

AMC Revenue Cycle Optimization

FOCUS AREA: Revenue Cycle

Situation

BRG has a longstanding partnership with an academic medical center (“AMC”) that has \$4.2 billion net revenue, over 36,000 staff members, and 1,500 physician members. The 1,200+ bed system includes three hospitals, university—affiliated physicians and community private diagnostic clinics. The system provides over 60,000 inpatient admissions and over 1.3 million outpatient visits a year.

Solution - Revenue Cycle Services

AMC partnered with BRG to implement financial and organizational performance improvement initiatives across the Revenue Cycle, including A/R recovery, process redesign, workflow alignment, vendor management and Clinical Documentation Improvement. AMC also sought to enhance accountability and performance measures. The BRG team:

- Collaborated with AMC leadership to optimize processes and workflows post-Epic implementation.
- Developed and implemented enhanced reporting to support Epic work queues management.
- With AMC leadership, optimized Epic-based workflows for unbilled management, third-party follow-up, outsourced vendors and coding.
- Implemented risk modeling to align resources to problematic payors and populations.
- Created safety net report across Patient Access, Coding/HIM, Billing, and other departments to release accounts approaching timely filing.
- Accelerated incremental cash by selecting, contracting, and fully deploying fifteen temporary staff in under one month.
- Provided direct interim management support for hospital billing and coding.
- Created and rolled out two Revenue Cycle management staffing tools to assess staffing needs during both backlog and steady states.
- Developed and transitioned accountability measures as well as operational and financial reports to improve visibility into staff and hospital performance.

BRG’s Revenue Cycle initiatives assisted AMC in driving additional cash collections of \$55.7 million and Net Revenue of \$37.8 million

METRIC	IMPROVEMENT	SUPPORTING OPERATING METRIC
Balance Sheet	\$55.7M	7.8 Improvement in Net Days
Income Statement	\$37.8M	1% Improvement in Net Revenue

METRIC	JULY 2014	DECEMBER 2015	VARIANCE
Cash Factor	27.1%	28.1%	1.0%
AR Days	55.4	47.6	7.8
% AR >90	32.1%	28.4%	3.7%

Solution - Clinical Documentation Integrity

AMC also partnered with BRG to implement financial and organization performance improvement in the Clinical Documentation department. BRG collaborated with AMC leadership to rebuild the CDI program from the ground up, focusing on multiple issues, including:

- Implemented effective staffing ratios and education for new hires and refreshed program education for existing team members.
- Redesigned daily process to meet best practice standards, including physician rounding.
- Established and implemented accurate reporting of performance metrics.
- Deployed a new, sustainable program model.
- Improved physician engagement.
- Enhanced physician query compliance and format

Within eighteen months, the CDI initiative delivered \$15 million in annual benefit.

METRIC	AUGUST 2015	JANUARY 2016	JUNE 2017
Coverage Rate Medicare	30%	72%	95%
Physician Query Rate	17%	27%	35%
CDI Benefit (Annualized)	\$1.9M	\$5.6M	\$15M
Number of AMC CDI Staff	7	9	10

Mukesh Gangwal
mgangwal@thinkbrg.com
847.275.7961

About BRG Healthcare Performance Improvement

BRG was recently ranked the seventh largest healthcare management consulting firm by Modern Healthcare.

BRG's Healthcare Performance Improvement team works with healthcare providers around the country to help improve margins and enhance clinical and operational performance across the care continuum. We combine comprehensive expertise, experience, and analytics to deliver data-driven, innovative approaches to help hospitals, health systems, academic medical centers, and other providers tackle their most complex challenges.



THINKBRG.COM

Berkeley Research Group, LLC, including its subsidiaries, is not a CPA firm and does not provide audit, attest, or public accounting services. BRG is not a law firm and does not provide legal advice. BRG is an equal opportunity employer. The information provided is not intended to and does not render legal, accounting, tax, or other professional advice or services, and no client relationship is established with BRG by making any information available in this publication. None of the information contained herein should be used as a substitute for consultation with competent advisors.