



2020 Advisory Conference
October 27-29

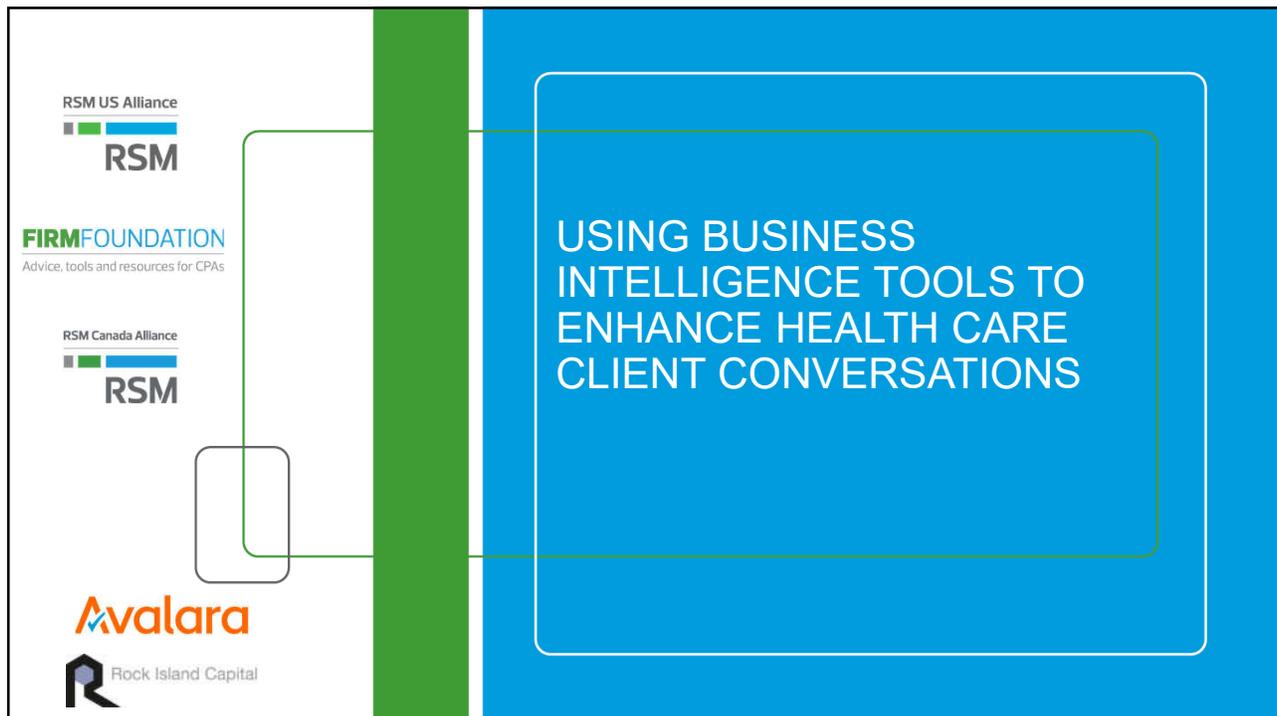
Converging knowledge and behaviors to deepen client relationships

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USING BUSINESS INTELLIGENCE TOOLS TO ENHANCE HEALTH CARE CLIENT CONVERSATIONS

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Speaker



Donna McKinney

Manager, Freed Maxick Healthcare Consulting Services

Donna McKinney has over 16 years of experience serving the healthcare industry. She specializes in leading transformational initiatives and implementing operational imperatives system-wide. Donna has significant experience in hospital and ambulatory services operations, system turnarounds, expense and productivity management, and organization change and process re-design.



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Speaker



Dan Gerena

Principal, Freed Maxick Healthcare Consulting Services

Dan has extensive experience leading BI initiatives and deployments in various healthcare settings (LTC/SNF, Assisted Living, Homecare, Hospice, Acute Care, Physician Practices, MLTC).

Dan's experience includes data modeling, SQL development and data visualization. He has a Six Sigma Black Belt. Prior to joining Freed Maxick, Dan served as Director of Business Intelligence & Analytics at a large health system in Western New York for over 14 years, as well as leading BI initiatives and deployments at a large financial institution and defense contractor.



