CASE STUDY DA **Downstream Analyzer**

Quantifying the Downstream Revenue of a Practice Group

Challenge

A health system needed to determine if it should downsize its primary care network. The health system employed more than 600 physicians in its large primary care network. The health system's management believed they had overextended themselves in primary care. The client needed to rank the productivity of each primary care group in the event that group divestment became necessary.

Solution

The client utilized **Downstream Analyzer** to determine the productivity of its primary care physicians and evaluate its level of integration in the health system. **Downstream Analyzer** measures a hospital or health system's complete revenue – including office practice, hospital ambulatory and inpatient services – of its employed physicians. Full revenue data is imperative; when solely looking at practice revenue, systems traditionally lose between $100,000 and $200,000 per physician annually. However, the revenues generated by downstream revenue that includes inpatient admissions, outpatient visits, and ancillary services typically will more than offset physician losses.

Downstream Analyzer quantified the physicians who demonstrated the highest practice productivity and those with the most downstream volume in the health system.

Results

Downstream Analyzer helped the client determine whether or not downsizing was necessary. It enabled the health system to rank their primary care groups based on productivity and profit margins generated for the health system. The client utilized the information to downsize their primary care network, resulting in an increase in primary care profitability.

If you have a concrete figure – e.g. 10 percent – to show here, that could really make an impact in primary care profitability.

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