

# RCM ROI Analysis

Prepared for ABC Clinics

by Genesis RCM

  
GENESIS™

/// POWERING HEALTHCARE OPTIMIZATION

# Key Takeaways

## CORE PRACTICE ANALYSIS FINDINGS:

- 2017 Gross Collection Ratio (GCR): 53%
  - *Should be nearer 58-60%+ GCR*
- 120+ A/R: 56% of total A/R Volume (appx \$1.15M of the \$2M)
- Major claims are getting rejected in EDI due to incorrect patient information and lack of coverage.

## CORE AREAS OF FOCUS FOR PERFORMANCE:

- PRIMARY GOAL: Minimum 10% increase to overall revenue within 6 months of Go-Live
- Increasing first pass ratio to 99% and reducing A/R days to less than 36 days
- Claims above 120+ revisited for coding corrections or appeals - ***immediate action***
- Exploration of EDI and EFT registrations to speed processing and reimbursement - ***immediate action***

# Practice Level Summary

<b>Avg Charges Per Month</b>	<b>\$1M</b>
<b>Avg Payments Per Month</b>	\$500,000
<b>Avg Visits Per Month</b>	1400 visits/encounters
<b>Avg Collection Ratio</b>	53%
<b>Payer Mix</b>	Commercials: 95% Medicare: 2% Medicaid & Others: 2% Workers Comp (W/C): 1%

# Practice Level Summary by Location

	L1- AV	L2 - CS	L3 - MB	L4 – PP	L5 - PL
Charges/Mo (Avg)	\$181,306	\$169,320	\$81,403	\$289,387	\$282,793
Payments/Mo (Avg)	\$101,516	\$94,083	\$47,375	\$141,502	\$146,698
Visits/Mo (Avg)	312	251	145	391	346
Collection Ratio (Avg)	56%	56%	58%	49%	52%

# Provider Level Summary by Physician

	Provider 1	Provider 2	Provider 3	Provider 4	Provider 5
<b>Charges/Mo (Avg)</b>	\$44,000	\$184,865	\$281,133	\$261,903	\$234,020
<b>Payments/Mo (Avg)</b>	\$16,780	\$86,663	\$139,152	\$139,435	\$110,365
<b>Visits/Mo (Avg)</b>	82	260	428	369	307
<b>Collection Ratio (Avg)</b>	39%	47%	49%	53%	47%

# Charges

- 2017 Average Charges: \$1M/month
  - Outlier: Sept'17 - charges down to \$521k.
- Top 5 Payers account for 51% of overall charges
  - Humana, DentaQuest, CIGNA, BCBS and Aetna)
- Top 10 Procedures By Charge Total (shown below)

CPT	\$ Charges	Account
D9223	\$1,949,014.00	4753
D7240	\$941,807.00	2494
D7210	\$929,836.00	4092
14040	\$830,395.20	510
D6010	\$481,920.40	243
21046	\$457,415.04	144
21085	\$328,526.24	274
99204	\$317,202.65	1804
D0150	\$272,415.00	2833
D7230	\$233,894.75	709