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Agenda

Topic	Minutes
Service Line Analytics	25
Physician Practice Analytics	25
Q&A	10



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Breakout Objectives

By the end of this course, you will be able to understand how to advise clients to utilize data analytics to:

- Determine the value of service lines and opportunities to improve
- Determine overall physician practice performance and opportunities to improve.



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SERVICE LINE ANALYTICS



Healthcare Business Analytics Management

A WHOLLY OWNED COMPANY OF FREED MAXICK, CPAs, P.C.

Many independent, rural and critical access acute care hospitals have a need to understand what service lines and provider relationships generate profits. Absent of this knowledge, it's challenging to understand where to make investments and how best to structure physician compensation models.



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Unfortunately, cost accounting software is complex to implement, expensive to acquire and often requires an FTE investment to manage and maintain.



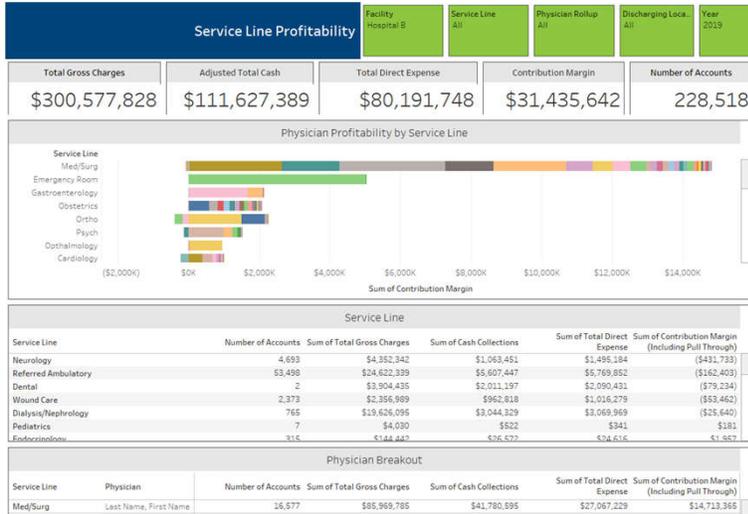
HBAM has designed a methodology to allocate cost and net revenue to patient activities, in order to enable these decisions. Further, we host all of the technology, including a data warehouse, automated data migration and dashboards that empower our clients to make fact-based decisions.



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Service Line Analytics



The tool is designed to build out a Ratio of Costs to Charges (RCC) in order to assign a profitability to each patient account.

Profitability then gets aggregated by Service Line and Physician in order to understand the profitability of each service and drive strategic or operational initiatives to maximize margin.

- Service line can be defined by discharging DRG or service, or physician specialty.
- The RCC is developed utilizing patient detailed charge data and trial balance information.
- The RCC then assigns cost at the patient detail level so that the cost can be aggregated in order to understand the profitability of each patient.

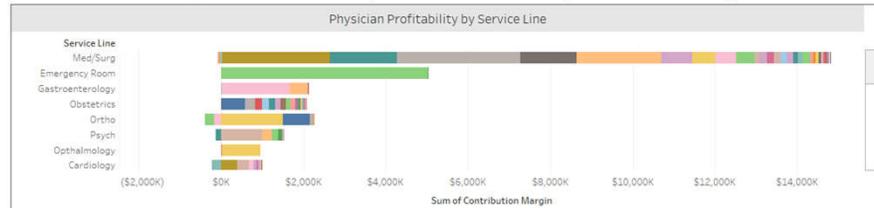


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Service Line Analytics

Service Line Profitability					Facility Hospital B	Service Line All	Physician Rollup All	Discharging Loc. All	Year 2019
Total Gross Charges	Adjusted Total Cash	Total Direct Expense	Contribution Margin	Number of Accounts					
\$300,577,828	\$111,627,389	\$80,191,748	\$31,435,642	228,518					



