

# What Senior Care and Skilled Nursing Facilities Should Look for When Outsourcing **HCM Software**



\$50 per social security mismatch.



more likely to have payroll errors if done manually. 3

**Payroll** Facts



of the total amount of payroll is owed in penalties for submitting the wrong payroll tax amount. Penalties start accruing on the due date of your payroll taxes.<sup>2</sup>



of HR administrators use HR management software tools improved employee attitude. 4 400% increase in employment lawsuits in the last 20 years.

Facts



Violations of the Fair Labor Standards Act (FLSA) may be prosecuted criminally, with violators subject to potential fines of up to \$10,000.

#### Reasons to Outsource

Compliance There are thousands of federal, state, and local jurisdictions in the U.S., so organizations have to follow numerous law to stay in compliance. In industries operating in multiple locations like senio care there are even more laws to comply with. A good HR and payroll provider will have all of the answers to your compliance questions as well as the ones you don't even have yet.

### Time

HR and payroll can be very time consuming. According to the National Business Association, 1 in 5 business owners spend over 6 hours each month handling payroll taxes internally. 7

### Size

As your facility grows, there are many laws that you should be aware of in order to maintain compliance, such as ACA, paid sick leave, employee payment regulations and COBRA, just to name a few. The more employees you have, the more room

## Payroll Processing

You already know that senior care payrol can be unique and very daunting, with many complexities including retroactive pay, overtime premiums and blended rates, and a range of other nuances. Nonindustry software can create tons of problems and headaches, and rather than helping you run your business, you'll probably have to spend hours afterwards carefully examining everything.

## Things to Consider

## When Outsourcing Payroll

Proprietary vs Licensed Software Why does it matter? When a company owns its own software, that company has more control and flexibility to meet customers' needs.

#### Fiduciary Responsibility and **Audited Controls** When you are relying on a service provider

to file and deposit accurately and on time, you want to make sure that they have the right automation and the right controls so you avoid any penalties.

### API Integration Application program interface (API), the

code that allows two software programs to communicate, plays a crucial role in today's HCM software. Make sure when choosing a provider that your HCM and Workforce Management software integrate. Knowledge and Compliance Teams

## If you are having trouble keeping up with

ever-changing policies and regulations, then you want to make sure that the provider you outsource to will understand your unique business needs and be able to help your facility stay in compliance. Sales Agreements and Contracts

#### Contract vs no contract: When signing with a new HCM software provider, you should

understand if you will be signing a contract that will lock you in for x amount of time, will guarantee a price lock, or will allow you to switch if things don't work out. With Viventium, These Small and Big Things Matter

## When Outsourcing HR

#### Certification of HR Representatives When outsourcing, you want to make sure

that your provider's HR staff are certified and knowledgeable. This ensures that they better support you with any questions you have and help you better manage your business.

#### Industry Specialization If your provider only specializes in the

hospitality and construction industries and you are in the health services industry, many laws and regulations will not apply to you. You want to make sure that their team is knowledgeable in your field and can help you manage your business.

## 15 minutes to 24 hours can make a big

Response Time

difference. Let's say you need a report that your HR provider is able to produce, but it takes them ages to respond. These differences can make or break how you can cater to your clients and employees and can even affect whether your facility stays in compliance. Update of Policies

# How often does the HR provider change

policies? Are they on top of new laws and regulations? These are great questions to ask when looking for a new HR software provider.

### GMS Payroll-Based Journal (PBJ) Retroactive Pay/O1

### Automatically pay prior weeks due to late timesheets and determine if overtime is

Custom Pay Stubs

Allow employees to view information like charge dates, location, and rates upfront. Audit unpaid hours easily.

Shift Differentials Track and pay shift differentials either as separate pay codes or automatically combine with the regular pay codes.

## payroll and generate the necessary files

Easily record PBJ data together with

for easy upload to the Centers for Medicare and Medicaid Services. Geo-Tax Location

With facilities in multiple states, selecting the correct tax profile for your employees can be challenging. Offload the mundane task with Geo tax location

## OT Premium/Blended Rates

Properly blend multiple pay rates per FLSA guidelines.

1. https://www.irs.gov/pub/irs-pdf/p1586.pdf 2.https://www.irs.gov/businesses/small-businesses-self-employed/understanding-penalties-and-interest

3. https://www.americanpayroll.org/news-resources/apa-news/news-detail/2018/11/02/3-key-benefits- of-integratedtimekeeping-and-payroll

4. https://research.g2.com/insights/2019-trends/human-resources-hr-trends-2019 5. https://www.williamslawpc.com/for-employers/employee-disputes/ 6. https://www.dol.gov/general/topic/youthlabor/enforcement

7. https://nsba.biz/wp-content/uploads/2018/04/Tax-Survey-2018.pdf