# ACCOUNTING PRACTICES IN THE SENIOR LIVING SECTOR
**ZIEGLER CFO HOTLINE℠**

The first *CFO Hotline℠* survey of 2025 was devoted to the topic of Accounting Practices in the Senior Living and Care sector. This is the first time this topic has been surveyed by Ziegler and can be a valuable tool in assisting senior living organizations understand the landscape.

Respondents were first asked if they were a single-site or multi-site organization. Over half were single-site organizations while slightly more than 40% were multi-sites.
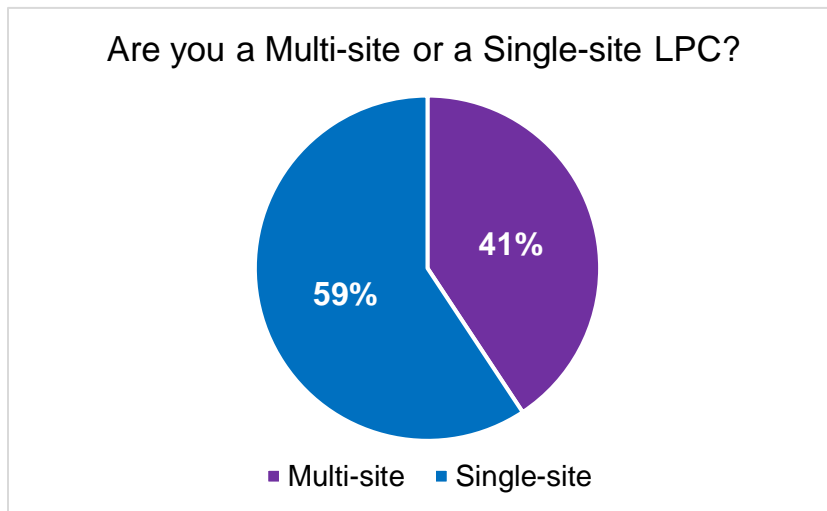
Multi-site n = 114 / Single-site n = 166

Next, participants were asked to provide the number and type of market rate communities (i.e., owned property types) such as Life Plan Communities (LPCs, formerly CCRCs), and exclusive of LPCs, properties that are Independent Living, Assisted Living or Skilled Nursing properties. Among both single-sites and multi-sites, roughly 50% of properties owned are LPCs with single-sites having more Independent Living properties and multi-site owners having more skilled nursing facilities.

Multi-site Respondent Ownership by Property Type

Single-site Respondent Ownership by Property Type
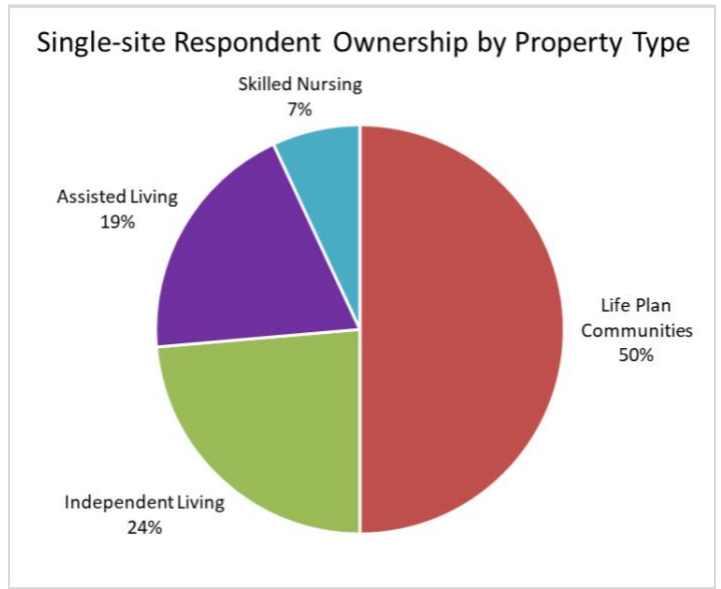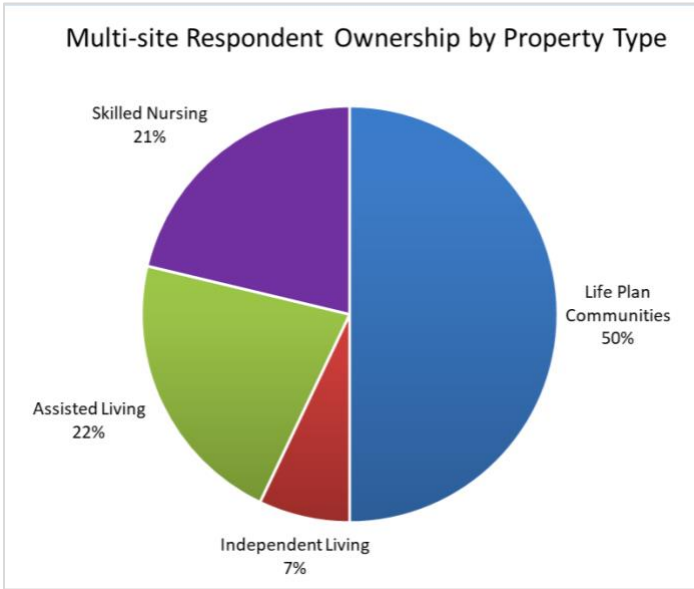
The survey then asked respondents to note the number of units for each level of care. Again, single-sites showed more Independent Living units than multi-sites, while multi-sites had more skilled nursing care beds (NCBs).
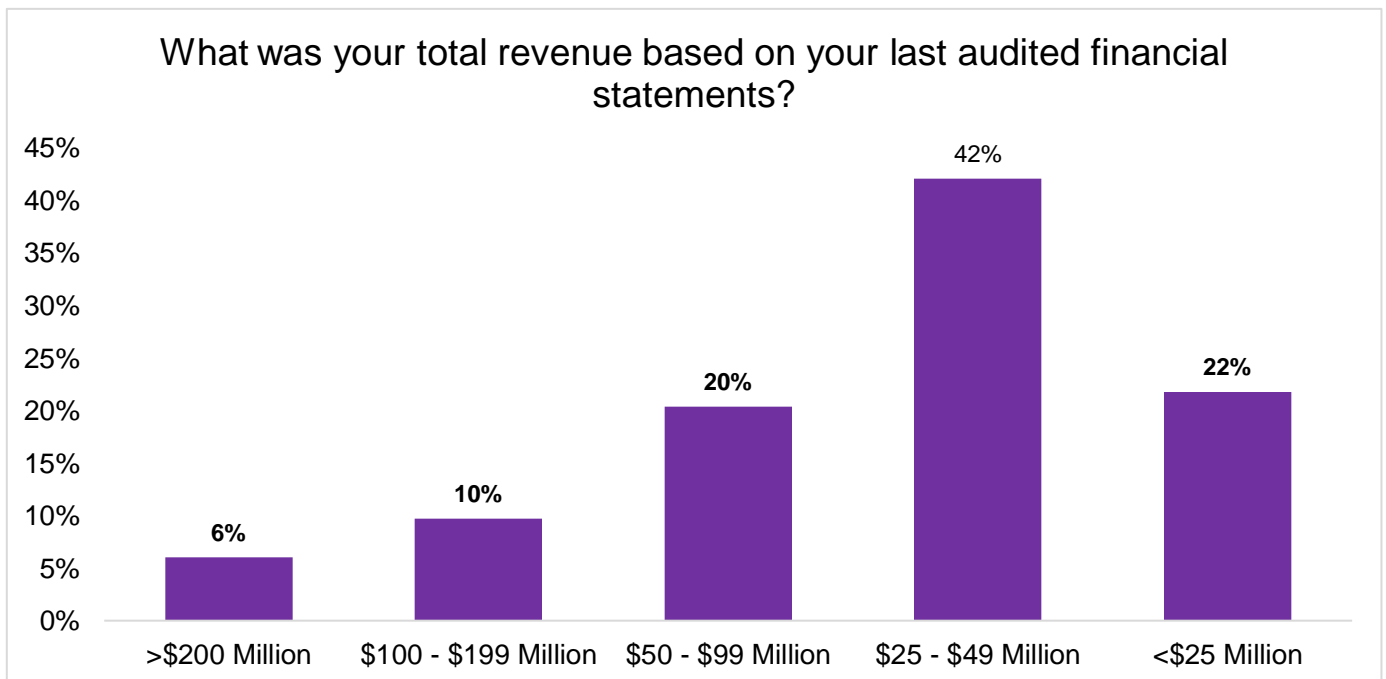

