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Assessment reveals \$5.7M in physician revenue cycle opportunity

Case study

Sector

Health care

Client challenge

Integration of physician
practice systems

Services provided

Revenue cycle assessment

Results

\$5.7 million opportunity
identified, implementation
plan developed

Serving patients in the U.S. Northeast, a \$7 billion academic medical center health system comprises hospitals, hospital-owned physician-faculty practices and a medical school.

THE CHALLENGES

As a result of a recent merger, the health system needed to integrate several physician practices, including approximately 400 providers, into the existing faculty practice plan of approximately 800 providers. A variety of clinical and billing systems were being used and, in addition, it was important to improve performance integration of technology platforms. To integrate successfully, health system leaders determined it was essential to obtain an external revenue cycle assessment to identify areas of opportunity and develop an implementation plan.

WHAT THE TEAM DID

The health system engaged Grant Thornton LLP to conduct a revenue cycle assessment, and identify performance improvement and integration opportunities.

Concurrent with the assessment, two centralized business offices (CBOs) were undergoing consolidation, as well as migrating to EpicCare for electronic medical records (EMRs). The team identified opportunities with the understanding that they would be temporarily constrained during EMR planning, and the implementation of Epic scheduling and registration.

Despite these challenges, the Grant Thornton team completed the revenue cycle assessment on schedule and exceeded expectations on improvement identification.

FAST FACTS



Grant Thornton
team identified
millions in
opportunity



Annualized revenue
across the cycle



Implementation plan to
rectify the inefficiencies

The comprehensive assessment was formulated through nine on-site office reviews, interviews of key stakeholders and extensive data analytics. The team identified inefficiencies throughout the revenue cycle process, specifically:

- Practice specialties and locations operated in silos with little operational integration across the system.
- The revenue cycle process lacked comprehensive management and many important functions.
- Communication between practice locations and the CBO was limited.
- Front-end processes — including insurance verification, point-of-service collections, and scheduling/registration — varied widely across locations.
- Inefficient and nonintegrated technology platforms created delays and additional work in the practices.
- Avoidable write-offs and bad debt placements significantly exceeded industry standards.

After finalizing the assessment, the team provided recommendations and created a timeline for addressing key initiatives for improving the revenue cycle processes.

OUTCOMES

The Grant Thornton team identified \$5.7 million of opportunity — approximately 13% of annualized revenue — across the revenue cycle. The potential gain encompasses coding/documentation and billing and collection activity recommendations.

Based on the recommendations, Grant Thornton developed a five-to-seven-month implementation plan to rectify the inefficiencies, with the full opportunity realized over an 18-month period.

DO YOU HAVE SIMILAR CHALLENGES?

Read “Revenue cycle improvements help assure hospital’s survival” (www.grantthornton.com/revcyclesaves) and “Academic hospital gains best-of-practice revenue cycle” (www.grantthornton.com/sunyrevcycle) to see how Grant Thornton’s revenue cycle solutions has worked for other health care systems.

Have a similar challenge? Contact:



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