vālant

2026 EDITION

Total Cost of Ownership

For Your Behavioral Health EHR

Put Growth Into Practice™

EXECUTIVE SUMMARY

The Practice Owner's Real Financial Picture

For group practice owners, EHR total cost of ownership (TCO) is not a theoretical concern. It shows up in your monthly P&L.; Every documentation delay, denied claim, compliance workaround, and slow provider ramp has a dollar value. Most practices have never added it up. This paper helps you do that.

The behavioral healthcare business model is complex, with ripple effects between providers, payers, technology, and regulation that affect the bottom line at every turn. That complexity makes TCO difficult to quantify. But the costs are real, and for group practices they compound quickly.

The majority of indirect TCO costs share a common denominator: legacy software. Incumbent systems lack the adaptability behavioral health demands. Organizations fill functionality gaps with workarounds, absorb added costs in maintenance and custom releases, and miss revenue opportunities they never knew existed.

The good news: several of these cost drivers can be mitigated, if not eliminated. Modern platform technology enables practices to rapidly configure workflows, stay ahead of regulatory change, and create a user experience that is both robust and simple. When it comes to TCO, the devil is in the details and so is the opportunity.

INTRODUCTION

Why TCO Matters More Than You Think

When was the last time your practice did an honest assessment of its EHR's total cost of ownership?

TCO means the sum of all EHR-related costs, both direct and indirect. In behavioral healthcare, those costs include product licensing, maintenance, support, customization, consulting, staff time, operational inefficiencies, compliance overhead, fines, and missed revenue. Understanding TCO is not just a buying-process exercise. It is an ongoing management responsibility.

Hard and soft ripple effects occur across providers, payers, and vendors. The regulatory landscape shifts regularly. The challenge is to reconcile a fluid business model with quantifiable metrics so your practice can make informed decisions. The stakes are especially high at group practice scale, where inefficiencies multiply across every provider, location, and payer contract.

Common Missteps

Failing to account for full TCO is the first mistake of many group practice owners. **Several patterns drive this:**

• Fixating on startup costs. EHR startup fees are just one facet of TCO. At group practice scale, a low-cost EHR that requires manual workarounds does not cost one person extra time. It costs every provider on your team that time, every day.

• Ignoring long-term accumulation. Costs incurred over time inevitably exceed initial payments. Practices must ask: What are we paying for support? What do upgrades and custom releases cost us? What functionality gaps are we bridging with staff time?

• Missing revenue opportunities. There are meaningful incentives and grants available to behavioral health organizations that meet program requirements. Whether your practice can access them depends largely on how well your EHR surfaces usable data. What your EHR can earn for your practice is as important as what it costs.

• Relying on the RFP process. Requests for proposal evaluate which vendor can answer yes to the most checklist items, not which delivers the best long-term value. The winner is rarely the best fit. It is often the product of extensive customization that drives ongoing support costs and vendor dependency.

WHERE HIDDEN COSTS LIVE

The Small Things That Add Up

Most clinicians and administrative staff are aware of the friction in their daily workflows. What is less visible is the budget impact. At group practice scale, these small inefficiencies compound across every provider and every billing cycle.

Clinical Operations

How clinical records are handled creates measurable cost differences. Paper-based workflows remain common in behavioral health, but the true cost is higher than most practices realize:

- Paper records can be lost, destroyed, or contain errors, each of which carries a remediation cost.
- Supply, storage, and duplication costs accumulate silently over time.
- Data entry time scales with headcount. For a group practice with eight providers, what costs one FTE in a solo practice may cost several.
- With the industry shift toward interoperability and data accessibility, paper-based costs will only increase.

Electronic systems reduce these costs but must still be evaluated through a TCO lens. Key questions to ask about any EHR:

- How well do built-in form templates match your actual workflows?
- Are templates configurable, or are staff building workarounds to meet regulatory requirements?
- What is the change process with your vendor when updates are needed, and how long does it take?
- Is clinical information routed to the right people in an actionable format, or does it require hours of manual compilation?

Business Operations

Every meaningful decision in a group practice requires data. At group practice scale, a medical director or operations lead chasing data across providers, locations, and payers is not an inconvenience. It is a full-time problem with a real salary attached to it. Behavioral health organizations need population health data to develop effective care initiatives. When that data is locked inside years of clinical notes and inaccessible reporting, the burden falls entirely to staff.

Compliance

Regulatory compliance is a significant and variable cost driver. Each regulatory change can trigger cascading costs:

- Software updates that depend on vendor development timelines
- Staff retraining when automated processes are disrupted
- Manual documentation to fill gaps until the system catches up
- Audit response overhead if the EHR cannot produce required records quickly

How well your EHR navigates compliance changes will directly determine how much compliance contributes to your TCO year over year.