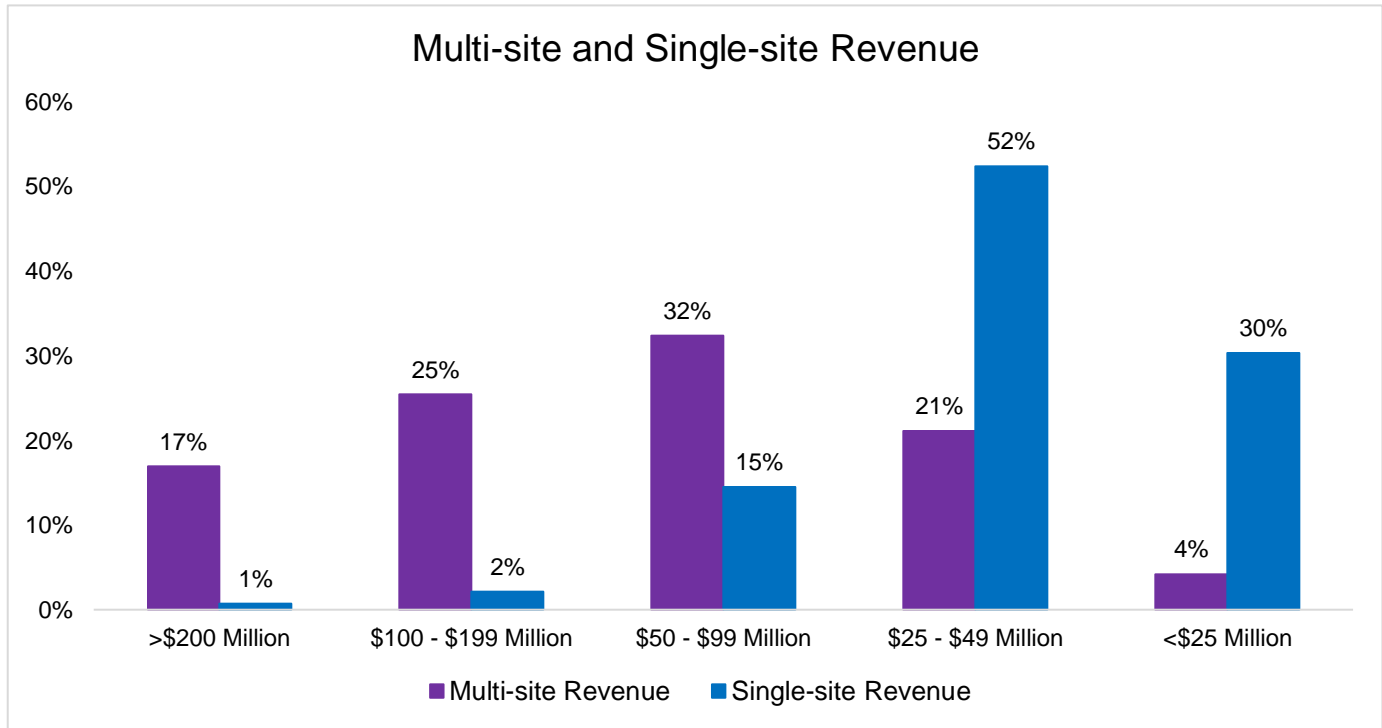Multi-site and Single-site Ownership by Unit Type
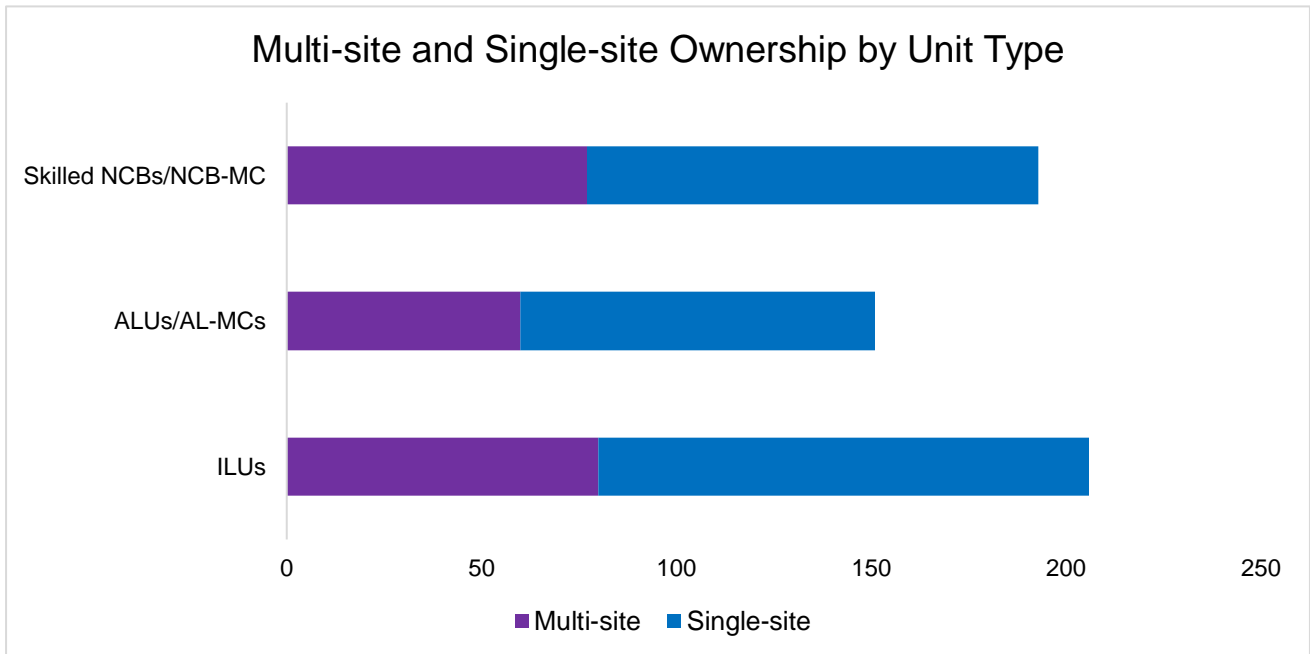
Next, respondents were asked how many different lines of business and services they offer including Home Health, Home Care, Continuing Care at Home to name a few. The highest number of respondents noted that they had Rehabilitation Services, while many also noted they offer Home Health.

How many different lines of business do you have?
(Check all that apply)

