side, Avamere had a need for more statistical information than was previously available. "Census was the only information we had and we needed labor hours and

other information for the ancillary companies,” stated Heusinkveld. “Now, statistical accounts have been added for labor hours, exams, visits and episodes.”

There was also difficulty in identifying intercompany transactions. “Espresso has improved this process as well. Intercompany invoices created in the AR module pop up automatically in the AP module when entering these invoices. There is a report available to identify what invoices have been created in AR but not entered into AP yet,” explained Heusinkveld.

Security has also improved since implementing Espresso. “There was very little security with the previous accounting systems. The only limitations were related to which companies and modules someone could access. Journal entries were approved upon entry,” said Heusinkveld. “Now, security is controlled by accounting staff. Access to individual menu items can be controlled easily. Approval limits can be maintained and one person can’t set up a new vendor, enter invoices and cut checks.”

Efficient data querying improves proactive decision-making

Another benefit of implementing Espresso is directly seen in budgeting. The Budget Management and Tracking feature allows Avamere to view and compare current-to-previous and budget-to-actual for YTD or Period. Previously, budgeting had to be done in Excel and imported into the GL software, making it extremely difficult to consolidate numbers for management’s review. Heusinkveld reiterates the power of the data warehouse, “It makes it extremely easy to do data mining. Often times, queries had to be run and then compiled in Excel. Queries that used to take hours can now be done in minutes. We can pull actual and budget data as well as comparing data over years or months.” Comparing different budget scenarios aids in making proactive business decisions.

“Overall, the accounting staff is pleased with the aspects of Espresso,” states Heusinkveld. “Our facility staff has been given inquiry access to Espresso, but some have been hesitant to learn the software. We have conducted a number of training sessions and often walk them through how to look up things themselves. Those who use it the most find they have access to more information than before. Through time, and once they find how easy it is to use, even more people will discover the benefits.”

Vendor Query

Vendor: 122263 Denise Buchholz Current balance: 880.00

Organization: <All> Financial year: <All>

Invoices	Payments	Transactions	O/S credit memos	Payments by installments	Statistics	Payment vendor				
Org	Invoice	Date	Year	Per	Reference	Aut	Original amt	Due	Balance	Age
4405	0000001234	03/28/2008	2008	3	1505000002		500.00	04/10/2008	500.00	0
4401	0000001233	11/30/2007	2007	11	4401000020	Yes	300.00	12/10/2007	0.00	119
4051	0000001232	11/30/2007	2007	11	4051000002		380.00	12/10/2007	380.00	119
0011	0000001231	11/30/2007	2007	11	0011000024		893.00	12/10/2007	0.00	119
4401	0000001230	11/30/2007	2007	11	4401000019	Yes	200.00	12/10/2007	0.00	119
4401	0000001229	11/1/2007	2007	11	4401000018	Yes	400.00	12/10/2007	0.00	134
4401	0000001228	11/1/2007	2007	11	4401000017	Yes	300.00	12/10/2007	0.00	134
0031	0000001227	11/1/2007	2007	11	0031000006	Yes	200.00	12/10/2007	0.00	134
0031	0000001226	11/1/2007	2007	11	0031000005	Yes	100.00	12/10/2007	0.00	134
0011	0000001225	10/31/2007	2007	10	0011000016		-111.11	11/10/2007	0.00	149
0011	0000001224	10/30/2007	2007	10	0011000010		222.22	11/10/2007	0.00	150
0011	0000001223	10/30/2007	2007	10	0011000009		111.11	11/10/2007	0.00	150

Espresso Vendor Query

Espresso Account Query

Account: 150175 64000 System code: 150175 Year Period: 2008 Amount: Annual

General Ledger Posting Detail

Transaction origin: AP Misc Invoice Entry: 03/28/2008 GL account: 150175 64000 511000 Invoice

Posting No. Description or Vendor Amount Unit

315 BERNARD FOOD INDUSTRIES 1,658.05 0.00

Miscellaneous Invoices

Vendor: 00465 Invoice: 4567 Template: Reference: 1505000001 Total: 3,946.04

Description: Dietary Supplies

BERNARD FOOD INDUSTRIES
PO BOX 1457
EVANSTON IL 60204-1457

General information: Organization: 1505 Date: 03/28/2008 Year/period: 2008 3 Currency: USD 1,000.00

Vendor Balance: 3,946.04

Description	Account	Amount	Unit	1099	FT	Related	Incl	ST	Inst
Food	150175 64000 511000	1,658.05				No			
Dietary Supplies	150175 64000 511000	395.18				No			
Cleaning Supplies	150175 64000 546300	549.57				No			
Clothes	150175 64000 541000	553.35				No			
Minor Equipment	150175 64000 552000	749.09				No			

Espresso Account Query

GENERAL LEDGER
General Journal (Select entries based on the main organization)
Aberdeen Rehab '0901
For 03/28/2007

Sequence	Account	Description	Debit	Credit	Trans
Entry number: 1	Date: 01/01/2006 Year: 2006 Period: 01	Creation: John Smith (03/25/2007)			
640 010171 64000 821000	Dietary - Lodging - Travel	Implementation		200.00	-
650 010171 64000 832000	Dietary - Telephone	Implementation		90.00	-
660 010171 64000 840000	Dietary - Purchased Services	Implementation		2,522.00	-
670 010181 351 01	Common stock	Implementation			125,574.88
Entry total: 1			\$ 125,574.88	\$ 125,574.88	3,415.00
Entry number: 2	Date: 02/01/2006 Year: 2006 Period: 02	Creation: John Smith (03/25/2007)			
20 010171 60500 411000	Nursing Service - Salaries - CHS	Implementation	11,504.00		
010271 60500 411000	Nursing Service - Hours - DHS	Implementation			269.00
30 010171 60500 412000	Nursing Service - Salaries - RN	Implementation	21,554.00		
010271 60500 412000	Nursing Service - Hours - RN	Implementation			552.00
40 010171 60500 413000	Nursing Service - Holiday Pay	Implementation	100.30		
010271 60500 413000	Nursing Service - Hours - Holiday	Implementation			41.00
60 010171 60500 430000	Nursing Service - Workers Comp	Implementation		925.00	
70 010171 60500 450000	Nursing Service - Payroll Taxes	Implementation		1,710.34	
90 010171 60500 4507000	Nursing Service - Employee Benefits	Implementation		3,700.00	
010271 60500 4507000	Nursing Service - Hours Employee Benefits	Implementation			162.00

Espresso General Ledger