AP Automation Becomes a Business Advantage for Affinity Dental

Overview

Affinity Dental Management is a dentist-run, dental service organization (DSO) that provides comprehensive practice management and administrative support services for practices across the northeast United States. The company's mission is to create growth and learning opportunities throughout its dental practices to achieve ongoing excellence in the delivery of dental services.

Affinity Dental was formed in 2017 through the merger of three separate companies. Since then, the company has grown through affiliations and new practice openings, building a strategic network that offers general and specialty dental services. Affinity Dental is committed to offering quality patient care and physician and practice support.

Explosive growth leads to AP challenges

Affinity Dental Management has grown through an aggressive acquisition strategy, to the point where the company now has 32 offices in four different states in the northeast.

While such growth has helped the company increase revenues, it has led to two challenges related to Affinity Dental's Accounts Payable (AP) process. First, so many acquisitions doubled the number of invoices Affinity Dental's small AP team had to manage. Second, it created a decentralized operating model that made it much more difficult to collect, process, and route invoices for approval.

Christine Hester, Affinity Dental's Controller, remembered how these challenges affected her department. "In the last two years alone, we acquired five different companies, including one that added 11 offices. Yet, all AP processes are centrally managed from one office. This made it extremely difficult to provide the visibility staff and leadership needed to manage cash flow."

Making things even more challenging was the fact that Affinity

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Dental processed a high number of invoices each week, an effort that relied on manual data entry, paper-based processes, and other time-consuming steps. "We would receive invoices directly from suppliers as well as from our offices," explained Hester. "The invoices were a mix of paper and electronic bills, as well as scanned PDFs that included many different invoices. The process was extremely difficult to manage and wasted too much time and effort."

With this old approach, Hester was forced to manually key all invoice data into QuickBooks, Affinity Dental's accounting system. At times, it could literally be a tall order—on top of all her other responsibilities as controller—as the company's invoices could be as long as 12 pages, full of various dental supplies.

Hester managed the approval process with her CFO but still cut and mailed a high volume of paper checks each week. While she doesn't recall exactly how much time she spent, "it was definitely several hours each day," she said. "If I didn't address it every day, it quickly spiraled out of control." She used to manage 500 invoices a month this way but as the company continued to grow—today, Affinity Dental processes 1,000 invoices a month—it quickly became clear they needed an AP automation solution.

The search for AP automation leads to MineralTree

As Hester began her search, her list of requirements included a solution that integrated seamlessly with QuickBooks to eliminate manual data entry, as well as

electronic payment capabilities to reduce the cost and effort of check payments. Affinity Dental also needed a cloud-based solution that would give the CFO—or any user—complete visibility into invoice and payment details, no matter where they happened to be.

Hester evaluated many different products, but only one stood out: MineralTree. "I loved the fact that MineralTree provided a two-way sync with QuickBooks," said Hester. "We also thought its invoice capture capabilities combining OCR technology and human review would offer superior accuracy. Finally, the entire team liked that MineralTree's SilverPay virtual card would generate impressive rebates, just for using SilverPay to pay suppliers."

After an implementation that Hester credits with being "extremely fast and easy," the company was up and running. According to Hester, "Affinity Dental's finance team now can't imagine life without MineralTree."

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AP automation becomes a business advantage

Today, most of Affinity Dental's invoices are sent to a specific AP email account. This makes it easy for Hester or any user to quickly examine the invoice and then send it directly to the MineralTree system. For the portion of invoices that are still received via the mail, the company's AP specialist will scan and upload the PDFs into MineralTree. Whether the invoices are emailed or uploaded into the system, MineralTree's automated invoice capture process kicks in, extracting

data from each invoice.

From there, the AP specialist processes and posts the invoices. Then, Hester simply goes into MineralTree once a week, runs a report, and chooses which invoices to pay. The entire process is much faster and more efficient, enabling Affinity Dental to stay on top of all invoices on a daily basis.

As far as time savings, the AP specialist may only spend 10 minutes each day scanning paper invoices and another hour processing and posting invoices in MineralTree. All of this has freed her time, so she can now proactively communicate with vendors and focus on other higher-value work initiatives. Hester has also benefitted and now performs more cash flow analysis and other projects to improve process and efficiency.

"With MineralTree, the entire AP process is now extremely efficient," she said. "The time we spend entering data is much, much lower than it used to be, and it's helped us contribute to more strategic business goals."

Generating new revenue with SilverPay

Affinity Dental also uses SilverPay, MineralTree's virtual card offering, to further streamline supplier payments and earn valuable cash-back rebates. Today, the company uses SilverPay for nearly 30% of its AP spend, a decision that has generated a new revenue source that more than offsets the cost of the entire MineralTree solution.

MineralTree's payment operations team is continuing to enroll additional suppliers with SilverPay to increase the amount of rebates Affinity Dental can gain in the future. "In addition to the rebate and security benefits

to Affinity Dental, virtual cards are something that our suppliers like as well, as they can immediately process payment," Hester noted.

No looking back

Hester is convinced that MineralTree was the right choice for Affinity Dental. "MineralTree has helped us automate our end-to-end AP process and provide remote users with the visibility they need to approve invoices and make better financial decisions," she said. "In this way it's become so much more than an AP automation tool—it is a solution that lets us manage our entire business more effectively."

Take the Next Step

See how MineralTree can help you streamline your AP process and generate rebates from secure virtual card payments.

Contact us at (617) 299-3399 OR info@mineraltree.com

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