Line of Business	Percentage
Rehab Services	32%
Home Care	24%
Home Health	15%
Hospice	13%
Adult Day Care	6%
CCaH	4%
Other	7%
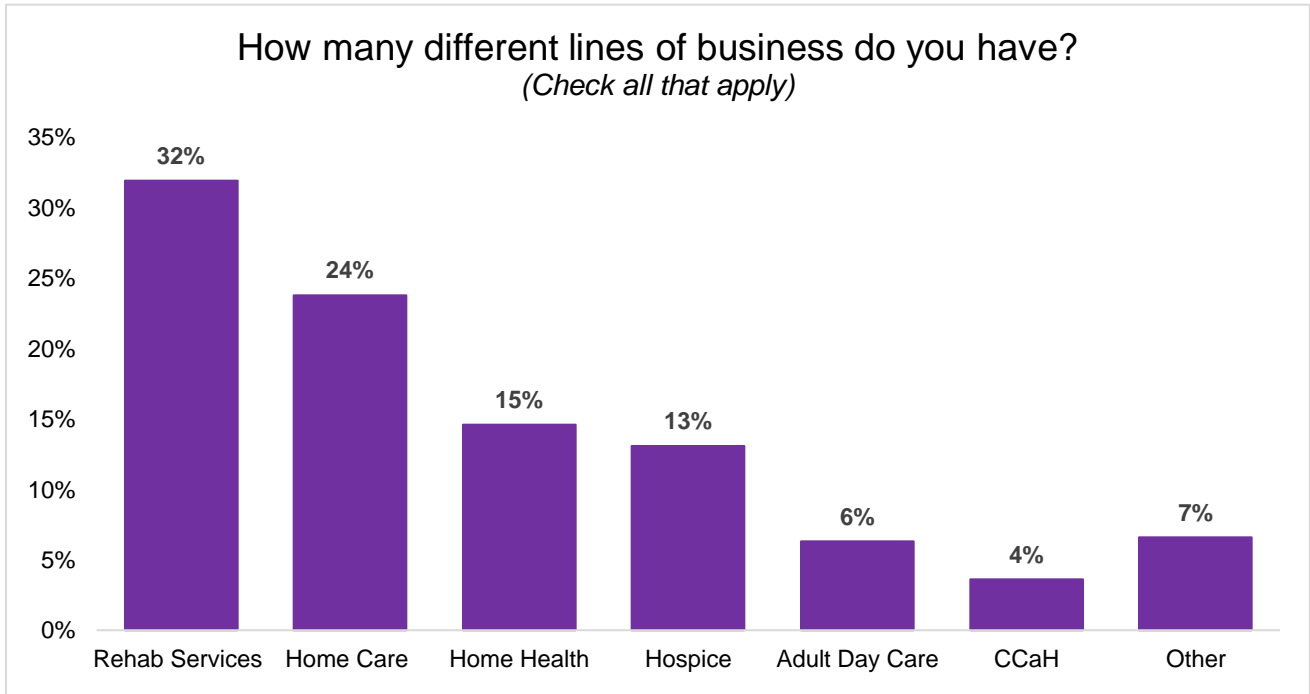
The survey then asked what each organization's total revenue was based on their last audited financial statement. Roughly 42% said they were in the $25 - $49 million range while the least amount (6.0%) of respondents were in the >$200 million range.

What was your total revenue based on your last audited financial statements?

Revenue Range	Percentage
>$200 Million	6%
$100 - $199 Million	10%
$50 - $99 Million	20%
$25 - $49 Million	42%
<$25 Million	22%

In order to understand the overall revenue in a bit more detail, Ziegler broke down the answers to show multi-site versus single-site responses. The results show that more single-sites fall into the $25 - $49 million range, while more multi-sites show revenue above $100 million.

Multi-site and Single-site Revenue

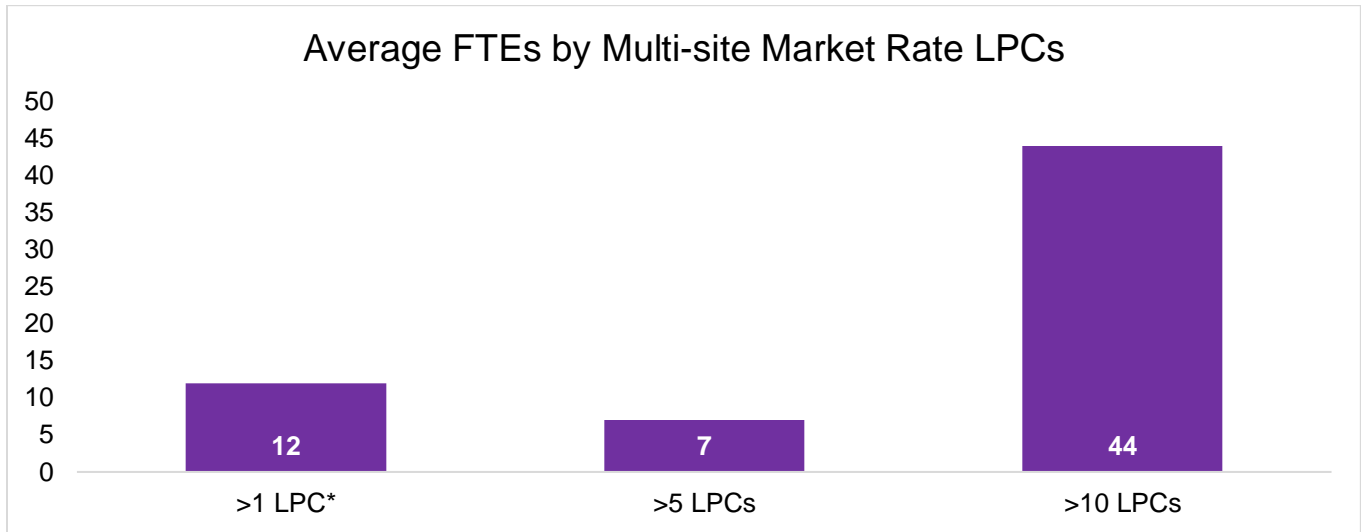| Revenue Range	Multi-site Revenue	Single-site Revenue
>$200 Million	17%	1%
$100 - $199 Million	25%	2%
$50 - $99 Million	32%	15%
$25 - $49 Million	21%	52%
<$25 Million	4%	30%

Next, the survey asked what the size of each organization's accounting team was, including the CFO. The total average for all respondent full-time equivalent employees (FTEs) was 8.7. However, there was a significant difference in the number of full-time employees for single-site and multi-site communities, with multi-sites using an average of 10.9 FTEs more than single-sites on their accounting team.

Average Number of Accounting/Finance FTEs by Multi-site Market Rate Properties

Number of Properties (y-axis) vs Number of FTEs (x-axis):
- 20+: 40
- 11 - 20: 27
- 4 - 10: 15
- 1 -3: 9

