Pre-Sales AR assessment / modelling

Revenue cycle management service provider

Built automated AR assessment models for various SNF and health care providers and provided a comparative analysis with the benchmark numbers

Revenue cycle management service provider needs AR assessment / modelling

Picture this…

You're looking to automate and optimize the Excel-based AR Assessment model and later transition the model to Power BI to reduce the turn-around time to perform AR assessment for new customers. Currently, the AR assessment model is being updated manually which has high response time to perform the A/R assessments in sales pipeline losing out on potential opportunities.

You turn to Accordion.

We partner with your team to build AR assessment models for various SNF and health care providers and provide a comparative analysis with the benchmark numbers, including:

1) Analyzing the AR assessment models (for Point Click Care and MatrixCare data systems) to develop an understanding of the key KPI's being used (such as Net Collection Rate, AR days, % AR over 90, etc.) and the methodology adopted for performing AR assessments

2) Automating the data flow from the raw data files to the final output view, streamlining the dashboard for the Excel-based reporting view and subsequently working on transitioning the Excel-based model to the Power BI tool to provide real time insights on AR assessments for customers in sales pipelines

Your value is enhanced.

You have automated AR assessment solution, that enables you to increase the monthly run rate of doing pre-sales AR assessment by 50% that further increases the revenue, by onboarding more customers. You have reduced the FTE hours/week (by ~40%) required to perform the AR assessments and thereby decreasing the turn around time (TAT) to provide initial AR assessment to the service providers in sales pipelines. This model ensured that the output delivered, such as Net Collection Rate, Expected Revenue, Payments Received and AR Aging Status, is error-free and has flexibility to view the current RCM performance in comparison with HFMA (Healthcare Financial Management Association) standards.

KEY RESULT

- ~40 FTE hours/week saved
- Increased speed of pre-sales assessment by 50%

VALUE LEVERS PULLED

- AR assessment model
- Power BI dashboard

AR assessment modelling for revenue cycle management service providers

Situation

- Client uses an AR Assessment model to assess the receivables health for SNF facilities in sales pipelines. The AR assessment model was being updated manually which increased the client's response time to perform the A/R assessments for their customers in sales pipeline and further losing out on potential opportunities.

- Partnered with the client to automate and optimize the Excel-based AR Assessment model and later transitioned the model to Power BI to reduce the turn around time to perform AR assessment for new customers

Accordion Value Add

- Analyzed the AR assessment models (for Point Click Care and MatrixCare data systems) being used by the client to develop an understanding of the Key KPI's being used (such as Net Collection Rate, AR days, % AR over 90, etc.) in the model and the methodology adopted for performing AR assessments

- Automated the data flow from the raw data files to the final output view, streamlined the dashboard for the Excel-based reporting view and subsequently worked on transitioning the Excel-based model with the Power BI tool to provide real time insights on AR assessments for customers in sales pipelines

Impact

- With automated AR assessment solutions in place, clients were able to increase the monthly run rate of doing pre-sales AR assessment by 50% which further increased the revenue, by onboarding more customers

- Reduced the FTE-hours/week (by ~40%) required to perform the AR assessments and thereby decreasing the turn around time (TAT) for the client to provide initial AR assessment to their health care service providers in sales pipelines