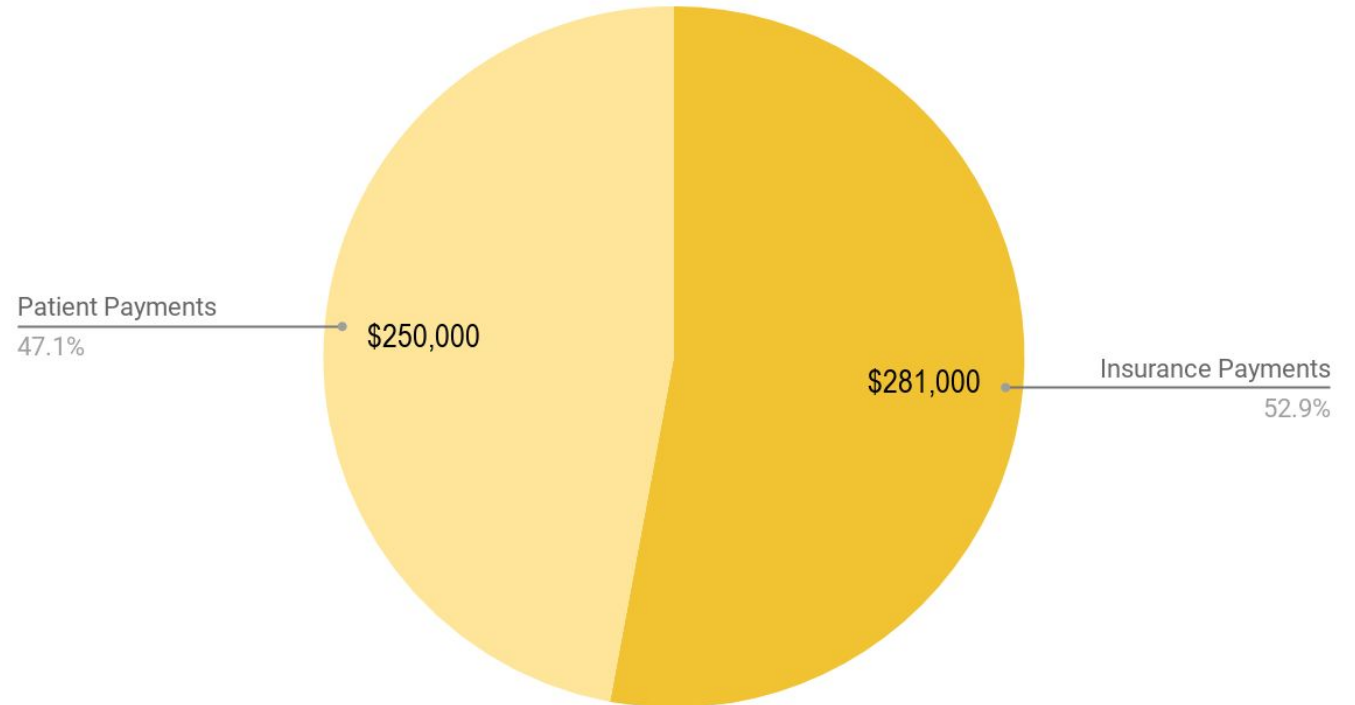
# Denials

DENIAL	DENIAL REASON	AMOUNT	DEPARTMENT
PR-49	THIS IS A NON-COVERED SERVICE BECAUSE IT IS A ROUTINE/PREVENTIVE EXAM OR A DIAGNOSTIC/SCREENING PROCEDURE DONE IN CONJUNCTION WITH A ROUTINE/PREVENTIVE EXAM	\$384,500	PHYSICIAN / CODING
PR-119	BENEFIT MAXIMUM FOR THIS TIME PERIOD OR OCCURRENCE HAS BEEN REACHED	\$204,500	PHYSICIAN / CODING
CO-50	THESE ARE NON-COVERED SERVICES BECAUSE THIS IS NOT DEEMED A 'MEDICAL NECESSITY' BY THE PAYER	\$84,500	PHYSICIAN / CODING
CO-96	NON-COVERED CHARGES(S)	\$74,500	ELIGIBILITY, BENEFITS, AUTHORIZATION
CO-97	THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED	\$68,000	PHYSICIAN / CODING
CO-15	THE AUTHORIZATION NUMBER IS MISSING, INVALID, OR DOES NOT APPLY TO THE BILLED SERVICES OR PROVIDER	\$62,850	ELIGIBILITY, BENEFITS, AUTHORIZATION
CO-16	CLAIM/SERVICE LACKS INFORMATION OR HAS SUBMISSION/BILLING ERROR(S)	\$54,500	FRONT END / BACK END BILLING
CO-22	THIS CARE MAY BE COVERED BY ANOTHER PAYER PER COORDINATION OF BENEFITS	\$48,500	ELIGIBILITY, BENEFITS, AUTHORIZATION
OA-109	CLAIM/SERVICE NOT COVERED BY THIS PAYER/CONTRACTOR. YOU MUST SEND THE CLAIM/SERVICE TO THE CORRECT PAYER/CONTRACTOR	\$42,750	ELIGIBILITY, BENEFITS, AUTHORIZATION
CO-B7	THIS PROVIDER WAS NOT CERTIFIED/ELIGIBLE TO BE PAID FOR THIS PROCEDURE/SERVICE ON THIS DATE OF SERVICE	\$38,500	FRONT END / BACK END BILLING
TOTALS		\$1,063,100	

# Payments

- Average Collection for last year: \$530k/month
  - Insurance payment averages \$281K
  - Patient Payment averages \$250K
- Observation: 16% of payments received via paper check
  - *Post Go-Live, Genesis will explore options to convert to EFT mode for the faster reimbursement*

