

# NCH Healthcare increases revenue by \$13 million in first 14 months

## Improves quality indicators and financial performance with nThrive CDI services and technology

### Business issue

NCH Healthcare (NCH) faced an operating loss of \$5.6 million – and committed to building a plan that would restore financial health increase revenue quickly and protect their legacy.

### Overview

NCH is a nationally-recognized organization, headquartered in Naples, Florida with two hospitals and medical facilities at dozens of locations throughout Southwest Florida. NCH offers advanced heart, cancer, obstetric, newborn and pediatric care. The NCH Heart Institute offers the most progressive cardiac care in southwest Florida. In addition to its Regional Cancer Institute, the NCH Healthcare System is on the cusp of delivering the most innovative medical care for stroke victims. With more than 3,700 team members and 715 beds, NCH is committed to realizing their mission; to help everyone live a longer, happier and healthier life.

### Problem

NCH was experiencing a multi-faceted problem due to Medicare sequestration, increased RAC activity, payor reform, the effects of the BP oil spill in the Gulf of Mexico in 2010, and the threat of takeover by for-profit organizations. By 2013, the health care provider experienced its worst financial result in history. A turnaround was needed – quickly.



# 4.4%

In June 2017, NCH reported a **4.4% mortality rate** for sepsis – significantly **below national rates of 28 to 50%**, according to the National Institute of General Medical Sciences.

## Solution

The NCH executive team looked for solutions, they created programs to focus on expense containment and information transparency, but the biggest area of opportunity was in the revenue cycle, specifically Clinical Documentation Improvement (CDI). After initial examination of the Case Mix Index (CMI), the team consulted with nThrive to explore the underlying issues and possible options. Issues uncovered included poor public reporting results, longer-than-expected length of stay and inadequate documentation leading to lower reimbursement. It was discovered that there was little to no physician engagement due to a lack of tools that would show outcomes or the importance of CDI. The nThrive team instituted a CDI program that included education, process reengineering, and KPI definition and tracking. nThrive added their CDI technology, which facilitated easier data sharing and communication; the technology sent CDI specialist queries directly to physicians, resulting in more clarity and accountability in a timely manner. CDI specialist assignments were efficiently managed through the technology's workflow features. nThrive deployed its own full-time, on-site CDI specialist team to implement and sustain the program. They showed the doctors how inaccurate or incomplete documentation could negatively impact NCH public quality reporting, plus their own publicly reported outcomes.

## Value

NCH went from its worst year in 2013 with an operating loss of \$5.6 million, to its best year in 2014, with a positive operating margin of \$28 million. Over a 14-month period after the CDI program began, NCH Medicare CMI rose by 0.1 or approximately 6.3 percent, equating to a \$13 million positive revenue impact. Their public quality reporting improved from bottom national ranking in certain areas, such as mortality outcomes related to sepsis, to the top 8 percent in February 2015 for the same category.



During the first year that the CDI program was in place, we saw a \$13 million increase. Our case mix went from 1.55 to 1.67, and this past fiscal year went up to 1.74. The program has grown – we are extending it to other payors in addition to Medicare. The physicians have really jumped on board and understand what it's going to mean to them in their own personal and professional profiling. It has been an incredible success."

**LAURIE FIORE, RHIA, DIRECTOR, HEALTH INFORMATION  
MANAGEMENT, NCH HEALTHCARE SYSTEM**



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