



The IDD Agency Software Buyer's Guide

What to evaluate, what to avoid, and how to choose software that actually fits your organization

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A woman with reddish-brown hair and glasses is smiling and looking towards a man. The man has dark curly hair, a beard, and glasses, and is also smiling. They are outdoors, with green foliage and a tree trunk in the background. The man is wearing a blue denim jacket over a yellow shirt. The woman is wearing a white shirt. A semi-transparent red box with white text is overlaid on the bottom half of the image.

Introduction

If you run an IDD agency, sheltered workshop, or rehabilitation organization, you already know that administrative complexity is one of your biggest operational challenges. State billing rules change constantly. Payroll for program participants has requirements that most HR software was never built to handle. Documentation has to be audit-ready at all times. And your staff would rather be supporting the people they serve than navigating software workarounds.

The right software platform removes that friction. The wrong one adds to it.

This guide was written to help executive directors, CFOs, billing managers, and operations leaders evaluate IDD software with clear eyes, before committing to a vendor. We cover the categories of tools your organization needs, the questions that separate good vendors from great ones, the red flags that show up repeatedly in failed implementations, and a practical framework for running a selection process that leads to a confident decision.

Whether you are replacing an existing system, going digital for the first time, or consolidating a patchwork of disconnected tools, this guide will help you get there.



Chapter 1:

Know What You Need Before Talking to Anyone

The most common mistake in software selection is evaluating vendors before you have a clear picture of your own organization. Sales demonstrations are designed to be impressive. If you walk in without defined requirements, you will walk out wanting everything you were shown, which is how organizations end up paying for features they never use while the core problems they started with go unsolved.

Start with your pain points

Gather your billing staff, program managers, payroll team, and leadership and ask one question: what takes too long, breaks too often, or creates the most risk for our organization? Common answers from IDD agencies include:

- Billing rejections and manual resubmissions that consume hours every week
- Client payroll calculations that require spreadsheets and manual verification
- Staff entering the same data into multiple systems because nothing connects
- Paper-based documentation that creates audit exposure
- No real-time financial visibility for leadership
- Time tracking that cannot support vocational programs or piece-rate wage calculations

Your requirements should be driven by these answers, not by vendor feature sheets.



Know your organization type

IDD software is not one-size-fits-all. A platform built for residential group homes has different priorities than one designed for vocational day programs or sheltered workshops. Be clear about what you actually operate before approaching any vendor:

- Vocational day programs and sheltered workshops
- Residential services and group homes
- Community-based support services
- Rehabilitation and work centers
- Arc chapters, Goodwill affiliates, or other nonprofit disability organizations
- Multi-service agencies combining several of the above

A vendor who claims their software serves all of these equally well often serves none of them particularly well. Look for demonstrated depth in your specific program type, not a broad claim of coverage.



Map your current technology

List every tool your organization uses to manage operations, including spreadsheets and manual processes that have quietly become systems. For each one, document what works, what fails, and whether it is a candidate for replacement. This map tells you whether you need a full platform overhaul, targeted modules to fill specific gaps, or better connections between tools you already have.

Chapter 2:

The Five Software Categories Every IDD Agency Needs

Most IDD agencies need software that covers five operational areas. You may find all of them in one integrated platform or assemble them from multiple vendors. Either approach can work, but integration between them is non-negotiable.





1. Case Management

Case management software tracks client enrollment, service plans, goals, progress notes, and incident reports. Documentation quality directly determines whether you pass or fail a state audit.

Core capabilities to require:

- ◆ Automated reminders for plan renewals and required reviews
- ◆ Configurable goal tracking aligned with person-centered planning requirements
- ◆ HIPAA-compliant documentation with a complete audit trail
- ◆ Reporting that produces audit-ready output without manual compilation



2. Billing Management

Billing is the financial engine of your organization. IDD billing is distinctly complex: multiple funding sources, state-specific claim formats, authorization tracking, EVV requirements, and payer rules that change with little warning. A billing error is never just a revenue problem, it is a compliance risk and a staff time drain.