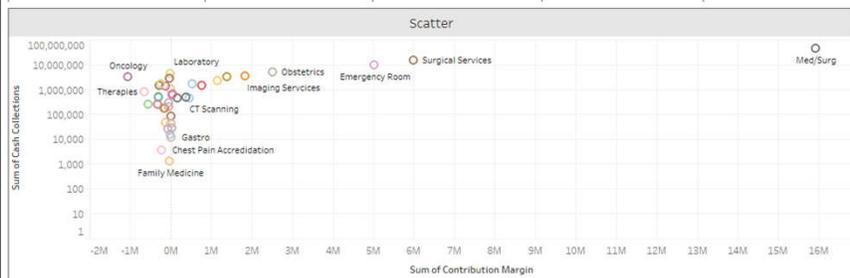
Service Line	Number of Accounts	Sum of Total Gross Charges	Sum of Cash Collections	Sum of Total Direct Expense	Sum of Contribution Margin (Including Pull Through)
Neurology	4,693	\$4,352,342	\$1,063,451	\$1,495,184	(\$431,733)
Referred Ambulatory	53,498	\$24,622,339	\$5,607,447	\$5,769,852	(\$162,403)
Dental	2	\$3,904,435	\$2,011,197	\$2,090,431	(\$79,234)
Wound Care	2,373	\$2,356,989	\$962,818	\$1,016,279	(\$53,462)
Dialysis/Nephrology	765	\$19,626,095	\$3,044,329	\$3,069,969	(\$25,640)
Pediatrics	7	\$4,030	\$522	\$341	\$181
Endocrinology	316	\$184,442	\$76,572	\$74,616	\$1,857

Service Line	Physician	Number of Accounts	Sum of Total Gross Charges	Sum of Cash Collections	Sum of Total Direct Expense	Sum of Contribution Margin (Including Pull Through)
Med/Surg	Last Name, First Name	16,577	\$85,969,785	\$41,780,595	\$27,067,229	\$14,713,365



Service Line Analytics

Profitability by Discharging Location					Field Selector Department Consolidation	Facility Hospital B	Discharging Lo. All	Year 2019
Total Gross Charges	Adjusted Total Cash	Total Direct Expense	Contribution Margin	Number of Accounts				
\$300,577,828	\$111,627,389	\$80,191,748	\$31,435,642	228,518				

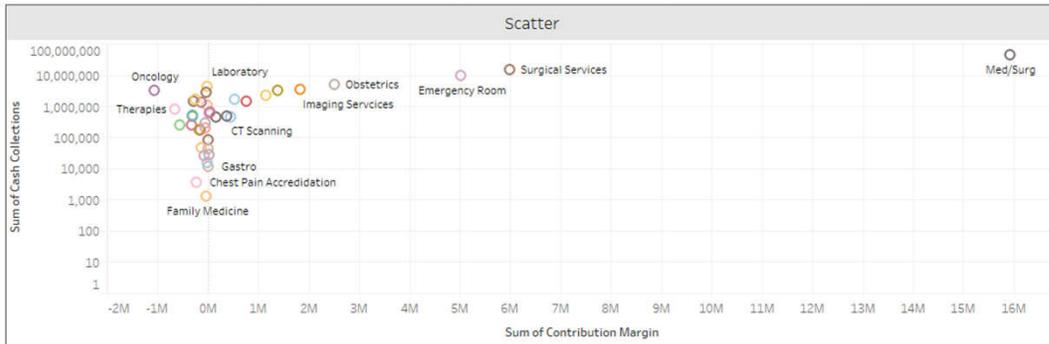


- Drilling down by discharging location code gives a view into your most profitable services regardless of the service line or physician specialty.
- From this view, there are further drill downs to the department level that assist in identifying opportunities to improve revenue capture or decrease expense related to the service.