Number of FTEs by Total Revenue

Legend: ■ Multi-site ■ Single-site

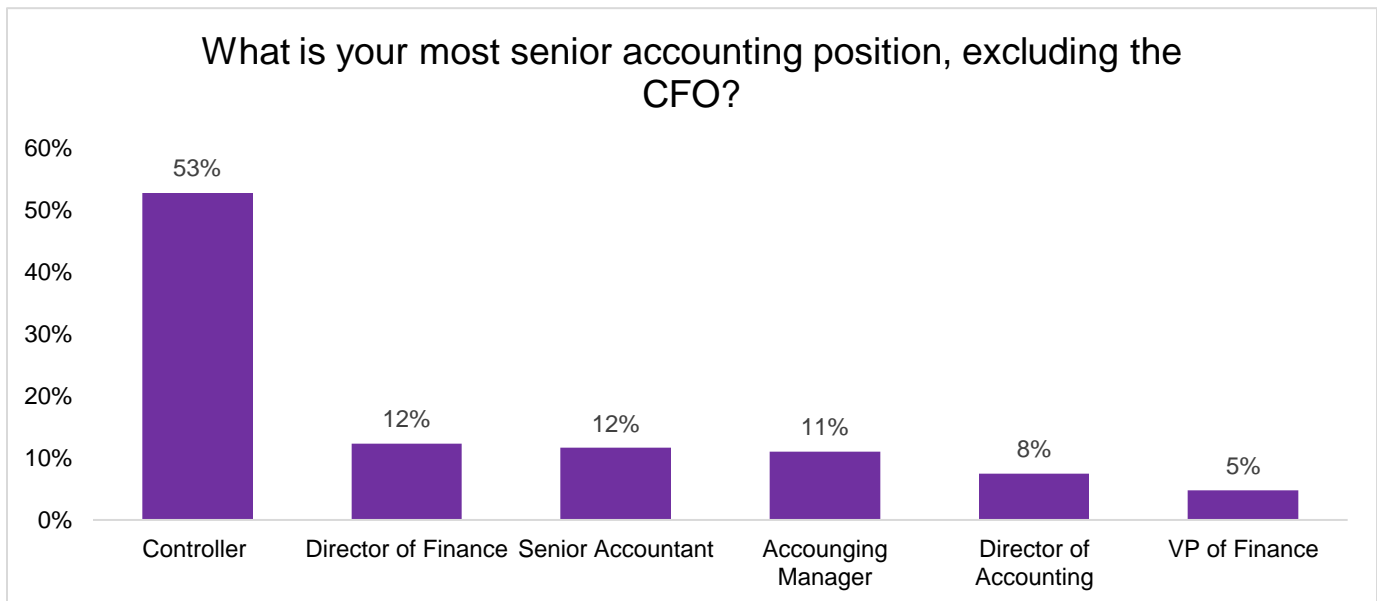| Total Revenue	Multi-site	Single-site
>$200 Million	40	0
$100 - $199 Million	17	12
$50 - $99 Million	9	7
$25- $49 Million	7	5
<$25 Million	3	4
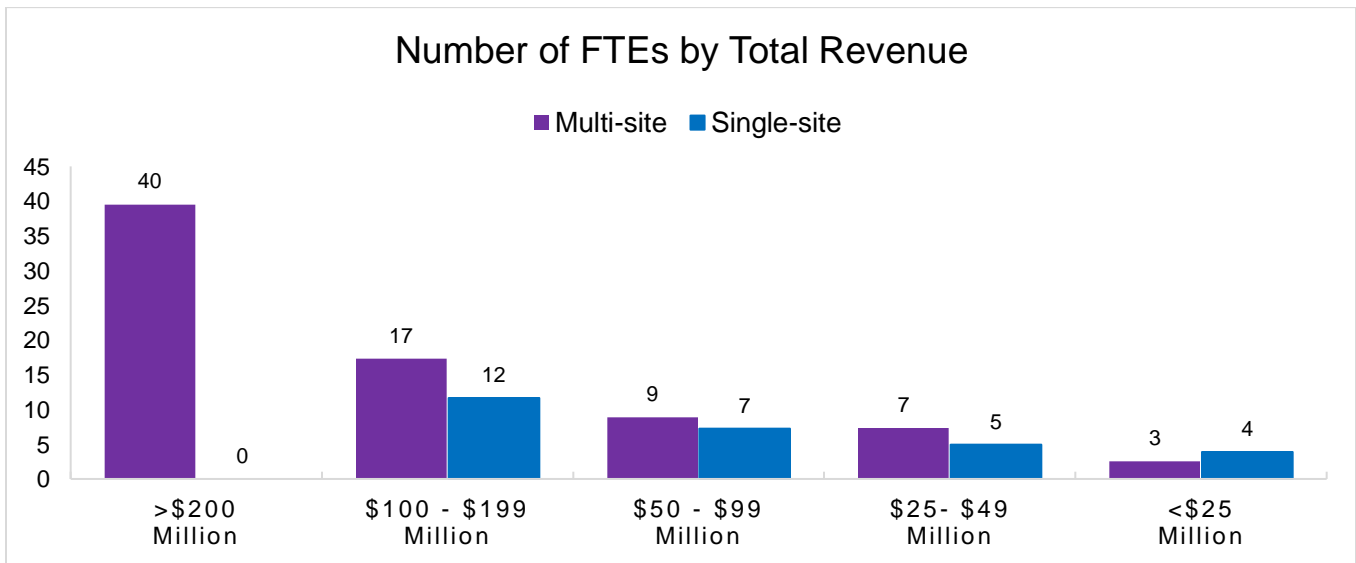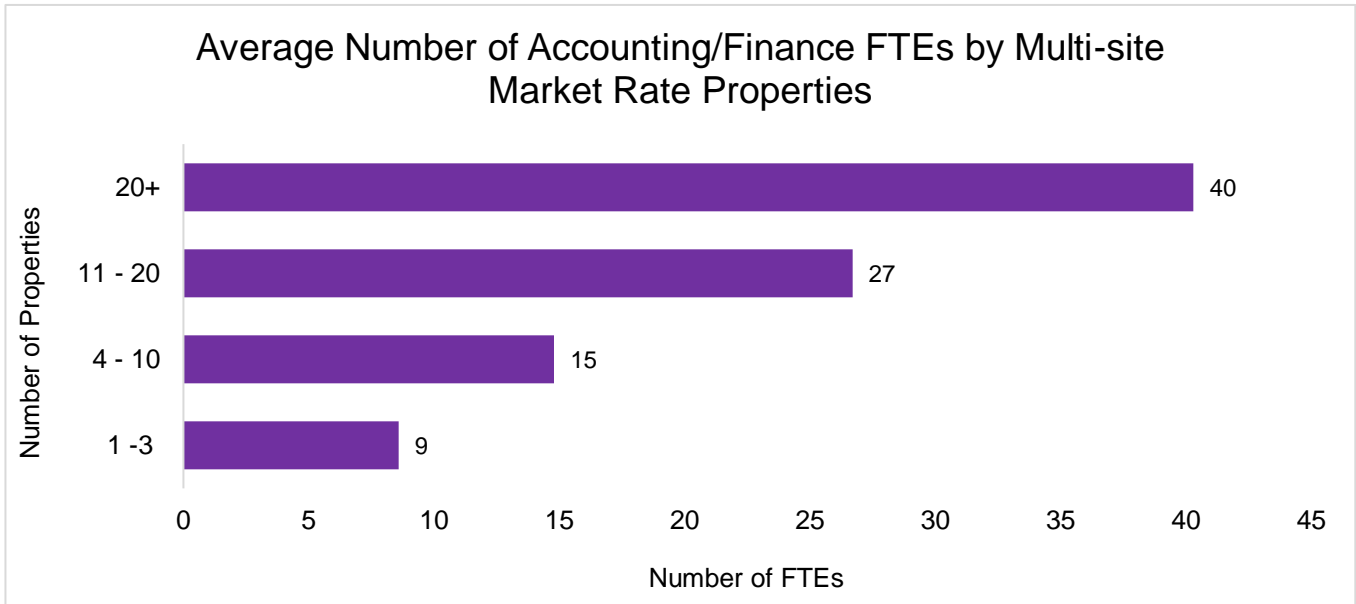
For Life Plan Communities, singles-site owners had an average of 5 FTEs on their accounting/finance team, while multi-site LPC owners used more staff. Organizations with more than 1o LPCs had an average of 44 FTEs.

Average FTEs by Multi-site Market Rate LPCs

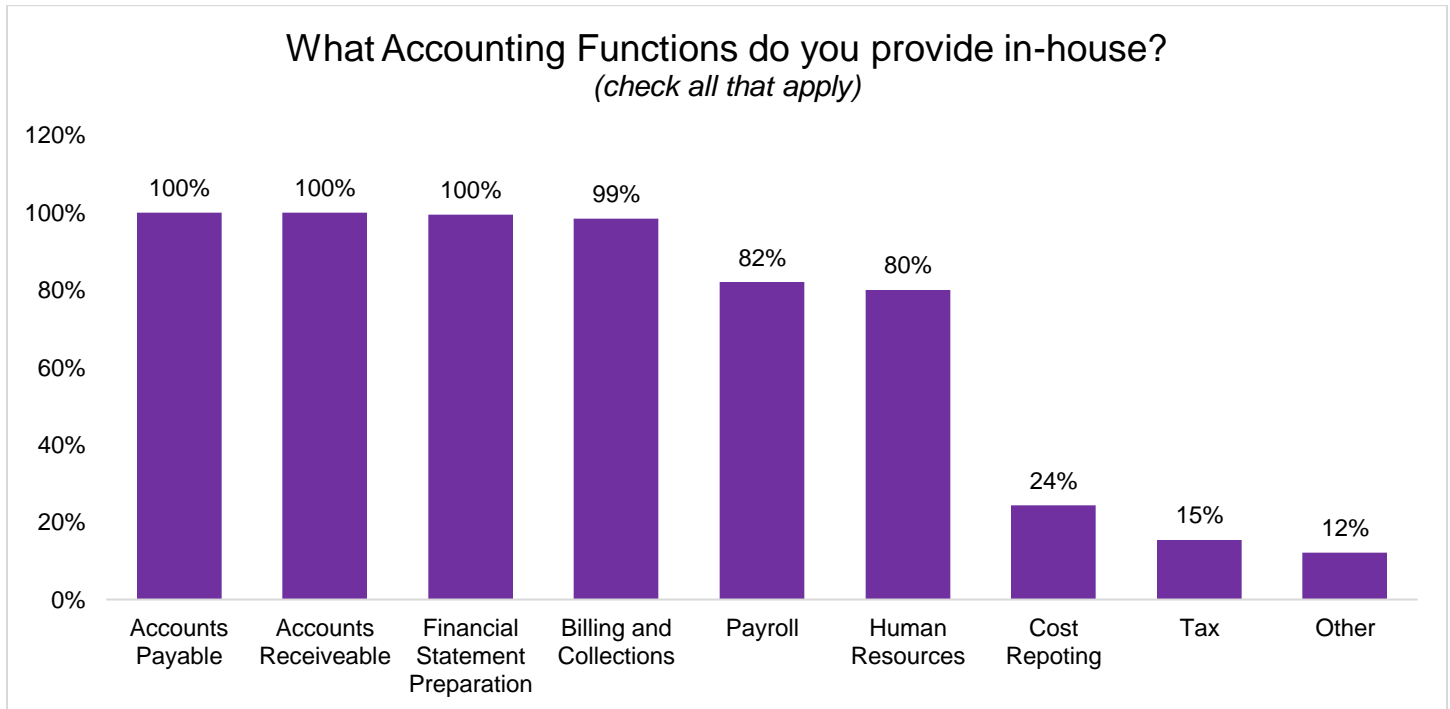| Category	FTEs
>1 LPC*	12
>5 LPCs	7
>10 LPCs	44