Your billing software must:

- ◆ Generate and submit electronic claims in the format your state requires
- ◆ Track service authorizations and alert staff before limits are reached
- ◆ Catch errors before submission, not after rejection
- ◆ Provide real-time visibility into claim status and revenue
- ◆ Support multiple payer types if your state uses managed care organizations

Software that reduces errors before submission is worth a significant premium. The staff hours saved on resubmission alone typically cover the cost difference.



3. Vocational Time Tracking

For agencies running day programs, vocational training, or production work, accurate time tracking is critical for both billing and DOL compliance. This is especially true for organizations employing participants under Section 14(c) of the Fair Labor Standards Act, where commensurate wage calculations require precise productivity and time data.

What to require:

- Time tracking designed for program participants, not just employees
- Support for piece-rate and prevailing wage calculations
- Direct integration with payroll so data flows without re-entry
- Interface options suited to a program floor environment, including touchscreen

Generic HR time-and-attendance tools almost never meet these requirements. This is one of the areas where IDD-specific software has the largest advantage over horizontal platforms. Most platforms on the market were not built for this use case. If your organization operates a workshop or vocational program, this is the single most important capability to verify before selecting any vendor.



4. Payroll — Staff and Client

IDD agencies commonly run two distinct payroll processes: one for employees and one for program participants earning wages. Software built for general HR will not support them adequately.

Client payroll specifically requires:

- Subminimum wage calculations under 14(c) tied to productivity data
- DOL compliance documentation built into the workflow, not added on
- Direct integration with vocational time tracking
- Clear separation between participant and staff payroll records

If your organization pays program participants, treat payroll as a specialized requirement. Verify that any system you evaluate was built for this use case, not adapted from a standard HR platform. This is another area where most platforms in the IDD market either do not offer client payroll at all or offer a version that cannot handle 14(c) wage calculations.



5. Financial Management and ERP

Larger agencies need back-office infrastructure beyond billing: general ledger, accounts payable and receivable, fixed assets, budgeting, and for organizations operating production or assembly programs, production management. Modern IDD-focused ERP solutions are often built on platforms like Microsoft Dynamics 365 Business Central, enterprise-grade financial management with IDD-specific customization layered on top. This gives agencies the stability of a major software platform combined with the domain expertise of an IDD-focused implementation partner.





Chapter 3:

Integration Is the Foundation, Not a Feature

When IDD agency leaders describe software frustrations, one theme dominates: staff entering the same data in multiple places. A new client enrollment gets typed into case management, then billing, then payroll. Every duplicate entry is an error opportunity. Every error is a potential rejection or compliance gap.

Integration is not optional. For IDD agencies, it is the single most important operational consideration in any software decision.

What real integration looks like

In a properly integrated system, data entered once flows to every module that needs it. A new client created in case management populates billing authorizations. Time entries from vocational programs feed directly into payroll calculations. Claims pull from service records without manual export. Financial transactions post to the general ledger automatically.

When evaluating vendors, ask directly: where does your staff need to enter information more than once? Any honest answer of more than one place for a core workflow is a problem worth pressing on.

Modular versus all-in-one

Two broad approaches exist. An all-in-one platform is built by one vendor on a shared database, tighter integration, single vendor relationship, but potentially weaker in specific functional areas. A best-of-breed approach uses specialized tools for each function connected via integrations, more depth per category, but more vendor relationships and integration complexity to manage.

For most small to mid-sized IDD agencies, a modular platform from a single vendor, where you start with the modules you need and add others over time, offers the best balance of integration quality, cost, and operational simplicity.

Third-party integrations to verify before signing

- ◆ Your state's billing clearinghouse or payer portal
- ◆ EVV aggregators required in your state (Sandata, HHAeXchange, Tellus/ Netsmart, Authenticare)
- ◆ Your banking and ACH payment systems
- ◆ Any workforce management tools you plan to retain

Chapter 4:

Compliance - What's at Stake and What to Verify

IDD agencies operate under multiple regulatory layers: federal DOL requirements, state funding agency rules, HIPAA, accreditation standards, and individual payer requirements. Non-compliance is not just a financial risk. It can threaten your ability to operate.



