



Smarter AP for Senior Living

How Automation Drives Efficiency,
Cuts Risk, and Boosts Profitability



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Introduction | Better resident care starts with better AP

As a senior living organization, your priority is delivering exceptional care and experiences to residents and their families. While efforts often focus on frontline services, outdated AP processes behind the scenes can quietly disrupt operations.

Manual AP delays vendor payments, disrupts services, and increases financial risk—ultimately impacting resident care. With tight margins and rising expectations, finance teams can't afford inefficiencies.

The solution? AP automation. It reduces risk, saves time, and strengthens your bottom line.

This guide offers practical insights on how to modernize AP, streamline your workflow, and improve care—without overwhelming your team.

Let's begin.



Hidden headaches: The AP challenges facing senior living

Accounts payable can be a challenge for any industry. But in the world of senior living, it comes with a unique set of complexities.

Let's explore some of those key hurdles of manual AP for senior living finance teams.

#1 Lots of vendors

Senior living communities rely on a wide range of goods and services to deliver outstanding resident experiences. Some examples include:

- Foodservice
- Medical supplies
- Landscaping
- Maintenance

That means organizations must manage dozens of vendors, each with their own billing cycles, formats, and payment terms. Processing each of these invoices manually is time-consuming and increases the likelihood of errors and missed payments.

#2 Multiple communities

Many senior living organizations operate multiple communities, and they're often geographically dispersed. In many cases, purchasing decisions and invoice approvals happen at the local level.

Sure, this flexibility can be helpful. But it often leads to inconsistent processes, scattered documentation, and delayed approvals. The result? A lack of control and visibility at the corporate level, and a lot of unnecessary back and forth between locations.

#3 Complex compliance requirements

Senior living finance teams must navigate a number of industry-specific compliance requirements, including HIPAA and state-level audits.

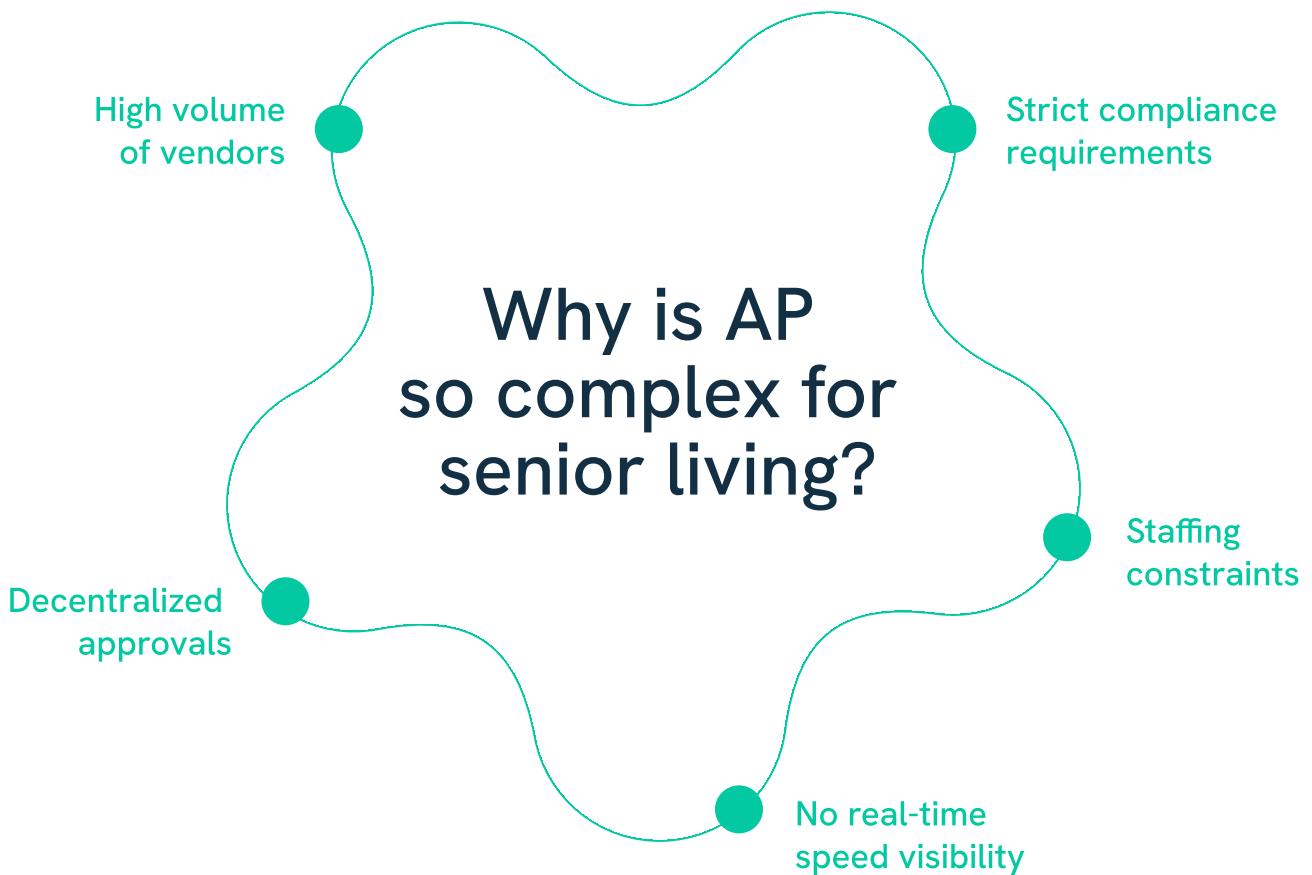
Manual AP processes make it challenging to adhere to compliance requirements and remain audit-ready. Even small missteps have significant consequences, including fines, delays in reimbursement, and a tarnished reputation.