Multi-sites with one LPC and other property types

The survey asked what each provider's most senior accounting position is, excluding the CFO. A large portion of respondents commented that the Controller is their most senior position, followed by the Director of Finance.

What is your most senior accounting position, excluding the CFO?

Position	Percentage
Controller	53%
Director of Finance	12%
Senior Accountant	12%
Accounging Manager	11%
Director of Accounting	8%
VP of Finance	5%

When asked which accounting functions organizations provide in-house, most responded that they offer Accounts Payable, Accounts Receivable, Billing and Collections, and Financial Statement Preparation. In addition to these functions, a smaller number also offer Payroll, Cost Reporting, Tax, and Human Resources. There were a few open-ended responses including Contributions/Donation accounting, Health Plan Management for PACE, Private Pay SNF billing, and Bondholder/Regulatory Reporting. Additionally, some respondents noted that the in-house HR accounting is provided by the HR team rather than the finance/ accounting team.

What Accounting Functions do you provide in-house?
(check all that apply)

Function	Percentage
Accounts Payable	100%
Accounts Receiveable	100%
Financial Statement Preparation	100%
Billing and Collections	99%
Payroll	82%
Human Resources	80%
Cost Repoting	24%
Tax	15%
Other	12%

When asked if providers outsource any accounting functions, over half said that they do.

Do you outsource any accounting functions?

No
47%

Yes
53%
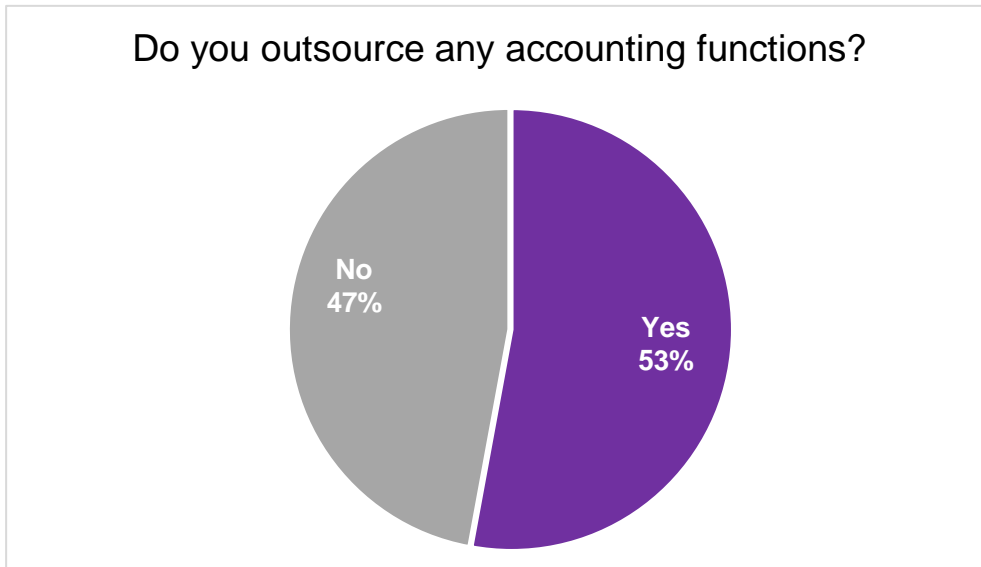
Those that do outsource some of the accounting functions were then asked what functions they outsource. The table below shows that the highest number of providers outsource Cost Reports, followed by skilled nursing billing and tax preparation. In the "other" category, responses included: Insurance Billing, Accounts Payable, and 401(k) Audits.

Outsourced Accounting Functions	
Cost Reports	25%
Skilled Nursing Facility Billing	14%
Tax Preparation	14%
990 Tax Return	13%
Payroll	9%
Annual Financial Audit	5%
Billing	3%
Actuarial Services	3%
Collections	3%
Home Health Billing	3%
Other	10%

When asked who organizations use to outsource these functions, there was a wide range of responses. While the top ten companies mentioned are listed below, there were also many in the "Other" category including: Consolidated Billing Services, EideBailly, HW&Co., Moss Adams, SNF Solutions, Paylocity, and UKG.

Outsourced Accounting Companies	
CLA (CliftonLarsonAllen)	12%
Baker Tilly	8%
Plante Moran	5%
RKL	5%
Forvis Mazars	5%
Wipfli	4%
ADP	3%
MatrixCare	3%
Paycom	3%
Other	54%

The survey then asked what the approximate annual cost is to outsource accounting functions. As shown in the table below, the total average among all respondents was more than $90,000. For single-site properties, the average was lower while multi-sites were higher.

Approximate Annual Cost to Outsource Accounting Functions		
Amounts	Multi-site	Single-site
>$5,000	13%	22%
>$25,000	13%	19%
>$50,000	29%	33%
>$100,000	35%	16%
>$200,000	10%	9%
	n=31	n=67

As a side note to outsourcing accounting functions, there were a few outlier responses such as one provider who said they generated over $100,000 in net revenue over the last two fiscal years from outsourcing Accounts Payable (before factoring in reducing an FTE and other associated savings).
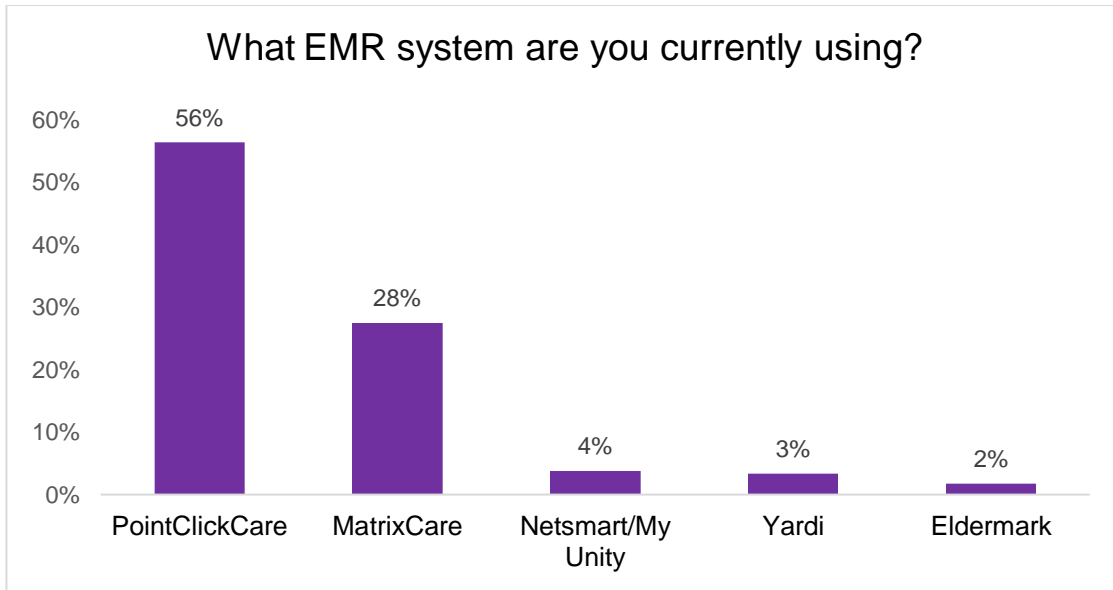
Next, participants were asked what accounting system they currently use. Once again, there was a variety of answers, but below are the Top 10. Other responses included: Blackbaud Financial Edge, Oracle, SAP Concur, Yardi, Multiview, and Workday. Some respondents answered that they used more than one accounting system.

