

From Foundational to Optimized: How a Large AMC Implemented Epic and Improved Revenue Cycle Efficiency and Costs



The Client Challenge





A large, urban East Coast academic medical center (AMC) was incurring significant costs due to inefficient technology and a decentralized billing structure that spanned more than 20 specialties, as well as 4 outsourced vendors. It elected to implement Epic as its enterprise electronic health record (EHR) and saw this as an opportunity to not only improve technology but also an opportunity to evaluate and enhance its operational structure.

Navigating to Next: The Solution

While Epic provided immediate benefits through its Enterprise platform, numerous operational changes were required to enhance its operating model. With a goal of eventually reducing costs and enabling efficiencies through Epic, the AMC partnered with Chartis to conduct a comprehensive staffing assessment and cost-to-collect analysis to identify areas of opportunity. Several insights immediately emerged: (1) the organization's decentralized staff led to inefficiencies within the billing space; (2) the existing organization structure resulted in inconsistent processes and a lack of accountability over charging and accounts receivable (AR) metrics; and (3) the utilization of outsourced vendors led to increased costs.

Following the initial assessment, Chartis partnered with the health system to design and develop an optimized organizational structure with clear roles and responsibilities, targeted key performance indicators (KPIs), and governance processes for each area of the revenue cycle. Utilizing this framework, the organization was able to identify and integrate leading-practice Epic workflows to improve revenue cycle metrics and reduce costs.

IMPLEMENTING AN ENTERPRISE EHR PROVED TO BE A CATALYST FOR OPTIMIZING THE FOLLOWING:

-  Staffing model and organization structure
-  Metric & productivity management
-  Vendor alignment and management
-  Technology enablement

NAVIGATING TO NEXT: KEY COMPONENTS



ANALYSIS

Perform a current-state assessment on the staffing figures, as well as the organization structure, and introduce recommendations for leading-practice execution



VALIDATION & EXECUTION

Align on the future-state organization and management structures



PROJECTION

Validate the cost-to-collect impact based on the organizational structure and vendor utilization



INTEGRATION

Incorporate Epic-based best practices, utilizing the defined organization and ownership structure



GOVERNANCE & MANAGEMENT

Establish core KPIs and define accountability processes across the organization



STABILIZATION & OPTIMIZATION

Refine processes and Epic-based build to improve upon identified KPIs

Client Impact

By implementing staffing and organizational structure changes prior to the Epic go-live, the AMC was able to measurably improve its revenue cycle performance. Through implementation of the revised structure and leading-practice technology, the organization achieved improvements in cost to collect, average daily revenue, and accounts receivable measures. Stakeholder response to the design and implementation has been enthusiastic. The effort has enabled broad and consistent operational accountability and optimism regarding the organization’s ability to sustain the revenue cycle improvement.



How We Are Making Healthcare Better

“Chartis takes a comprehensive approach as we support organizations through an Epic implementation because we fundamentally believe that there is opportunity to materially advance performance and quality through operational efficiencies.”

—John Stecker, Principal, Chartis

Through the systematic approach of its staffing structure, and leading-practice Epic guidance, the AMC was able to improve its revenue cycle immediately:

9%

Improved cost to collect

10%

Increased average daily revenue

34.6

AR days, down from 41

NEXT INTELLIGENCE:

Organizations can implement Epic most effectively by:

Considering organizational structure and defining accountability metrics for each functional area.

Leveraging leading-practice technology-based recommendations.

Integrating methodologies for continuous optimization and improvement.

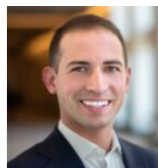
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