EVV compliance

Electronic Visit Verification is required for personal care and home health services reimbursed through applicable funding sources. Your software must support your state's specific EVV requirements, including which aggregator your state uses and what data must be captured and transmitted. Be cautious of vendors who claim EVV capability without demonstrating a current, working integration with your state's specific system.

14(c) and DOL compliance

If your organization employs participants under Section 14(c) of the Fair Labor Standards Act, you are subject to specific DOL documentation requirements for commensurate wage calculations, time studies, productivity measurements, and prevailing wage determinations. Software that automates and documents these calculations reduces audit risk substantially compared to manual spreadsheet processes. This is consistently one of the areas where generic platforms fail IDD organizations, and where the question of whether a vendor was built for this use case matters most.

Audit readiness

Ask any vendor you evaluate: if we received an audit notice today for services delivered 18 months ago, how quickly could we produce the complete documentation package for any client? The answer tells you a great deal about whether the software was built with real regulatory accountability in mind.



Chapter 5:

Questions That Separate Good Vendors from Great Ones

Demos are designed to show you the best version of a product. Your job is to get past the demo and understand how the software performs under your actual conditions.

About IDD-specific depth

- ◆ How many IDD agencies are currently active on your platform?
- ◆ What percentage specifically operate vocational programs or sheltered workshops?
- ◆ Can you connect us with three references whose organization resembles ours in program type and state?
- ◆ How many customers do you have in our state, and how current is your support for our specific billing requirements?

A vendor who cannot answer these questions specifically has likely adapted their product from a different market rather than built it for yours.



About implementation

- ◆ What does your implementation process look like for an organization our size and program type?
- ◆ Who is our dedicated implementation contact, and what is their IDD background?
- ◆ What does training look like separately for billing staff, program managers, and leadership?
- ◆ What is your go-live support process and how long does it continue?

About ongoing support

- ◆ What is your average response time for support requests?
- ◆ Do we have a dedicated account manager or do we submit tickets to a general queue?
- ◆ How do you communicate and roll out changes driven by regulatory updates?
- ◆ What percentage of your support calls are resolved on the first contact?

About reporting

Ask vendors to show you the specific reports your executive team and board would actually use: revenue by program, billing exception reports, client census trends, staff utilization, financial performance against budget. If the demo shows canned reports that do not match how your leadership thinks about the organization, push harder before moving forward.



Chapter 6:

Red Flags That Predict a Bad Implementation



The software was not built for IDD

Many general healthcare or human services platforms claim IDD capability. Ask directly: was this built for IDD from the ground up, or adapted from another market? A billing module designed for skilled nursing or home health will not handle IDD billing complexity well, regardless of how it is positioned. The same is true for vocational time tracking and client payroll, these are IDD-specific requirements that general platforms consistently struggle with.



Vague answers on state-specific billing

If a vendor cannot tell you specifically how their platform handles billing in your state, which payer systems they connect to, what claim format is used, how MCO billing is handled if applicable, treat that as disqualifying. State billing requirements are where IDD software either delivers real value or falls apart completely.



No references from similar organizations

A reputable vendor produces references from organizations like yours without hesitation. If they struggle to find IDD agency references in your state or with your program type, it likely means they have few customers who match your profile. Do not let a vendor substitute references from a different industry or a different program type.



Dramatically cheaper than alternatives

Software priced far below alternatives often achieves that price by cutting support quality, slowing regulatory updates, or thinning the implementation team. IDD billing compliance requires continuous investment, requirements change, EVV aggregators update, federal mandates evolve. A vendor with inadequate support infrastructure will fall behind, and your organization will bear the cost. The cheapest option over three years is almost never the cheapest option at the time of purchase.



Unclear data portability

Before signing, understand exactly how your data is stored and how you would export it if you ever needed to switch vendors. Vendors who cannot clearly explain your data portability rights, or whose contracts make switching prohibitively expensive, are prioritizing their own retention over your organizational interests.