#4 Staffing constraints

Senior living AP teams are stretched thin. They spend their days juggling invoice entry, chasing down approvals, and processing payments, alongside countless other responsibilities. That leaves them with little time to focus on strategic work and improve outdated systems.

#5 Limited visibility into real-time spend

Often, manual systems mean teams have to wait until invoices are fully processed before spend data becomes available. At that point, it's too late to manage budgets and cash flow proactively. That's a significant obstacle for senior living leaders looking to control costs in an environment with tight margins.



The true costs of manual AP in senior living

Manual AP might seem like a minor inconvenience—but it carries hidden costs.

It strains vendor relationships, increases compliance risks, and drains time from stretched teams. Over time, these issues impact your finances and the quality of care residents receive.

Let's explore the true cost of manual AP in senior living.



Delayed payments and missed discounts

When invoices are routed manually, it's easy for them to get stuck in the approval process or be misplaced altogether. This leads to late payments and missed early payment discounts.

These small, repeated losses add up quickly, making it harder for senior living organizations to allocate funds to programs and services that directly benefit residents.



Human error

When AP is managed manually, human errors are inevitable—such as duplicate payments, incorrect GL coding, and invoices being paid without proper review. Over time, these mistakes add up, limiting your ability to invest in initiatives that improve resident care and quality of life.



Strained vendor relationships

Strong vendor partnerships are essential to delivering quality care in senior living—whether for food, medical supplies, or maintenance.

Late or inconsistent payments can strain these relationships, leading vendors to deprioritize or drop your organization, ultimately impacting the resident experience.





Fraud exposure

Without proper oversight, manual AP processes are especially vulnerable to fraud—such as duplicate payments, falsified invoices, and internal misuse. These risks often go undetected until it's too late, leading to financial losses and eroding organizational trust.



Hidden labor costs

Manual AP is notoriously labor-intensive. Teams spend countless hours chasing down invoice approvals, keying in data, fixing errors, and resolving discrepancies. That leaves less time for higher-value work, like strategic planning, vendor negotiations, or improving overall financial performance.