Service Line Analytics

Profitability by Discharging Location				
Field Selector Department Consolidation		Facility Hospital B	Discharging Lo. All	Year 2019
Total Gross Charges	Adjusted Total Cash	Total Direct Expense	Contribution Margin	Number of Accounts
\$300,577,828	\$111,627,389	\$80,191,748	\$31,435,642	228,518



Service Line Analytics

Service Line Detail									
Facility Hospital B		Physician Rollup (All)							
Total Gross Charges	Adjusted Total Cash	Total Direct Expense	Contribution Margin	Number of Accounts					
\$8,114,423	\$3,338,088	\$3,322,438	\$15,371	7,744					
Department Detail									
Service Line	Physician Rollup	Discharging Location	Number of Accounts	Sum of Total Gross	Sum of Cash Collect.	Sum of Total Direct	Sum of Contribution		
Grand Total			7,744	\$8,114,423	\$3,338,088	\$3,322,438	\$15,371		
Ortho	Physician A	Total	5,169	\$4,301,167	\$1,736,236	\$2,033,057	(\$296,945)		
		Ambulatory Care	1	\$1,082	\$371	\$55	\$315		
		CT Scanning	44	\$35,030	\$5,143	\$1,857	\$3,273		
		Diabetes Clinic	14	\$3,187	\$972	\$3,185	(\$2,212)		
		EKG	16	\$12,079	\$1,369	\$2,639	(\$1,266)		
		Laboratory	100	\$25,201	\$5,440	\$5,625	(\$1,977)		
		MRI	199	\$256,660	\$64,105	\$23,025	\$41,065		
		Nuclear Med	7	\$10,495	\$2,142	\$2,871	(\$728)		
		Physical Therapy - OP	206	\$275,768	\$87,054	\$58,074	\$28,981		
		Radiology	1,150	\$286,445	\$76,762	\$69,515	\$7,265		
		Sameday Surgery	92	\$511,511	\$234,741	\$359,027	\$75,716		
		Ultrasound	17	\$10,731	\$2,724	\$1,665	\$1,061		
		Acute Care	84	\$2,206,952	\$1,004,748	\$896,029	\$108,712		
		Ortho	3,239	\$656,026	\$250,655	\$809,490	(\$58,930)		
		Total	1,282	\$1,435,943	\$506,094	\$571,026	(\$64,305)		
		Physician B	Physician B	Ambulatory Care	3	\$12,618	\$3,533	\$1,999	\$4,083
				Cardiac Rehab	1	\$60	\$60	\$31	\$29
CT Scanning	9			\$13,385	\$1,472	\$847	\$626		
EKG	3			\$2,339	\$245	\$509	(\$24)		
Laboratory	19			\$2,837	\$789	\$663	\$128		
MRI	86			\$123,744	\$26,924	\$10,686	\$16,233		
Nuclear Med	10			\$16,264	\$3,084	\$4,799	(\$1,715)		
Physical Therapy - OP	47			\$41,732	\$20,164	\$12,697	\$7,463		
Radiology	292			\$66,930	\$23,339	\$16,450	\$6,885		
Sameday Surgery	24			\$269,639	\$88,995	\$85,773	\$3,222		
Spine Clinic	767	\$207,487	\$76,815	\$218,532	(\$141,875)				
Acute Care	19	\$658,857	\$261,423	\$217,977	\$43,446				
Ortho	2	\$51	\$51	\$63	(\$12)				

Drilling down by the service line and then the physician allows you to understand the impact that providers have on the margin of your facility at the location level.

This allows you to identify all medical, surgical, physician practice and referred services associated with the provider.

Service Line Analytics



Service Line Detail		Facility	Physician Rollup	
		Hospital B	(All)	
Total Gross Charges	Adjusted Total Cash	Total Direct Expense	Contribution Margin	Number of Accounts
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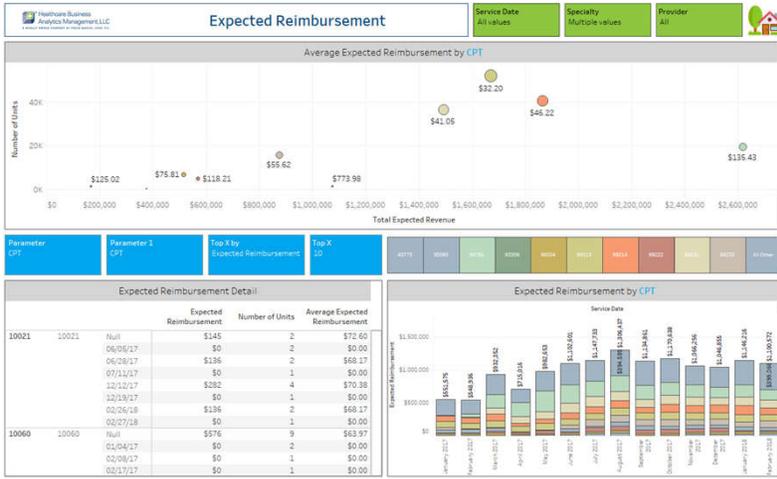