> **By the Numbers**
>
> **$40,000 to $80,000**
>
> A single provider operating at 75% versus 90% utilization can represent that much in lost annual revenue, depending on credential and payer mix.
>
> Multiply that gap across every provider in your group practice.
>
> For the full breakdown of productivity and financial KPIs, see the Valant 2026 Behavioral Health Performance Indicators guide at valant.io/resources.

Infrastructure and Hardware

The infrastructure supporting your EHR carries its own cost. On-premise servers require IT overhead. Legacy hosted solutions carry unpredictable downtime risk. Cloud-native platforms eliminate most of these costs. For group practices, where a system outage affects every provider simultaneously, uptime reliability is not optional. It is a financial requirement.

THE CORE ISSUE

The Common Denominator

Across every area where behavioral health practices encounter unexpected costs, a common thread emerges: the fundamental nature of the software itself.

Rigid, legacy software may complete a defined set of tasks adequately. But changing how it behaves is slow and expensive. Submitting a change request to a vendor puts your organization in a queue behind a development cycle, where a team must revise core code before your workflow can adapt. This is especially damaging in behavioral health, where state and federal regulations shift year to year.

Due to the lengthy turnaround times in EHR software development, many practices spend a significant portion of each year in compliance catch-up. **The costs during that period are predictable:**

- Staff hours spent on manual workarounds while the software lags
- Training costs each time a process must change
- Revenue opportunities missed while operational capacity is consumed by overhead
- Vendor fees for priority development or custom releases

For group practice owners, this is not abstract. Every quarter spent in compliance catch-up mode is a quarter not spent investing in new providers, new service lines, or new payer relationships. Legacy software's inability to adapt quickly is at the core of most TCO management challenges.

THE SOLUTION

A New Approach

Most of what drives your EHR's true cost is fixable, if you are willing to move away from legacy software. Much of what inflates TCO in behavioral health is friction between an inflexible system and an industry that demands continuous adaptation.

Modern cloud-based platforms address this directly. They provide extensible, dynamic data models that let practices configure workflows for their specific operational needs. Changes driven by regulatory compliance or new funding opportunities happen quickly, driven by a local administrator rather than a vendor development schedule.

The practical impact for group practices is significant. Costs that typically accumulate through support tickets, staff training, compliance overhead, custom releases, and daily workarounds are substantially reduced. What remains is a system that keeps pace with your practice rather than holding it back.

What to look for in a modern behavioral health EHR:

1. Configurable workflows that do not require vendor involvement to change
2. Built-in compliance tools that update automatically as regulations evolve
3. Cloud-native architecture with documented uptime and no scheduled downtime windows
4. Integrated reporting that surfaces actionable data without manual extraction
5. Measurement-based care tools built into the clinical workflow, not bolted on
6. Transparent pricing with no hidden fees for standard updates or regulatory changes

Ready to see what this looks like for your practice?

Request a live demo and get a personalized walkthrough built around your workflows, provider mix, and growth stage. We cover scheduling, intake automation, AI Notes Assist, billing, and reporting.

Request Your Live Demo at valant.io

Knowing Your Numbers

The group practices that grow sustainably are the ones that know their real numbers. Not just the subscription fee, but the full financial picture of what their EHR is costing and what it's returning.

A lower-priced EHR will always look attractive under budget pressure. But the costs an EHR imposes on your practice go well beyond the buying process. A practice that saves on software costs often pays multiples of that savings in staff time, compliance risk, and unrealized revenue.

Being deliberate about how your resources are allocated across providers, technology, and operations is the clearest path to evaluating your short- and long-term trajectory. Practices ready to move past the budget pitfalls of legacy software need a different approach to EHR evaluation. Platform technology makes that possible.

Valant is built specifically for behavioral health group practices, with the tools, reporting, and flexibility to help you reduce indirect costs, accelerate provider productivity, and maximize collections.

Key Takeaways for Group Practice Owners

1. TCO goes well beyond your EHR license fee. Staff time, workarounds, compliance overhead, and missed revenue are all real costs.

2. Legacy software is the primary driver of indirect costs in behavioral health. Its inability to adapt is a structural problem, not a minor inconvenience.

3. At group practice scale, inefficiencies multiply. A problem that costs one person time in a solo practice costs every provider that time.

4. Modern platform EHRs eliminate most of these costs by design, through configurable workflows, built-in compliance tools, and cloud-native reliability.

5. The right EHR should not just cost less. It should return more, through better collections, faster provider ramp, and fewer compliance surprises.

See Valant in Action

Get a personalized walkthrough built around your workflows, provider mix, and growth stage. We cover scheduling, intake automation, AI Notes Assist, billing, and reporting.

Request Your Live Demo

Questions? Talk to a Specialist.

Not ready for a full demo? Our team can answer questions about implementation, pricing, or how Valant compares to your current EHR.

info@valant.com | 888.774.0532