Chapter 7:

A Selection Process That Works



Step 1: Define requirements before any vendor contact

Document requirements in three categories before talking to anyone: must-haves (disqualifying if absent), nice-to-haves (valuable but not essential), and anti-requirements (things the software must not force on your organization). Involve billing, payroll, program staff, IT, and leadership. Requirements defined before seeing any demos are far more reliable than wish lists generated after an impressive sales presentation.

Step 2: Send a written questionnaire before scheduling demos

Send each vendor a structured questionnaire covering your key requirements and ask for written responses. This quickly surfaces disqualifying gaps, saves time on demos you would not have needed, and creates a documented record you can reference throughout the process.

Step 3: Run scripted demos, not vendor presentations

For vendors who pass the questionnaire stage, conduct demos using your own script, not theirs. Define specific scenarios from your actual operations and ask each vendor to walk through those scenarios live. This lets you compare vendors on the same dimensions rather than on whatever each chooses to highlight.



Step 4: Call references, do not just email them

Phone calls with references are the most valuable part of the entire process. Ask specifically: what promises were made during the sales process that turned out to be inaccurate? How was the implementation experience? How responsive is ongoing support? Would you make the same decision again knowing what you know now?

Step 5: Negotiate the contract with exit rights in mind

Before signing, confirm in writing: what data you own and how to export it, what the vendor's obligations are for regulatory updates, and what your recourse is if documented commitments go unmet.



Chapter 8: **Understanding the True Cost**

IDD software pricing is rarely as simple as the per-user or per-module quote suggests. Understanding total cost of ownership is essential to a financially sound decision.

Direct costs to budget for

- Subscription or licensing fees
- Implementation and onboarding fees
- Data migration costs if moving from an existing system
- Training, including the time cost of your staff during that process
- Ongoing support and maintenance fees
- Add-on modules you are likely to need in years one and two

Indirect costs to account for

- Reduced staff productivity during the transition period
- Errors and inefficiencies during the learning curve
- IT support time for configuration and maintenance
- Leadership time managing the vendor relationship

Organizations that account for total cost, not just subscription price, and invest adequately in implementation almost always see better outcomes over a three-to-five year horizon than those who optimize for the lowest upfront number. A well-implemented system that costs more at the start almost always costs less over time.

Final Checklist Before You Decide

Before selecting a vendor, confirm you can answer yes to all of the following:

- ☐ The vendor has current, active customers with the same program type as ours
- ☐ We have spoken by phone with at least three references from similar organizations, and all would recommend the vendor
- ☐ The vendor has demonstrated, not just claimed, support for our state's specific billing requirements
- ☐ We have confirmed there is no duplicate data entry required for any core workflow
- ☐ Implementation includes dedicated support from someone with real IDD experience
- ☐ The contract clearly defines our data ownership and export rights
- ☐ We have accounted for total cost of ownership over a three-year horizon, not just subscription price
- ☐ The vendor has a documented process for communicating and rolling out regulatory updates
- ☐ Our billing team, program staff, and leadership were all involved in the evaluation, not just IT
- ☐ We have a plan for managing the transition and measuring success in the first six months

About Vertex Systems

Vertex Systems has been building software specifically for IDD agencies, sheltered workshops, and rehabilitation organizations since 1981. Every module was designed for this industry, not adapted from a general healthcare or HR platform. Our customers include Arc chapters, Goodwill affiliates, sheltered workshops, vocational day programs, and multi-service disability organizations across the United States.

We offer integrated modules for billing management, vocational time tracking, case management, client and staff payroll, EVV compliance, and financial management built on Microsoft Dynamics 365 Business Central. Start with the modules you need and add others as your organization grows, all from a single vendor with one support relationship.

Our support team resolves more than 92% of support calls on the first call. We track compliance changes so you do not have to, and regulatory updates are included in the standard subscription with no surprise fees.

To schedule a demo or speak with our team: visit vertexsystems.com, email Info@VertexSystems.com, or call (866) 981-2600.