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PHYSICIAN PRACTICE ANALYTICS

Physician Practice Analytics



Expected Reimbursement Dashboard utilizes your billing data and contracted rate to calculate in real-time expected revenue.

- Why is this important?

This allows organizations to be more predictive and even understand trajectory mid-month



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Physician Practice Analytics



Open Accounts Receivable Dashboard ensures prompt payment of your receivables and identify problem payers.

- Why is this important?

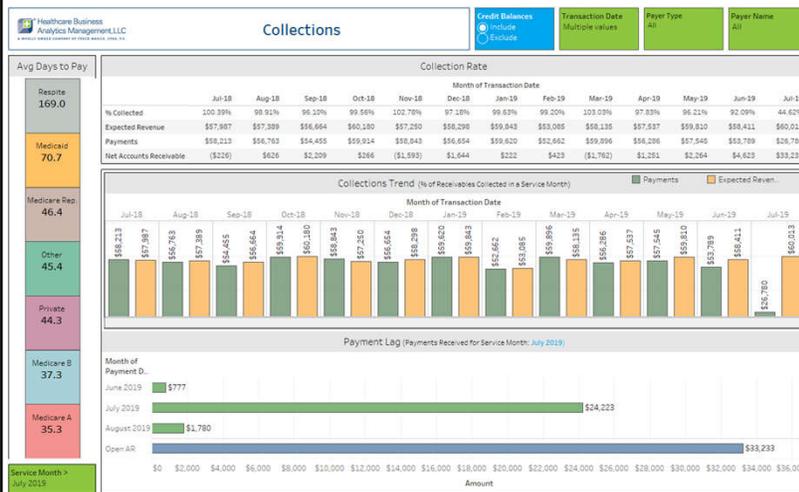
This allows organizations to identify opportunities to collect cash more optimally, enhancing cash flow



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Physician Practice Analytics



Collections Dashboard compares expected monthly revenue with actual payments received, highlighting open balances.

- Why is this important?

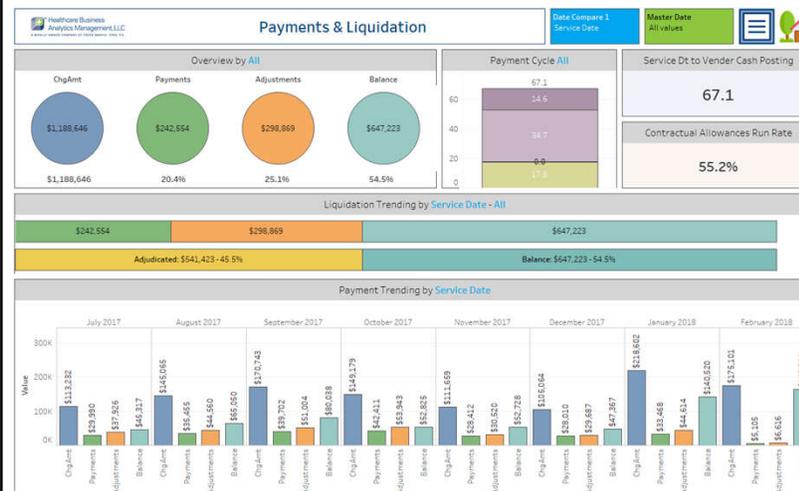
This allows organizations to understand the typical time it takes to collect Open A/R



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Physician Practice Analytics



Payments and Liquidation Dashboard trend of payment lags relative to service date.

- Why is this important?

