

Client Case Study | Revenue Cycle Optimization

SITUATION

Prism has a longstanding partnership with a North Carolina-based academic medical center (“AMC”) with \$4.2 billion net revenue, over 36,000 staff members and 1,500 physician members. The 1,200+ bed system includes three hospitals, a private diagnostic clinic, 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 Prism Healthcare Partners 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 Prism 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, 3rd 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 15 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

Prism’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 IMPROVEMENT)

AMC also partnered with Prism to implement financial and organization performance improvement in the Clinical Documentation department. Prism 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 18 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