Manual AP is hurting you more than you think

Problem

Why it matters

DELAYED PAYMENTS

LESS FUNDING FOR RESIDENT SERVICES

HUMAN ERROR

WASTED RESOURCES AND REDUCED FINANCIAL CLARITY

STRAINED VENDOR RELATIONSHIPS

DISRUPTED SERVICES AND SUPPLIES

COMPLIANCE RISK

FINANCIAL AND REPUTATIONAL DAMAGE

FRAUD RISK

FINANCIAL LOSS AND LOSS OF TRUST

LABOR COSTS

LESS TIME FOR STRATEGIC WORK





AP automation 101

Manual AP isn't just a hassle—it drains resources, adds risk, and impacts the care residents receive.

The solution? AP automation.

It replaces paper invoices, manual entry, and email approvals with fast, accurate, digital workflows—from invoice capture to payment—so your team can focus on what matters most: your residents.

From manual to modern: How AP automation transforms your workflow

Manual AP process

PAPER OR EMAILED INVOICES

MANUAL DATA ENTRY

INVOICES PRINTED OR EMAILED
FOR APPROVAL

APPROVERS CHASE PAPER OR
EMAIL TRAILS

MANUAL 3-WAY MATCHING WITH
PO AND RECEIPTS

MANUALLY TRACK STATUS AND
PAYMENTS

Automated AP process

DIGITAL INVOICE CAPTURE

AI-POWERED DATA EXTRACTION AND CODING

AUTOMATED, RULE-BASED APPROVAL ROUTING

APPROVE IN ONE CLICK

AUTOMATIC PO/INVOICE/RECEIPT MATCHING

REAL-TIME DASHBOARD WITH FULL VISIBILITY

How AP automation eases the pain

A growing number of senior living communities are modernizing their AP processes, and it's easy to see why. AP automation addresses the biggest pain points that keep senior living finance teams up at night.

Let's take a closer look.

Centralized processing across locations

When you use an AP automation solution, all invoices, regardless of their origin, are processed in a single central location. This enables you to standardize invoice management across all your locations, while still allowing for local flexibility when needed.

→| **What it means for you**

A unified, consistent process across all of your senior living locations, with fewer delays and less confusion.

AI-powered invoice capture and 3-way matching

AP automation tools use AI to extract invoice data, apply the correct GL codes, and match invoices to purchase orders and receivables—all without manual entry. This dramatically reduces the risk of errors and missed matches.

→| **What it means for you**

Faster processing and fewer mistakes.

Configurable, audit-ready approval workflows

With AP automation, there's no longer a need to chase approvals through email or paper trails. AP automation solutions offer fully configurable workflows tailored to the structure and approval processes of your senior living organization. Invoices will get routed to the right people, in the right order, with full audit logs of every action.

→| **What it means for you**

Faster decisions, stronger internal controls, and streamlined compliance.

Real-time visibility across locations

By modernizing AP, you'll get real-time visibility into spend for every location. You can see where money is being spent and identify cost-saving opportunities throughout the organization.

→| **What it means for you**

Stronger financial oversight, without waiting for month-end reports.

Stronger vendor partnerships

Strong vendor partnerships depend on accurate, on-time payments. With AP automation, you can avoid late payment fees and may even be eligible for discounts for early payment. Furthermore, you always have full visibility into invoice status, which means your team can quickly resolve issues before they escalate.

→| **What it means for you**

Healthy partnerships and access to the supplies and services you need for resident care.

Reduced administrative burden

AP automation takes pressure off your team by streamlining data entry, automating approvals, and minimizing the need for error resolution. They'll have more time for strategic work, such as forecasting, vendor negotiations, and cost optimization. Plus, teams are less likely to burn out, which will increase satisfaction and retention.

→| **What it means for you**

A more strategic, less burned-out finance team.

Built-in compliance and security

Compliance and security are top priorities for any senior living organization, but manual AP processes often leave gaps in documentation, oversight, and data protection. AP automation strengthens compliance by automatically tracking every invoice, approval, and payment, making audits faster and less disruptive. It also reduces the risk of fraud and human error through standardized workflows and controls that prevent duplicate payments, unauthorized approvals, and manual mistakes. Additionally, leading AP automation platforms follow HIPAA best practices for data security and privacy—an essential safeguard for organizations that handle PHI in invoices or billing processes.

