

SAGE MIP FUND ACCOUNTING

CUSTOMER SUCCESS



Harbor Behavioral Healthcare: Smooth Sailing With Sage MIP Fund Accounting

Like many nonprofit agencies, Harbor Behavioral Healthcare focused more on providing services to the community than on its business systems. Then Mary Pat Gebers joined the team as CFO, from a background in private industry. She wasn't satisfied with the accounting package she encountered at the counseling service agency.

"The existing software didn't allow me to determine costs," Gebers says. "Off-the-shelf systems lacked the ability to classify data the way we needed. Fortunately we found Sage MIP Fund Accounting, which integrates with Psych Consult software for our client transactions."

Harbor Behavioral Healthcare adopted Sage MIP Fund Accounting (formerly MIP Fund Accounting Pro) in 1999. It worked so well that in 2001 they upgraded for increased volume capabilities.

Clinical information such as client data, procedure type, and date of counseling session is entered into Psych Consult, a software solution for behavioral healthcare practices. Harbor imports data into Sage MIP Fund Accounting for analysis. Psych Consult performs client invoicing, while Sage MIP Fund Accounting does all non-healthcare billing such as corporate consultations and grants.

Plenty of Subsets for Data

"Two important features really distinguish Sage nonprofit solutions from other products," says Gebers. "One is the ability to set a multitude of cost segments. Most other systems only let you set two or three segments. With Sage MIP Fund Accounting, I can create an almost infinite number. This allows me to classify data and then combine it in a myriad of ways."

As an example, Gebers cites the five-digit segment she established for employee numbers. Expenses and revenues are attributed to employees by number, making it easy to run an income and expense statement on each clinician. "By calculating the amount of revenue a professional brings in and comparing it against what we pay out in wages, benefits, and things like conferences, we know which clinicians are paying their own way, and by how much. We're also able to determine which of our products have a profit margin, something many nonprofits are unable to do."

Customer:

Harbor Behavioral Healthcare

Authorized Partner:

DWD Technology Group

9921 Dupont Circle Drive West
Suite 300
Fort Wayne, IN 46825

Industry:

Nonprofit
Healthcare and Social Services

Location:

Toledo, Ohio

Number of Locations: 11

Number of Employees: 240

System:

Sage MIP Fund Accounting

CHALLENGE

Agency could not break out costs the way it needed to enhance profitability; obtaining data for funding sources was laborious and time-consuming.

SOLUTION

Sage MIP Fund Accounting, with complete suite of financial modules.

RESULTS

Remained financially stable despite funding cuts of up to 15 percent in many areas.

Robust Reporting

The second key benefit is the software's reporting tool, according to Gebers. "Sage MIP Fund Accounting's built-in report writer is very straightforward and easy to learn," she says. "It doesn't require the user to be a programmer, and it eliminates the need for an expensive outsourcing company. It gives me the power to tailor reports exactly the way I want, analyze the data, and then pass it along to others in a usable format. I can break out data by employee, department, location, product line, type of service, or basically any of the criteria we establish with the cost codes."

"If Sage MIP Fund Accounting had only detailed cost codes or an excellent reporting tool, it wouldn't be as good," she continues. "Because Sage MIP Fund Accounting has both detailed cost codes and an excellent reporting tool, it's a very strong fund accounting system."

Sage MIP Fund Accounting reports have changed the way Harbor evaluates individual performance. "We used to assume that more billable hours meant more revenue," Gebers explains. "But many insurance companies reimburse by procedure, not by hours served, paying the same amount for 40-minute and 60-minute counseling sessions. So the psychologist who does four 40-minute sessions in three hours earns 33 percent more than a peer providing three one-hour sessions. The difference in revenue only became apparent once we began using Sage MIP Fund Accounting for data analysis."

Having a clear understanding of costs has been a big help when Harbor applies for grants and responds to requests for proposals (RFPs). They are more competitive because they can estimate anticipated expenditures based on actual data.

"Sage MIP Fund Accounting is the best solution I've found for running a nonprofit," Gebers says. "Most agencies face increasingly difficult times. Medicaid payments are frozen, and we've experienced cuts of up to 15 percent in many of our

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subsidized programs. Yet wages and other expenses continue to rise. Thanks to Sage MIP Fund Accounting, we've been able to remain financially stable, even in the face of significantly decreased reimbursement."



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