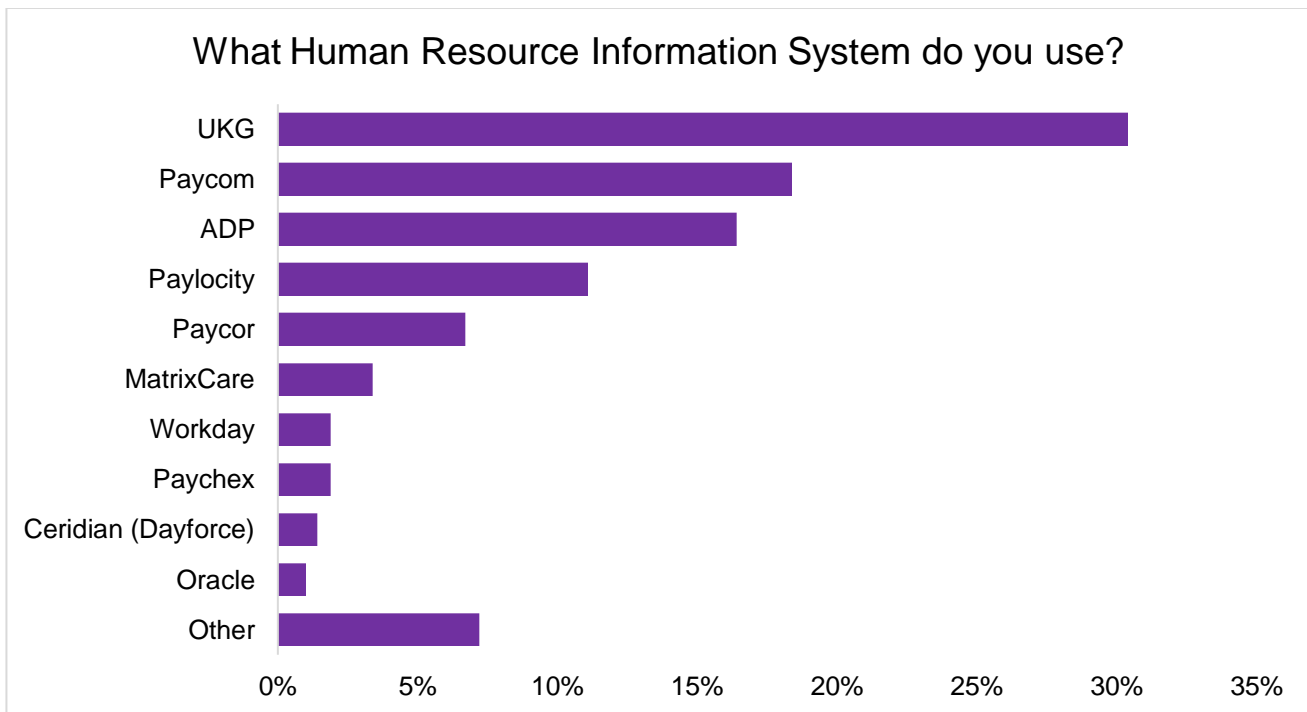| What Accounting System are you currently using?	
MatrixCare	25%
Sage	19%
PointClickCare	18%
Microsoft Dynamics GP	10%
NetSuite	4%
QuickBooks	3%
AOD	3%
Oracle	2%
Yardi	2%
SAP Concur	2%

In order to gain a full picture of the software being used, the next question asked what billing system providers are currently using. While there was a healthy variety of responses here as well, the two systems used the most were PointClickCare and MatrixCare. Those with only a few responses included: Inovalon, Net Health, Aline, Aplos, Home Care Home Base, and Claimocity.

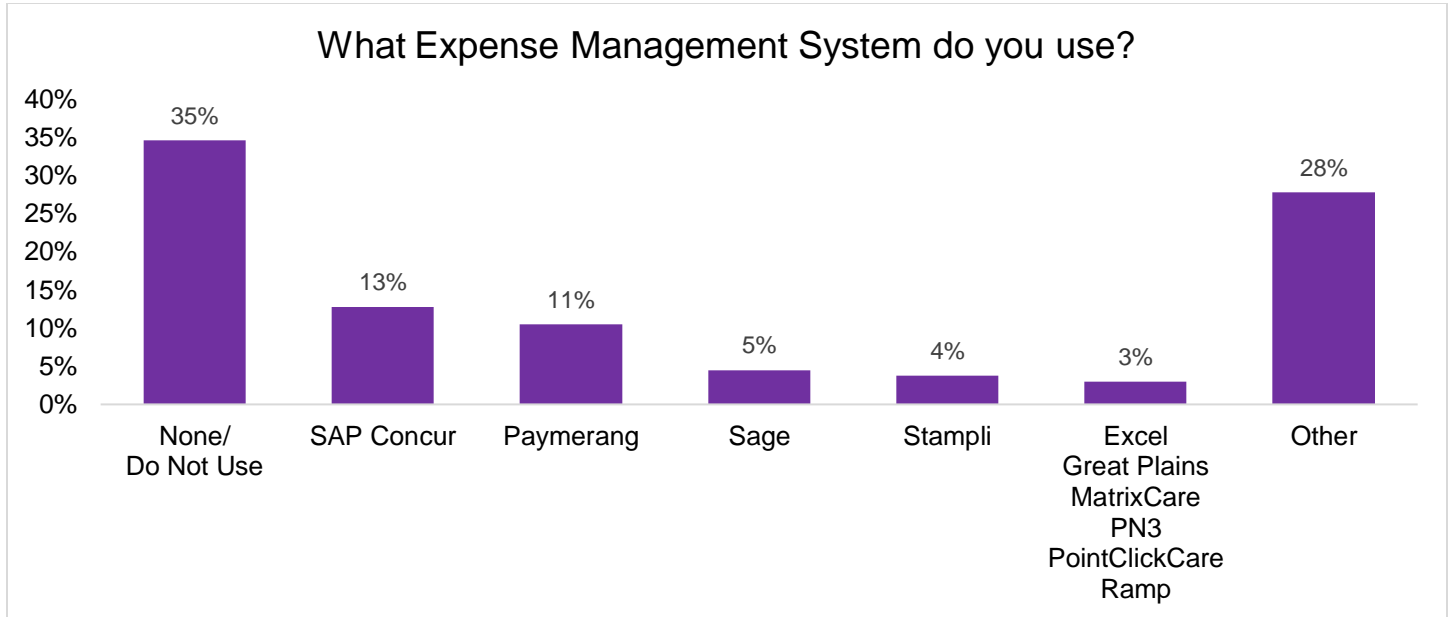What Billing System are you currently using?
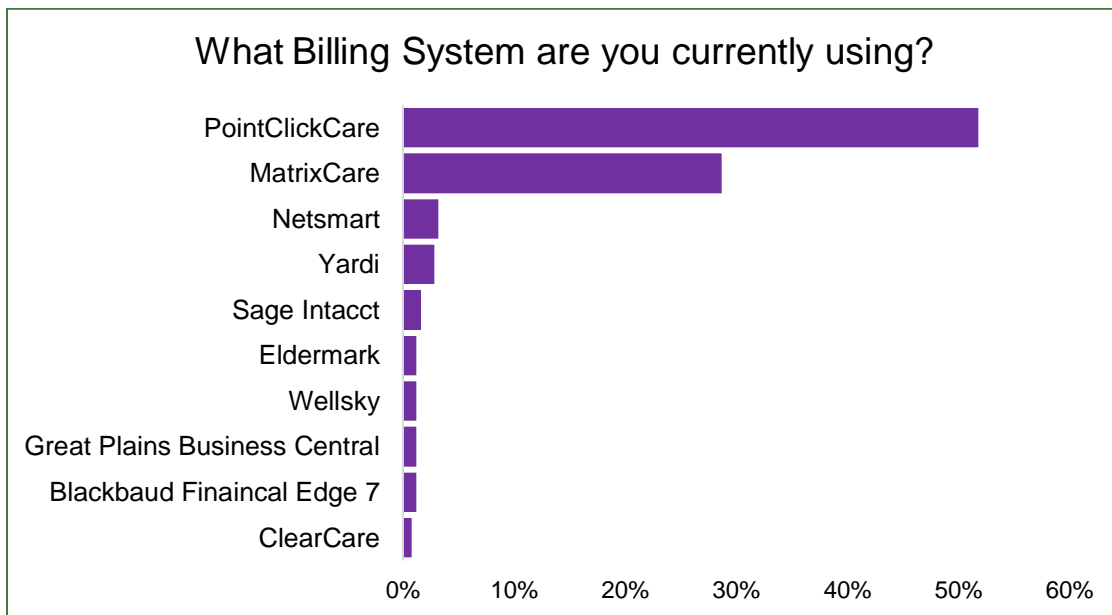
Next, the survey asked what EMR system is currently being used. Below are the top five. Once again, an overwhelming majority of respondents indicated they use PointClickCare and MatrixCare for this function. Other software mentioned were Sigmacare, Wellsky, Net Health and Clearcare.

