

Maximising your cash flow in the home care sector

The current climate

Home care providers in the aged care sector have been experiencing unprecedented cashflow pressure, according to the [Federal Government's Quarterly Financial Report from March 2023](#), with **22% of home care providers operating at a loss**. While the remaining 78% may be recording a profit, Lauren Broomham, editor of the Weekly Source, highlighted that tight cash flow and limited capital are causing significant concern for home care providers.

Claim Maximisation Best Practices

AlayaCare and Redmap have partnered to provide an automation platform aimed at maximising your Services Australia claim. The pillars of this best practice approach are:

Visit Scheduling

Scheduling as many visits in advance as possible provides better visibility to the client budget.

Electronic Visit Verification

Verifying visits in the month they occurred includes them in the Services Australia claim, improving your cash flow.

Invoice Matching

Invoices are matched to the visit data with any differences being adjusted with a new entry to ensure accurate client budget tracking.

Reconciling vendor invoices with claims

Let's run through four possible use cases to look at how they apply to the invoices you receive from vendors.

1. Invoice Verification

The invoice is received and cross-checked for errors prior to being processed. These checks include making sure it isn't a duplicate invoice, ensuring the vendor is registered for GST and others. This improves compliance and removes tedious checking from the AP team.

2. Matched Visits

The invoice received matches the costing of the care visit in AlayaCare. In this scenario, authorising the invoice marks the visit in AlayaCare as reconciled and the vendor transaction is posted to the ERP for payment.

3. Unmatched Visits

The invoice received matches to an visit in AlayaCare, but there is a variance. For example, the vendor has charged 90 min of work instead of the 60 min scheduled. In this scenario, authorising the invoice updates the visit in AlayaCare to 90 minutes and marks it as reconciled. The vendor transaction is then posted to the ERP for payment.

4. Unscheduled Visits

An invoice does not have a corresponding care visit in AlayaCare, perhaps because the client managed the appointment. In this scenario, authorising the invoice will create the visit against the client's account and the vendor transaction will be posted to the ERP for payment.