



Rural Community Hospital
Business Management

CASE STUDY > >

ACHIEVING
BETTER FINANCIAL
FOUNDATIONS WITH
THE RIGHT PARTNER

Aspen Valley Hospital partnered with MedAssist to redesign their revenue cycle. Over a decade later, that partnership has grown beyond that of vendor-client and blossomed into a true team.

SITUATION

A small community hospital with unique geography was, like many community hospitals, suffering from a substantial decrease in cash. Additionally, receivables and bad debt were trending up.

Many factors contributed to these headwinds, most notably staffing challenges and their cascading effects. A remote location with seasonal population variability amplified the challenges. It wasn't so much about getting people, rather getting the right people to work within a best practice operating model.

In 2004, when Days Cash on Hand reached 73, the leadership team raised their hands for help from outside the organization. The headline is a mere peek into what remains a great story for the hospital and the community they serve. See what they accomplished with their revenue cycle KPIs by engaging MedAssist.

A Deeper Dive

Because of its remote, resort location AVH faced substantial challenges in recruiting and retaining the skilled employees required to support the growing complexity in healthcare receivable. A cascading effect was the difficulty in maintaining business office performance.

Claims processing slowed and filing accuracy decreased, thereby increasing payer denials dramatically. While revenue remained relatively flat year over year, cash flow dropped, billed receivables increased 13%, revenue aged greater than 151 days increased by 50%, and total receivables increased by 35%.

AVH management identified deficiencies in available talent, retention, and workflow as the primary cause for the declining performance. Yet it wasn't enough to know the problem or even how to solve it. The AVH leadership team needed to validate and course correct at an accelerated pace.

PROFILE



25-Bed
Community Hospital



102 Million
Annual Revenue



Remote Geography



72 Board Certified
Specialists



43,667 Outpatient
Registrations



7,683 ER Visits



2,789 Total Acute Days

SOLUTION

Since access to resources was part of the problem, they engaged MedAssist. The team evaluated the billing and collection follow-up processes and identified opportunities to accelerate AVH cash collections. MedAssist, an experienced receivable management solutions provider, helped AVH redesign the revenue cycle billing and collections operation.

Utilizing MedAssist's business office sourcing solution, **M BOS**, necessary resources were identified, staff was organized, and a best practice corrective action plan was implemented. Within 12 months, cash on hand increased from 73 days to 426 days (+583%), net days in accounts receivable were reduced from 129 to 42 (-67%), and cost to collect was nearly cut in half. As of August 2018, AR days greater than 90 was reduced to 13.8%, well below the industry standard of 20%.

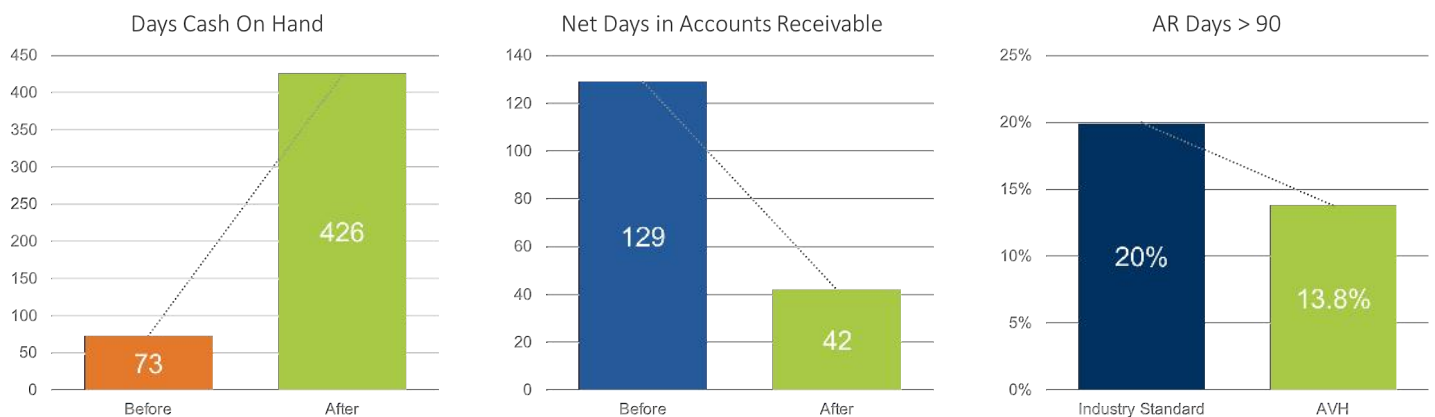
Achieving these results required a true partnership between the hospital and MedAssist. Even today, the partnership continues to provide value and improve the hospital's financial foundation making it possible for AVH to continue to serve their community. "We consider MedAssist as more than just a partner. We think of the MedAssist staff as our staff and part of our family," said Dave Ressler, CEO. According to Dave, before he recommends MedAssist, he recommends hospitals seriously evaluate their in-house abilities.

"All of the indicators of an efficient process have been pointing north and consistently maintained over many years."

– Dave Ressler, CEO at Aspen Valley



"Small hospitals should consider the possibility that they may not be best serving their community by maintaining in-house financial operations." – Dave Ressler, CEO





Ignite Patient Loyalty, Drive Revenue Excellence

Paying for health care is one of the most critical financial decisions that people make, often without knowing the cost of service or how they will pay for it. Our full-service revenue cycle solutions – spanning eligibility, enrollment, business office management and recovery – blend technology with the human touch, simplifying the financial experience for your patients and your employees. The result: a stronger financial foundation for your hospital and peace of mind for your patients.



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