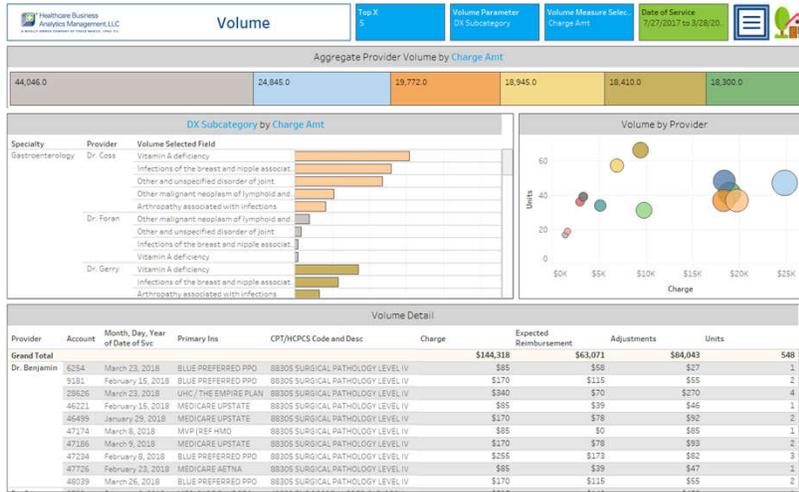
This allows organizations to monitor the liquidation of receivables, and the composition of Gross Charges relative to Payments and Contractuals



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Physician Practice Analytics



Volume Dashboard services and quantities performed, along with their billed amounts and experienced contractual write-offs.

- Why is this important?

This allows organizations to be monitor patient volume by Service Line, Provider, Diagnosis, etc.



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Physician Practice Analytics



Compliance Dashboard tracks your physicians' coding practices (to benchmark); exposes propensities for undercoding and overcoding.

- Why is this important?

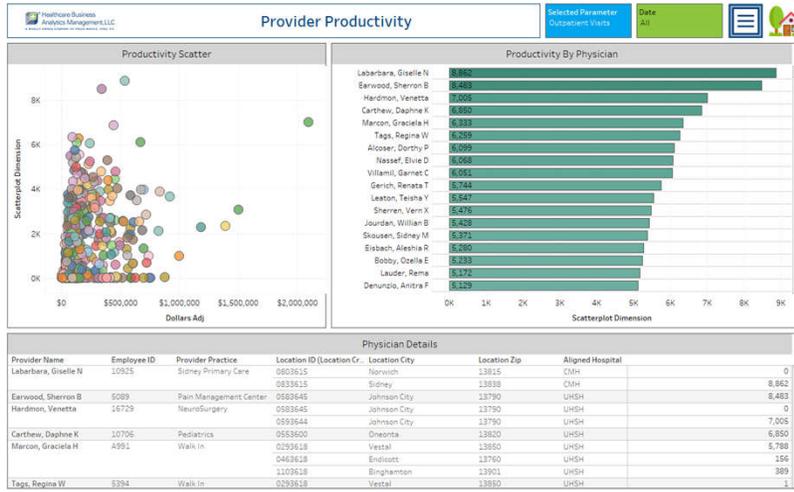
This allows organizations to monitor Level Charges amongst like Providers and compared to a Benchmark



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Physician Practice Analytics



Provider Productivity Dashboard
the value your providers bring to the organization.

- Why is this important?

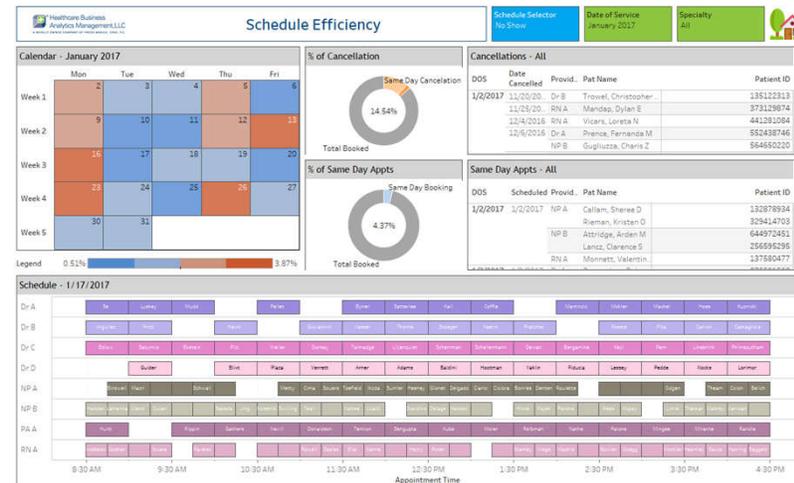
This allows organizations to track Worked RVUs by Specialty and Provider



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Physician Practice Analytics



Schedule Efficiency Dashboard
your organization's ability to fill empty appointment slots.