What EMR system are you currently using?

System	Percentage
PointClickCare	56%
MatrixCare	28%
Netsmart/My Unity	4%
Yardi	3%
Eldermark	2%

The next question asked what Human Resource Information system is currently being used. Below are the top ten responses, including UKG, followed by Paycom and ADP. Other responses include Paypro, Sage, Smartlinx, and Aloha.

What Human Resource Information System do you use?

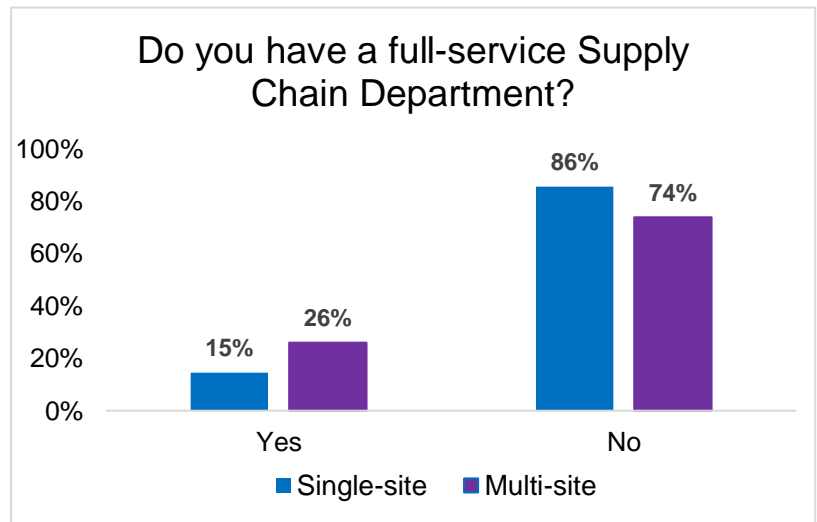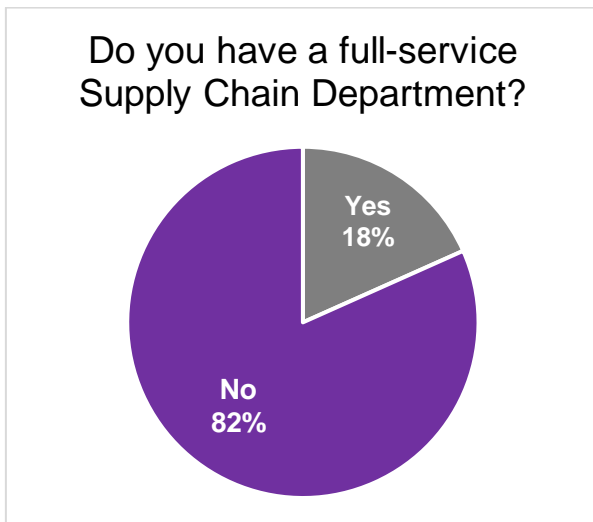| System	Percentage (approx.)
UKG	30%
Paycom	18%
ADP	16%
Paylocity	11%
Paycor	7%
MatrixCare	3.5%
Workday	2%
Paychex	2%
Ceridian (Dayforce)	1.5%
Oracle	1%
Other	7%

The survey asked what Expense Management system organizations are currently using. There was a wide variety of answers, with the largest response being None/Do Not Use. Other responses included Bill, Workday, Center, Divvy, Oracle, AccuFund, Paycom, and Yardi.

What Expense Management System do you use?

| System	Percentage
None/Do Not Use	35%
SAP Concur	13%
Paymerang	11%
Sage	5%
Stampli	4%
Excel / Great Plains / MatrixCare / PN3 / PointClickCare / Ramp	3%
Other	28%

Respondents were asked for their input on Supply Chain management. First, by asking if the organization has a full-service Supply Chain Department and second, how many staff they have.

Overall, nearly 20% said that they do have a full-service Supply Chain department with 11% of multi-sites more likely to have one.

Do you have a full-service Supply Chain Department?

Response	Percentage
Yes	18%
No	82%

Do you have a full-service Supply Chain Department?

|	Single-site	Multi-site
Yes	15%	26%
No	86%	74%

Those that indicated that they do have a Supply Chain Department were asked how employees they need to staff it. The majority of respondents indicated that they have two staff members, and another 30% said they have one.

## How many staff are in your Supply Chain Department?
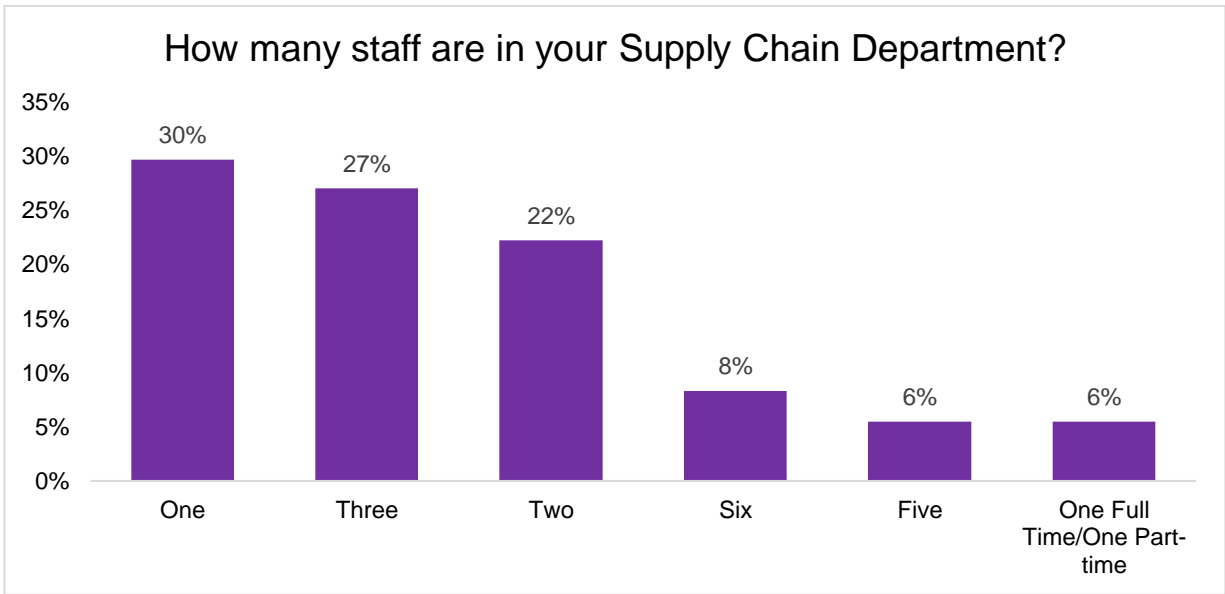
The next section of the survey asks about Resident Payments. Participants were asked if residents can pay online, and which payment methods are accepted. Almost 40% said that they accept ACH payments, while another 33% said they do not have online bill paying; and less than 20% accept online credit card payments.

