

CASE STUDY

From aspiration to reality: Creating high-performing revenue cycle operations

<https://www.chartis.com/client-results/aspiration-reality-creating-high-performing-revenue-cycle-operations>

The Client Challenge

Following a mid-sized health system's significant investment in upgrading its electronic health record system, revenue cycle challenges and performance issues materialized. Growing numbers of initial denials, claim adjustments, and write-offs presented substantial opportunity to increase cash and net revenue through transforming its revenue cycle operations. The health system knew that a comprehensive approach rooted in cultural transformation was required to realize financial benefits and achieve sustainable, industry-leading performance.

Baseline Performance Indicators:

- Gross A/R days in high 60s
- Avoidable write-offs at 3x best practice (6%)
- Initial denial rate >15%
- Unbilled days >18
- Aged A/R over 90 days >50%

Navigating to Next: The Solution

The Chartis Group and the health system's leadership agreed that every major revenue cycle key performance indicator needed improvement to generate the \$20 million to \$25 million of benefit identified in an initial assessment. Adopting a ground-up strategy, the team also developed a purposeful governance structure to model and communicate the cultural change needed for success.

The team restructured critical revenue cycle functions to streamline workflows, eliminate redundancies, and reduce delays and breakdowns. Chartis provided extensive training and development forefront-line staff and supervisors to utilize standardized processes, tools, and reporting mechanisms. To drive the initiative's

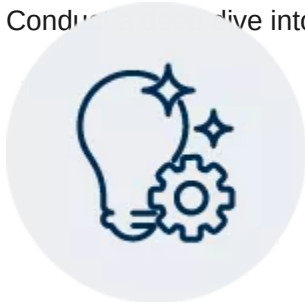
critically important change management and communication, Chartis helped create a "common language" to serve as the source of truth. Implementation of a new meeting framework across the revenue cycle, a comprehensive reporting package, and enhanced staff accountability measures and controls employed with an "at the shoulder approach" enabled ongoing measurement—driving significant performance improvement and sustainable results.

Navigating to Next: Key Components



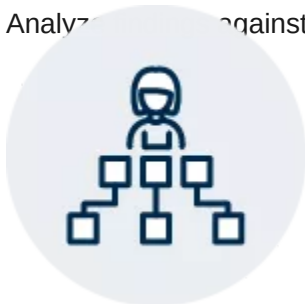
ASSESS

Conduct a deep dive into all revenue cycle reports, documents, and underlying data



IDENTIFY OPPORTUNITIES

Analyze current state against best practices to identify improvement areas



RIGHT-SIZE

Fill leadership gaps and align revenue cycle organization and resources through a purposeful governance structure



APPROACH

Define and implement a comprehensive implementation workplan to achieve financial goals



COMMUNICATION

Develop and implement a comprehensive communications framework to drive cultural change management



REPORTING

Develop an enterprise-wide reporting package incorporating key performance indicators and financial metrics

Client Impact

By starting with a purposeful eye toward improving communication pathways, consistent meetings with key stakeholders, and enterprise-wide reporting through dashboards, the health system was able to measurably improve revenue cycle performance across all major key performance indicators. The underpinnings of a common language and an agreed-upon source of truth established an effective foundation for continued

success.

With a collaborative, transparent, and "communication-first" approach to change, the health system recognized substantial improvements:

Over

3 %

Gain in NPR

63 %

reduction in DNFB

42 %

reduction in actionable, avoidable write-offs



How We Are Making Healthcare Better

This collaboration added over \$20 million to the organization's bottom line to help fund their COVID-19 response and the construction of a new services tower to better meet community needs. ”

Nate Schoell

Next Intelligence

Health systems can achieve sustainable revenue cycle transformation by:

- Transparently speaking the same language through common, comprehensive reporting across the organization
- Dedicating and purposefully preserving time for cross-functional problem-solving
- Creating a tight-knit partnership with information technology and fueling it with regular, meaningful communication

Our services

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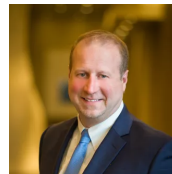
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Prashant Karamchandani
Senior Partner



Nathan Schoell
Partner



Sean Huffman
Partner