- Ensured that the output delivered by the client, such as Net Collection Rate, Expected Revenue, Payments Received and AR Aging Status, to their customer was error-free and had flexibility to view the current RCM performance in comparison with HFMA (Healthcare Financial Management Association) standards
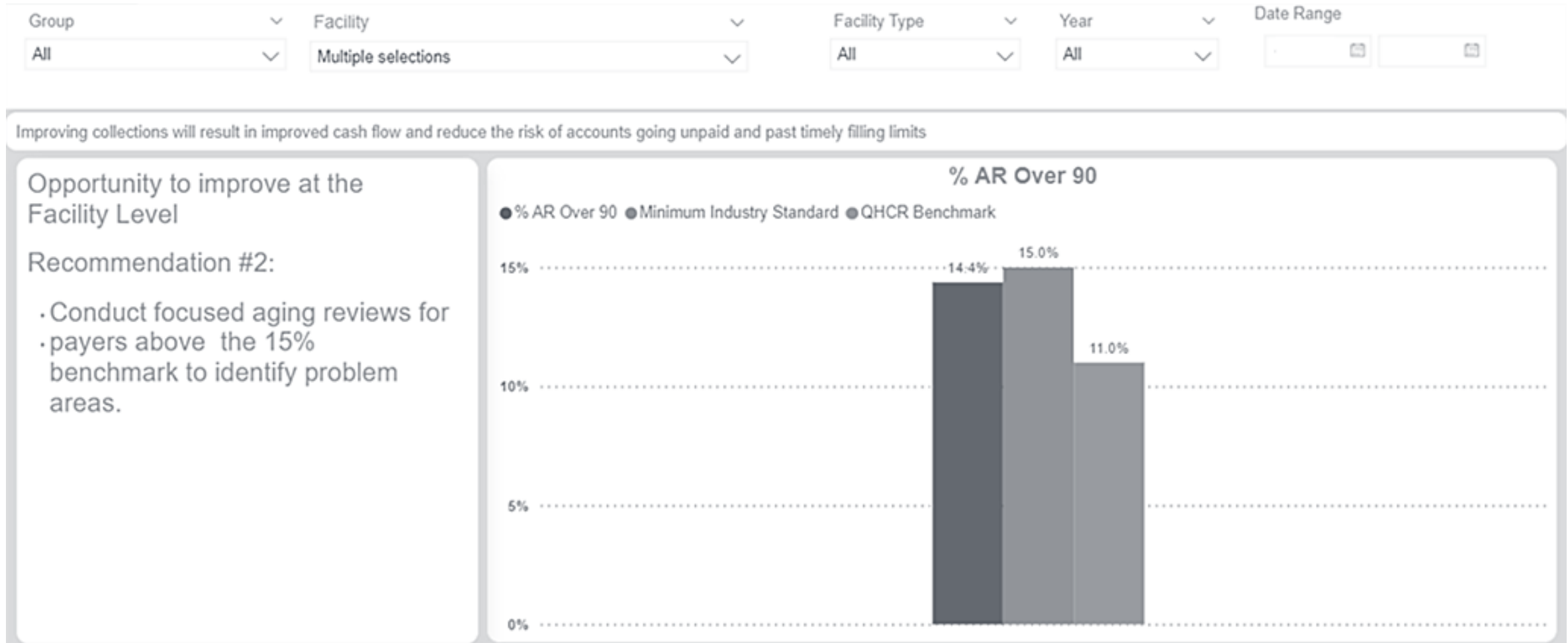
AR assessment dashboard

Days of Sales Outstanding

Name	Facility Type	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
XYZ Facility		52	48	51	52	55	56.5	55.5	54	50	54	60.5	68

MoM Net Collection Rate Through Service date

Metrics	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total (Apr to Mar)
Expected Revenue	$1,026,747	$859,491	$763,705	$936,284	$817,554	$801,317	$1,248,152	$1,174,987	$1,078,099	$1,075,721	$783,125	$697,174	$11,262,354
Payments	$755,384	$779,100	$767,202	$783,284	$734,731	$704,484	$658,089	$642,624	$609,605	$634,129	$570,530	$619,805	$8,258,967
Net collection rate	73.6%	90.6%	100.5%	83.7%	89.9%	87.9%	52.7%	54.7%	56.5%	58.9%	72.9%	88.9%	73.3%

MoM Net Collection Rate by Transaction date

Metrics	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total (Apr to Mar)
Expected Revenue	$953,309	$890,038	$767,790	$843,326	$806,032	$785,738	$752,143	$1,167,688	$662,888	$675,090	$1,772,780	$1,495,927	$11,572,747
Payments	$755,384	$779,100	$767,202	$783,284	$734,731	$704,484	$658,089	$642,624	$609,605	$634,129	$570,530	$619,805	$8,258,967
Net collection rate	79.2%	87.5%	99.9%	92.9%	91.2%	89.7%	87.5%	55.0%	92.0%	93.9%	32.2%	41.4%	71.4%

AR assessment dashboard – Power BI

% AR over 90 overall overview

Group		Facility			Facility Type		Year		Date Range	
All	⌄	Multiple selections		⌄	All	⌄	All	⌄		

Improving collections will result in improved cash flow and reduce the risk of accounts going unpaid and past timely filling limits

Opportunity to improve at the Facility Level

Recommendation #2:

- Conduct focused aging reviews for
- payers above the 15% benchmark to identify problem areas.