→| **What it means for you**

Lower regulatory risk, strong protections, and more confidence in your financial operations.

Real results: AP automation in action

The challenge

The finance team at West Harbor was bogged down by inefficient AP workflows. Their prior platform required manual uploading and coding of invoices, which consumed up to 20 hours each week for AP staff.



- Founded in 2016
- Operates **8 skilled nursing communities** throughout California
- Processes about **1,200 invoices per month** across multiple locations



The results

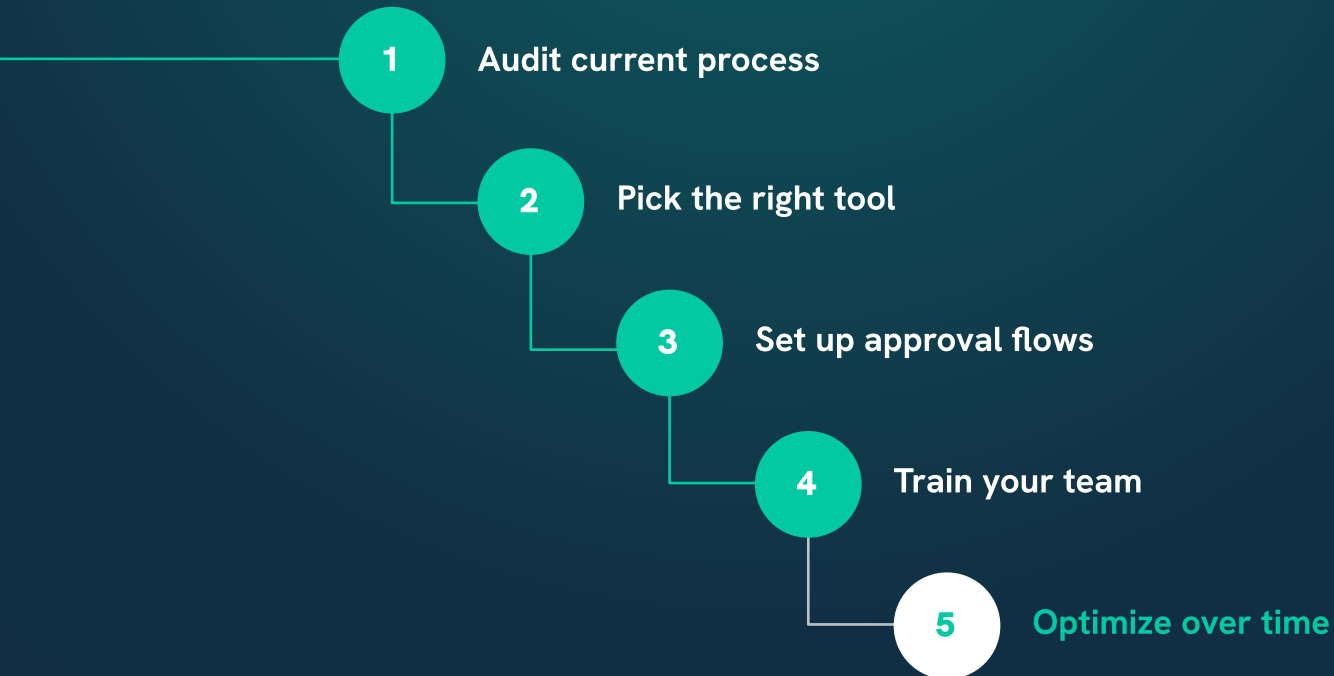
By partnering with Ottimate, West Harbor has been able to streamline its AP workflow and see some significant benefits along the way, including:

- **Time savings:** Invoice processes went from 15-20 hours per week to 30-45 minutes daily.
- **Efficiency improvements:** Streamlined cumbersome processes, such as batch processing long invoices.
- **Enhanced vendor and support:** Archiving and invoice notes allows for faster dispute resolution and retrieval during audits.
- **Stronger compliance and reporting:** Real-time invoicing visibility eased monthly and quarterly government reporting.
- **Team morale:** With manual tasks automated, finance staff could focus on higher-value work and support other areas of the organization.

