

Success Story

Pavillon Treatment Center turns 45% efficiency gain into greater patient care

Pavillon Treatment Center

“Sage Intacct has freed up my time so I can shift 50% of my effort away from thinking about transactions and towards working with our executives, clinical staff, and board on strategic planning—looking at cost impacts, accreditation policies, and our employee benefits structure, and making changes accordingly. Happy employees make happy patients, so it all fits together to support our broader mission.”

Kent Spear

CFO, Pavillon Treatment Center



Company overview

Since 1996, Pavillon Treatment Center has offered cost-effective, individual care for patients struggling with alcoholism and other drug addictions, as well as support for their families and children. Through residential and outpatient programs in North and South Carolina, the center's well-respected clinical team is committed to providing focused and effective treatment, as well as lifelong tools and resources for sustained recovery.

Results with Sage Intacct

- 45% increase in efficiency through workflow automation.
- 73% shorter month-end close cycle.
- 50% faster audit preparation.
- \$2,500 annual savings from bringing fixed assets management in-house.
- 50% of CFO time freed for mission-focused initiatives.

Company
Pavillon Treatment Center

Location
North Carolina, US

Industry
Health & Social Care

Sage Products
Sage Intacct



Sage



Making the switch to reliable, cloud-based accounting software

Pavillon Treatment Center is a private, nonprofit residential and outpatient treatment facility offering addiction treatment and recovery services spanning residential treatment for men and women, including extended care, a young men's program, outpatient care, relapse prevention, substance use disorder treatment, and family care. After adding a new location and increasing its outpatient services, the \$12 million healthcare organization brought on a new CFO to help modernize its complex accounting structure.

He quickly recognized that Pavillon Treatment Center had outgrown Intuit QuickBooks and needed to rethink its paper- and Excel-based financial processes. The finance team was struggling with the system's lack of stability and other limitations that slowed down accounts payable, cash management, and report preparation. "When I started five years ago, QuickBooks wasn't stable and had to be rebooted on a regular basis by our IT staff—that was a big issue," remembered Kent Spear, the company's CFO. "Its reporting was also very poor, and our chart of accounts was all over the place. I didn't feel like I had any control over what was going on," added Kent.

These challenges hindered decision-making and audit preparation, leading the organization to spend \$2,500 per year for a third-party audit firm to manage its fixed assets. Kent decided to look for a new system that would be stable, intuitive, flexible, and enable real-time reporting without spreadsheets. He shared, "We looked at Oracle NetSuite, Blackbaud Financial Edge, Microsoft Dynamics, and a few others, but most of them pushed extra features we didn't really need. What I like about Sage Intacct is that it focuses on providing a solid general ledger system that works for my current finance needs and allows me to expand in the future."

By migrating to Sage Intacct, Pavillon Treatment Center saw a 45% boost in productivity, shaved 11 days off its monthly close, and freed time for more focus on important work, such as tracking data and statistics to support strategic initiatives, and improving departmental visibility to narrow the budget-to-actuals variance.



Sage Intacct's self-service capabilities have made Pavillon Treatment Center's audit more simple.

Shortening the month-end close cycle by 73% with automation

After a smooth Sage Intacct implementation that required minimal staff training, Kent and his team streamlined several previously manual financial tasks, improved internal controls, and brought fixed asset management in-house, saving both time and money. "Sage Intacct handles our fixed assets and depreciation accounting lifecycle within the system itself, so we don't have to make any general ledger journal entries," commented Kent. "My staff is able to do their daily bookkeeping, reconcile bank statements, upload payroll entries directly from ADP and revenues from our clinical system, and print checks to pay vendors—all of which is effortless in the platform. Meanwhile, I just approve things online and can close the month in four days. In all, Sage Intacct's easy-to-use workflows have made us about 45% more efficient," said Kent.

With these improvements, Pavillon Treatment Center enjoys a 73% shorter month-end close and much better reporting. Kent can now print board reports using formatting right out of Sage Intacct, which saves him personally around 12 hours each quarter. "Since our financial transactions run behind the scenes automatically, Sage Intacct allows me to spend my time doing other things that are critical to the organization," said Kent. "We all focus more attention on our mission and can be responsive to internal stakeholders who need financial and statistical information to inform clinical operations," added Kent.

Kent also appreciates having a faster annual audit. He shared, "Sage Intacct's self-service capabilities have made our audit process a piece of cake because the auditors have everything they need right at their fingertips with read-only access. When I started here, the auditors were on-site for probably four or five days, and it would take them another 30 days or more to wrap things up. Now with Sage Intacct, they are on-site doing personal interviews for two and a half days and have their audited statements and tax return to us soon after."



Exposing real-time insights to rein in costs

By leveraging Sage Intacct's dimensions to restructure and simplify Pavillon Treatment Center's chart of accounts, the organization gained new visibility into various aspects of its operations, including income and expenses for each individual department and location. As a result, the finance team provides more timely, accurate information that helps departmental managers and other key stakeholders understand patient trends, so they are well-equipped to make rapid decisions about spending or how to prioritize key milestones in the patient lifecycle.

For example, Kent noted, "Sage Intacct has exposed our financial structure at a new level, so management can stay in tune with the costs of providing specific services, and the importance of patient volumes to our overall financial performance. It has made clinical staff more aware of considerations like the financial impact of patients who choose leave prior to program completion, so they can stay focused on taking care of our patients in a way that will prevent them from doing so."

In addition, Pavillon Treatment Center's finance team built role-based Sage Intacct dashboards for department managers, so they can see their own operating statements throughout the month. This allows them to better manage department spending by reviewing historical trends, forecasting realistic operating budgets, monitoring their actuals versus budget, and controlling costs. In a time when the entire industry is seeing fewer patients, this transparency is helping Pavillon Treatment Center weather the storm.



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