% AR Over 90

● % AR Over 90 ● Minimum Industry Standard ● QHCR Benchmark

- 14.4%
- 15.0%
- 11.0%

15%

10%

5%

0%

AR amount by time period

Group		Facility		Facility Type		Year		Date Range	
All	∨	Multiple selections	∨	All	∨	All	∨		

Improving Addressing % AR over 90 will increase cash flow and identify opportunities for process improvements

Opportunity to improve at the Portfolio Level Recommendation #3

- Drill deeper and break aging over
- 90 days down by payer.
- Identify and target problem payers.
- Prioritize your aged accounts.
- Don't hold onto bad debt.

AR Amount by Time Period

● 0-30 ● 31-60 ● 61-90 ● 91-120 ● 121-150 ● 151-180 ● 181-210 ● 211-365 ● >365 days
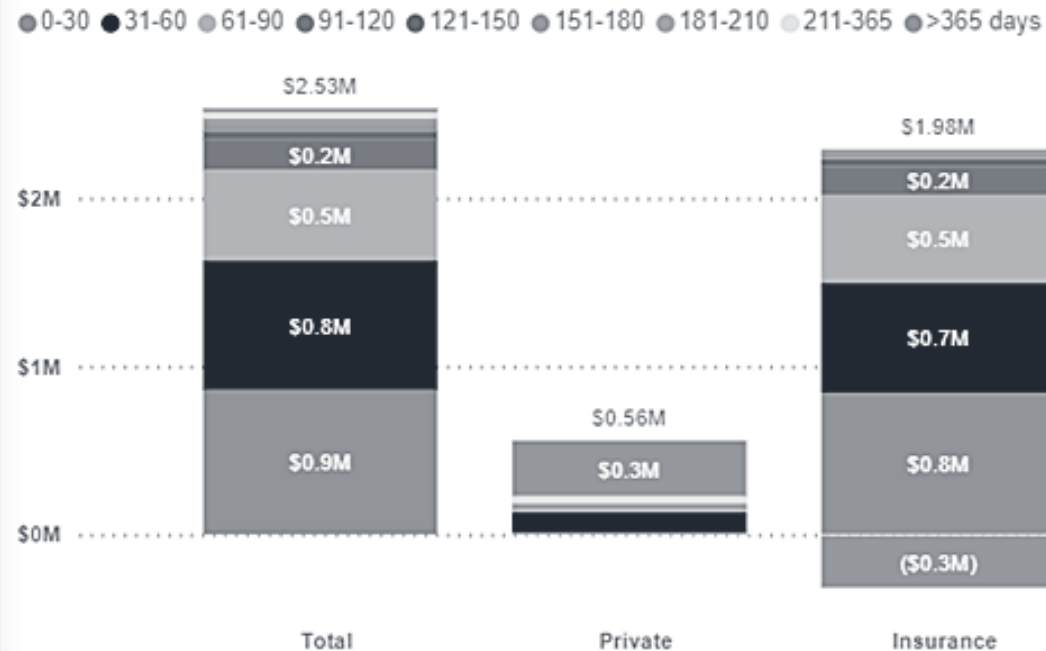
Payer Type	AR Over 90	% AR Over 90
Commercial Insurance	$110,308	34.8%
Like Medicare Part A	($5,975)	-10.9%
Like Medicare Part B	($51)	100.0%
Medicaid (State)	($209,112)	-34.7%
Medicare Part A	$47,247	4.9%
Medicare Part B	$14,728	47.1%
Payer Type Total	$364,148	14.4%
Private	$407,001	72.9%
Total	$728,297	14.4%

DSO overall overview