- Why is this important?

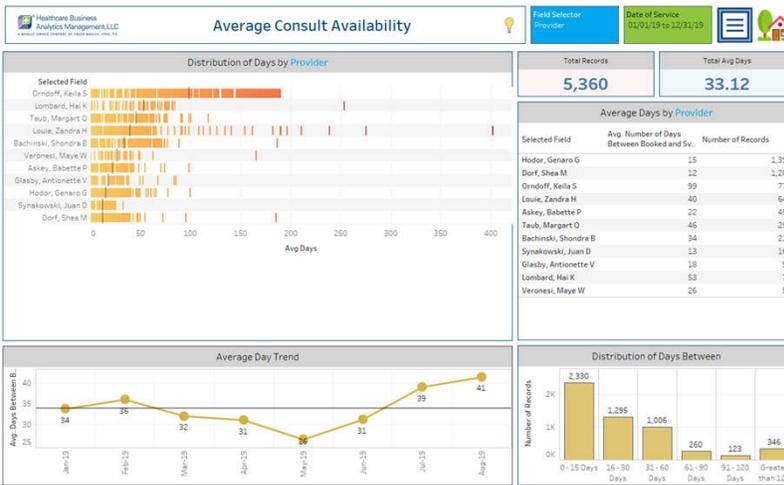
This allows organizations to optimize the use of the schedule to ensure slots are filled



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Physician Practice Analytics



Average Consult Availability Dashboard
average days patients must wait to be seen for consultations.

- Why is this important?

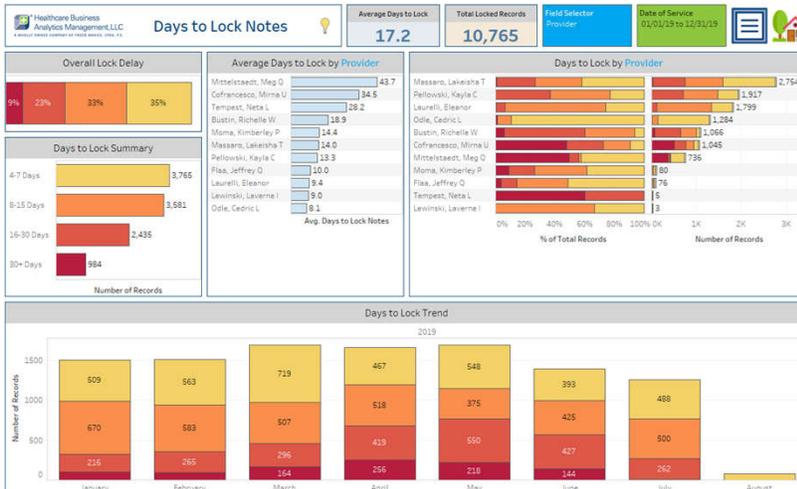
This allows organizations to know the lead time for scheduling consults by Specialty and Provider



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Physician Practice Analytics



Days to Lock Notes Dashboard
visibility into your resources' ability to promptly complete their notes, readying the encounter for billing.

- Why is this important?

We can't bill until we lock the Notes. This tracks any unlocked Notes by Provider, as well as their historical lags



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Appointment Statistics Dashboard

negative appointment events (late starts and cancellations.)

• Why is this important?

This allows organizations to track and understand Late Starts and Cancellations to maximize patient experience



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Bumped Patients Dashboard

instances where providers were forced to bump appointments.

• Why is this important?

This allows organizations to identify instances where patients are bumped (and why) and how far into the future the reschedule occurs



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