Average Payment Mix





# Aging

- Total A/R: \$2M
  - Outlier: 56% of AR is in 120+ (\$1M)
- Humana and Medicare contributes 35% of AR (\$1.4M) towards the outstanding balance
- *Post Go-Live, will check for denial trends as current options for denial trend reporting do not exist in the practice's EHR platform*

Aging	Current	30+	60+	90+	120+	Total Balance
Outstanding	\$450,214.02	\$203,099.62	\$100,871.81	\$151,162.99	\$1,148,993.70	\$2,054,342.14
Percentage	21.92%	9.89%	4.91%	7.36%	55.93%	100.00%

# Aging Summary by Location

Location	Current	30+	60+	90+	120+	Total Balance
L1 - AV	\$78,526.85	\$24,205.67	\$26,764.49	\$9,773.20	\$146,196.02	\$285,466.23
Percentage	28%	8%	9%	3%	51%	100%
L2 - CS	\$87,794.22	\$45,549.27	\$12,803.71	\$9,995.37	\$225,787.98	\$381,930.55
Percentage	23%	12%	3%	3%	59%	100%
L3 - MB	\$32,670.75	\$10,390.16	\$9,115.12	\$632.00	\$98,299.17	\$151,107.20
Percentage	22%	7%	6%	0%	65%	100%
L4 - PP	\$134,966.33	\$84,058.98	\$36,804.22	\$91,696.53	\$302,561.53	\$650,087.59
Percentage	21%	13%	6%	14%	47%	100%
L5 - PL	\$116,255.87	\$38,895.54	\$15,384.27	\$39,065.89	\$376,149.00	\$585,750.57
Percentage	20%	7%	3%	7%	64%	100%
<b>Grand Total</b>	<b>\$450,214.02</b>	<b>\$203,099.62</b>	<b>\$100,871.81</b>	<b>\$151,162.99</b>	<b>\$1,148,993.70</b>	<b>\$2,054,342.14</b>

# Aging Summary by Physician

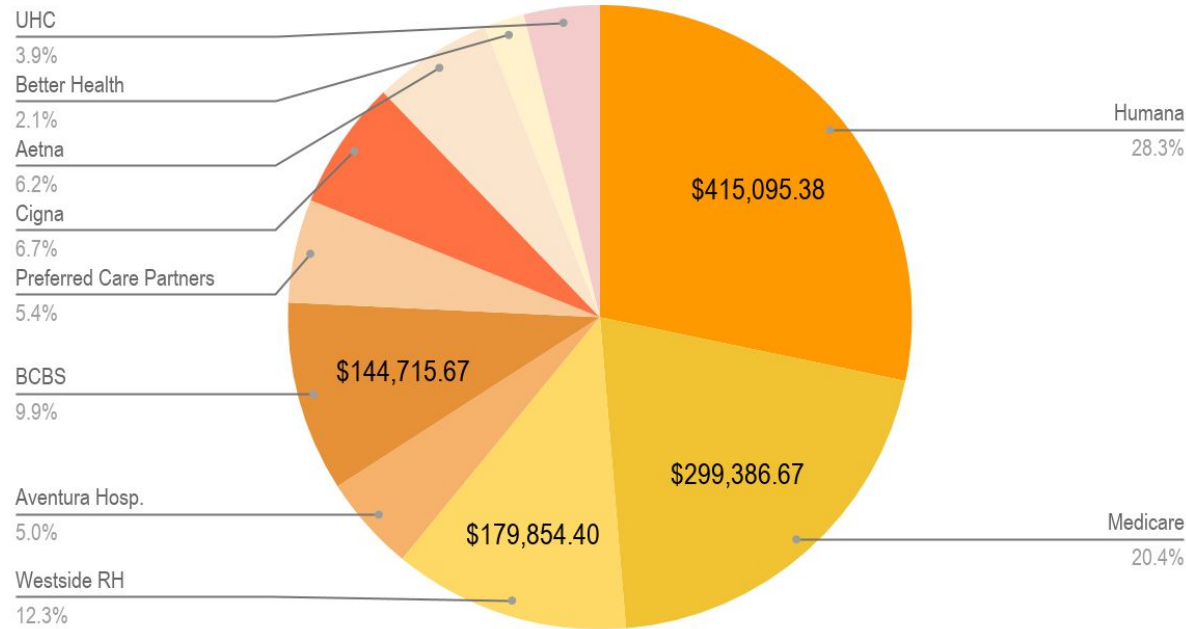
Provider	Current	30+	60+	90+	120+	Total Balance
<b>Provider 3</b>	<b>\$137,815.13</b>	<b>\$67,374.55</b>	<b>\$37,236.52</b>	<b>\$19,425.32</b>	<b>\$412,479.83</b>	<b>\$674,331.35</b>
Percentage	20%	10%	6%	3%	61%	100%
<b>Provider 4</b>	<b>\$123,714.79</b>	<b>\$60,213.14</b>	<b>\$15,776.80</b>	<b>\$29,592.89</b>	<b>\$331,819.73</b>	<b>\$561,117.35</b>
Percentage	22%	11%	3%	5%	59%	100%
<b>Provider 5</b>	<b>\$155,341.10</b>	<b>\$55,567.73</b>	<b>\$37,692.16</b>	<b>\$25,183.58</b>	<b>\$247,189.64</b>	<b>\$520,974.21</b>
Percentage	30%	11%	7%	5%	47%	100%
<b>Provider 2</b>	<b>\$33,343.00</b>	<b>\$19,583.20</b>	<b>\$7,317.33</b>	<b>\$27,414.20</b>	<b>\$115,331.18</b>	<b>\$202,988.91</b>
Percentage	16%	10%	4%	14%	57%	100%
<b>Provider 1</b>	<b>\$0.00</b>	<b>\$361.00</b>	<b>\$2,849.00</b>	<b>\$49,547.00</b>	<b>\$24,758.32</b>	<b>\$77,515.32</b>
Percentage	0%	0%	4%	64%	32%	100%
<b>Provider 6 (No Longer With Practice)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$17,415.00</b>	<b>\$17,415.00</b>
Percentage	0%	0%	0%	0%	100%	100%
<b>Grand Total</b>	<b>\$450,214.02</b>	<b>\$203,099.62</b>	<b>\$100,871.81</b>	<b>\$151,162.99</b>	<b>\$1,148,993.70</b>	<b>\$2,054,342.14</b>