"We're not spending a lot of time on every single invoice, having to code every single line item. Before, I was probably spending 15 to 20 hours a week just trying to get things to work right. And now, I go in every morning or afternoon for about half an hour to 45 minutes. So it's definitely cut a lot of my time out there!"

Mary Herrington, Accounting Manager, **West Harbor Healthcare**

5 Steps to Smarter AP



Choosing the right AP automation partner

Several AP automation tools are available on the market today. But no two tools are the same.

Senior living finance teams face unique challenges, including decentralized purchasing, regulatory complexity, vendor coordination across locations, and mounting pressure to do more with less. It's essential to find an AP automation partner that's specifically designed to address these unique challenges.

Here are some key factors to consider when evaluating your options.

1. Purpose-built features for senior living organizations

Find a solution that's built to solve the problems senior living AP teams face every day. Look for functionality that addresses these challenges and streamlines the full invoice lifecycle, including:

- **AI-powered invoice capture:** Automatically digitizes, codes, and sorts every invoice. There's no more manual data entry and far fewer errors.
- **Custom approval workflows:** Automatically routes invoices based on your internal rules. You'll reduce bottlenecks and ensure on-time payments.
- **Automated payments:** Ensures all vendors are consistently paid on time via their preferred payment methods.
- **ERP and accounting integrations:** Connects your AP automation platform with your other technology, which eliminates duplication and data silos.

2. Built-in compliance and audit support

Senior living organizations must contend with complex healthcare billing, HIPAA considerations, and state-level audits. Even minor errors can have significant consequences. Make sure your chosen AP automation platform includes:

- Comprehensive audit trails to support internal and external reviews
- Configurable workflows to match healthcare-specific approval and documentation requirements
- Data handling standards aligned with healthcare privacy and security best practices.

3. Ease of use and scalability

You won't get much value from an AP automation platform if your employees can't figure out how to use it. Look for a solution that's intuitive and user-friendly. The quicker your finance team gets up to speed, the faster you'll start realizing value.

Look for:

- A clean, modern interface that's easy to navigate
- Cloud-based access across all locations
- Flexible setup that can grow as your senior living organization scales

4. Peer feedback and proven results

Don't just take a vendor's word for it. Validate their claims by seeking out insights from other companies like yours who have partnered with the vendor.

For example:

- Browse reviews on G2 and other review platforms
- Ask peers what tools they use and trust – either in person or via LinkedIn
- Request case studies or success stories for other organizations in the senior living space

5. Implementation and ongoing support

A great partner won't leave you hanging once the ink has dried on your contract. Instead, they'll be there with you every step of the way.

Look for an AP automation partner that offers:

- A straightforward, step-by-step implementation plan
- Ongoing support to guide setup and testing
- Ongoing access to customer success teams, training resources, and technical support
- Regular guidance to help you get the most value from your investment

6. Take it for a test drive

Once you've narrowed down your list of options, schedule demos to see each tool in action. Ask about hands-on product walkthroughs, trial periods, or other options that'll allow you to see firsthand how a solution can help you tackle your challenges and achieve your goals.



Your next move toward smarter AP

When considering ways to improve resident experiences, accounts payable may not be the first thing that comes to mind. But the truth is, outdated AP processes drain time and resources, increase risk, and make it harder to focus on what really matters: resident care.

Modernizing your AP processes empowers your team and strengthens your operations from the inside out. By making the switch to automated AP, you can:

- Save time and reduce manual work
- Gain real-time visibility and control across all of your communities
- Lower risk from errors, delays, and compliance gaps
- Strengthen vendor relationships and ensure continuity of service

Change – even when it’s for the better – can feel overwhelming. But with the right AP automation partner, it doesn’t have to be.

Ready to take the next step?

Schedule a live demo to see how Ottimate empowers senior living organizations to save time, protect profitability, and deliver exceptional resident experiences.

[Book your demo.](#)