Of those that do accept credit cards as payment, the average fee rested at 3.00%, with most providers asking between 2.10% to 3.00%. Some mentioned that they did not charge a fee for the first use but then included it for each payment after. Others said they did not charge a fee to the resident as they see it as the "cost of doing business." Another provider noted that they only allow SNF private pay use credit cards.

If reisdents can pay bills/entry fee with a credit card, what is the processing fee?
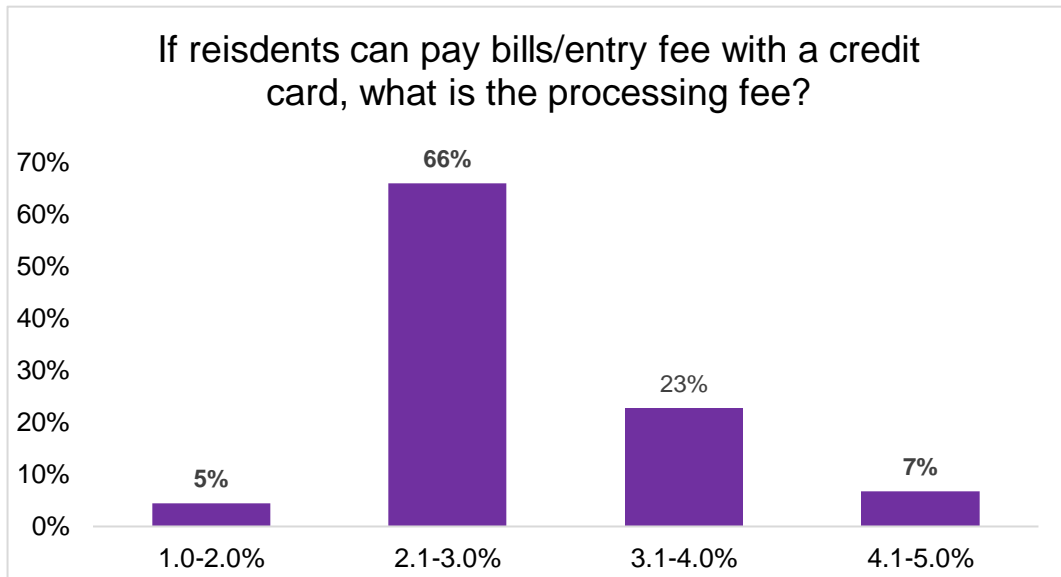
The last question on residents' payments asked which software is used if residents can change from paperless to automated payments. Some answered with more than one platform. ACH/Bank software was used the most, followed by MatrixCare and PointClickCare. Other software mentioned included CareGrove, Microsoft Dynamics 365 Business Central, Excel, and Quickbooks.
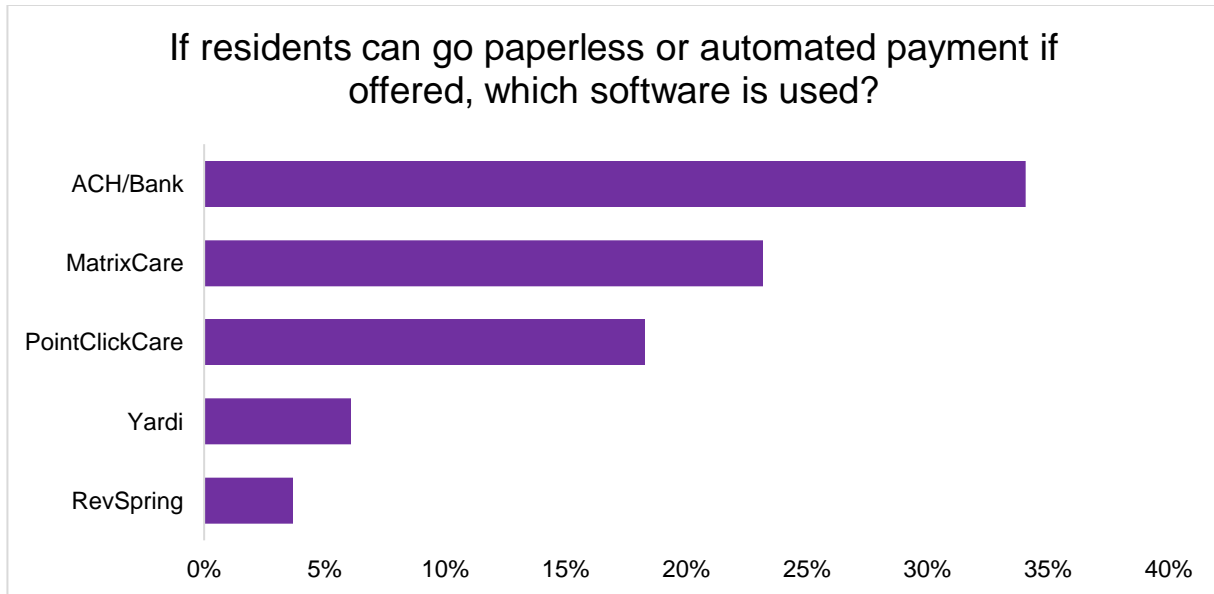
The bonus question of the survey asked participants if there was one resource that would make the finance office more productive, what would it be? Respondents continue to search for the right software for their needs, while also seeking qualified/experienced staff to make the best use of whatever tasks are implemented. Overall, many could use more staff on the team, and some felt that having some operations (including HR) report to the CFO would be helpful. A few said they did feel the need for anything new at this time. Below are some of the specific comments from survey respondents:

- *Having more departments operationally report to the CFO would assist in streamlining the education and processes of the organization*
- *Educated Managers well-versed in financial reporting.*
- *Experienced billing staff willing to work onsite.*
- *Staff. As a CFO, I don't have time to do analysis because I am often troubleshooting for my team.*
- *More automation and integration.*
- *It would be helpful to have a dashboard to pull the department metrics instead of manually creating each month. We are focusing on this as an organization this year to find a solution.*
- *It would be a software system that streamlines billing, resident tracking, collection and cash application with far less manual intervention.*
- *More real time visibility into expenses. As a single-site campus we cannot afford a high-end accounting system like workday that does capture expenses real time.*
- *More staff. Integration of POS and PCC w/ MatrixCare. Paperless.*
- *One additional resource that would significantly enhance productivity is dedicated software for automated financial reporting and analytics. This system would integrate seamlessly with*

existing platforms to streamline reporting processes, provide real-time data insights, and reduce the time spent on manual compilation and analysis. Such a tool would allow the team to focus more on strategic decision-making and less on routine data preparation, thereby increasing overall efficiency and effectiveness.

- *Truly integrated financial systems or single source application for AP, billing, PR, and General Ledger.*
- *Systems are not integrated. No two systems talk so lots of manual work. Also need full-service Purchasing/Payables solution.*
- *Having a centralized purchasing manager to coordinate contracts and services provided across all sites.*
- *A better RCM system with easier to manage interfaces for submissions to CMS/Insurance.*
- *In-house IT manager to relieve CFO of those duties. Potential efficiencies with additional software (AR and AP processing).*