



**Billing, collections and cash
flow improvements**

Hospital Operational Assessments and Revenue Cycle Analysis

California Critical Access Hospital Network provides financial strength assessments and revenue cycle operations analyses for members.

What is this program?

This program was designed to give rural hospitals an alternative to engaging multiple firms to conduct disparate projects that often times do not complement each other, and all too often do not achieve the desired results. We take the services that rural hospitals typically engage CPA and consulting firms to perform and consolidate them into one cohesive package.

We have designed this program to be flexible so it fits the needs of your organization, not the needs of our delivery model.

By pooling our resources, we are able to provide a compelling value proposition to rural hospitals, most of which are facing obstacles which at times seem virtually insurmountable due to limits on local resources. A comprehensive approach is designed to help organizations go beyond simply identifying the opportunities. We will then help you manage the recommendations you deem critical through ongoing support.

Who is this for?

- Hospitals needing to make immediate cash flow improvements.
- Executives wanting to provide dashboard type communication to Boards of Directors and community stakeholders.
- Directors needing detailed information to improve processes for billing and collection, optimize staffing and improve/consolidate policies and procedures.

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What is the process?

- Initial analysis to uncover needs of the organization; not the needs of our delivery model. Scope the parameters of the project to match the level of engagement with the variables that will impact cost of the engagement.
- Overall analysis of your facility is conducted to assess opportunities to improve long-term operational and financial performance:
 - Gathering of information and data exported from your facility
 - Review of processes and organizational structure
 - Review of the Medicare cost report
 - Review of contracts, licensure status, medical charts, chargemaster, and pricing
- On-site visit by a team of specialists to review rural hospital operations, CAH reimbursement, and the host of regulatory issues facing hospitals.

What are the results?

- A larger Critical Access Hospital was facing threats by their bank to pull their line of credit after a \$1.4M loss. Rather than simply slashing cost, our approach focused first on identifying revenue opportunities the organization was missing. Coupled with benchmarks reflecting peer organizations and a plan to make staffing changes over time, the hospital was able to turn things around without sacrificing its reputation as a desirable place to work. Within two years, this organization was able to fully right their ship and in the following three years has posted positive bottom lines between \$1M and \$3.5M.
- A small Critical Access Hospital in the central plains had struggled with small bottom lines and many successive years of losses on operations. We were invited to conduct a chargemaster review and pricing study. This hospital was getting many things right, but we were able to identify a number of areas where they were leaving cash on the table as a result of missing services that should have been billed for. Their pricing strategy was also well below market rates. Through a combination of increased revenue opportunities and an appropriate pricing strategy, this organization moved their bottom line from between \$100K and \$400K to between \$1.3M to \$2.2M per year for the subsequent three years.
- A mid-sized mountain state Critical Access Hospital had reached a breaking point in their accounts receivable. We began by scrubbing their chargemaster and fixing their CPT and Revenue Codes. By working with us to develop a good understanding of billing rules and the revenue cycle, they were able to bring revenue cycle functions in-house, drop their accounts receivable balance by more than \$1.5M, and have been able to sustain that level now for more than a year.

**Working together to strengthen
the health of our communities**

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