# Aging Summary by Top Payers

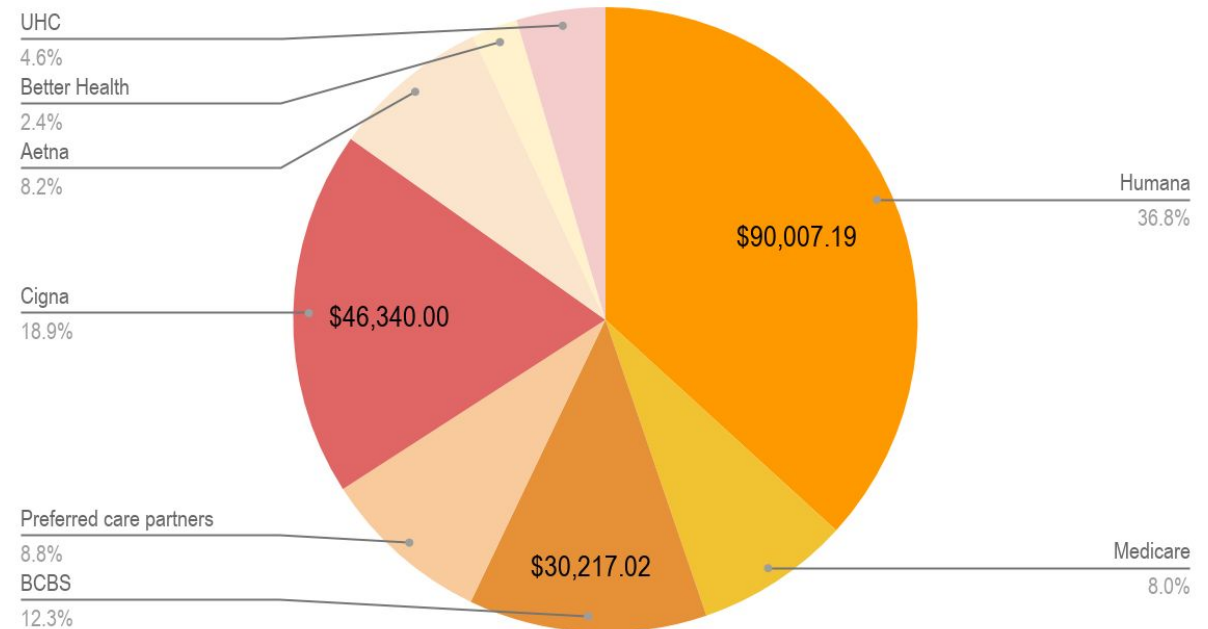
Insurance	Current	30+	60+	90+	120+	Total
<b>Humana</b>	<b>\$90,007.19</b>	<b>\$32,206.00</b>	<b>\$21,325.85</b>	<b>\$13,188.00</b>	<b>\$258,368.34</b>	<b>\$415,095.38</b>
Percentage	4%	2%	1%	1%	13%	20%
<b>Medicare</b>	<b>\$19,559.28</b>	<b>\$18,927.47</b>	<b>\$24,966.38</b>	<b>\$17,452.22</b>	<b>\$218,481.32</b>	<b>\$299,386.67</b>
Percentage	1%	1%	1%	1%	11%	15%
<b>Westside RH</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$49,024.00</b>	<b>\$130,830.40</b>	<b>\$179,854.40</b>
Percentage	0%	0%	0%	2%	6%	9%
<b>Aventura Hospital</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,826.59</b>	<b>\$68,236.76</b>	<b>\$73,063.35</b>
Percentage	0%	0%	0%	0%	3%	4%
<b>Blue Cross Blue Shield</b>	<b>\$30,217.02</b>	<b>\$9,428.00</b>	<b>\$10,933.00</b>	<b>\$27,837.80</b>	<b>\$66,299.85</b>	<b>\$144,715.67</b>
Percentage	1%	0%	1%	1%	3%	7%
<b>Preferred Care Partners</b>	<b>\$21,517.64</b>	<b>\$15,782.32</b>	<b>\$531.00</b>	<b>\$0.00</b>	<b>\$40,840.02</b>	<b>\$78,670.98</b>
Percentage	1%	1%	0%	0%	2%	4%
<b>Cigna</b>	<b>\$46,340.00</b>	<b>\$15,700.00</b>	<b>\$9,167.00</b>	<b>\$0.00</b>	<b>\$26,926.78</b>	<b>\$98,133.78</b>
Percentage	2%	1%	0%	0%	1%	5%

# Total Aging Summary by Top 10 Payers

Total Aging by Payer

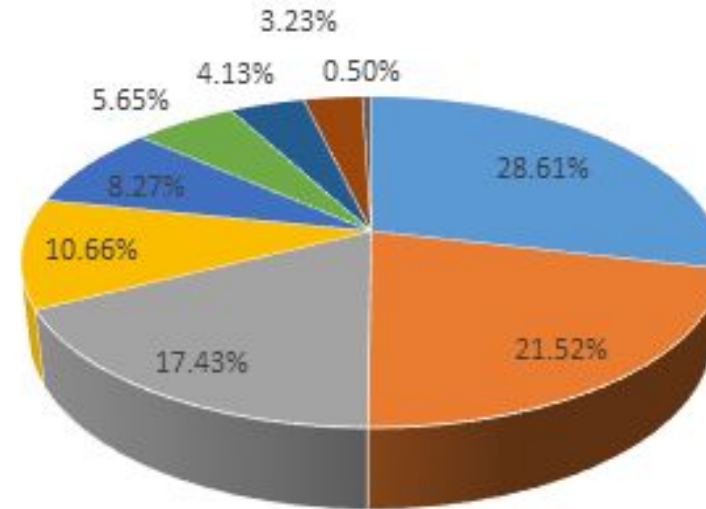


Current Aging by Payer



# EDI Analysis

- Total Pass ratio for the year 2017 is 97%; rejection ratio is 3%.
- Top rejection reasons:
  - demographics and eligibility errors
- 20% of claims are being sent by paper
  - *Post Go-Live we will explore converting from paper to EDI for faster reimbursement*



- Subscriber Name or ID# Invalid
- NO COVERAGE
- Others
- Tooth Number Missing
- DX Issue
- Invalid Taxonomy
- Invalid CPT
- Duplicate
- Invalid Tax ID#

# Questions?

Contact your Genesis RCM Representative for  
Additional Details on your Practice's Analysis Results

