JAMES MOORE

WHEN IT COMES TO CASH FLOW, TIMING IS EVERYTHING.

We can talk about our data analytics services... or you can read about the results. See what we did for one specialty healthcare practice!

The Challenge

A practice worked with outside vendors to obtain the expensive materials needed for a specific skin grafting procedure. With a 30-day payment window to the supplier and insurance reimbursement taking anywhere from 30-60 days, there was often a gap where the practice had to put its own cash up front. This regularly led to cash flow issues if the timing wasn't right.

As a result, the practice needed to schedule appointments farther apart to avoid these gaps – leading to fewer procedures scheduled and lower revenues. Practice owners wanted to better understand and forecast reimbursement from these commercial payers and Medicare so they could more accurately predict (and improve) their cash flow and return on investment (ROI) for this procedure.

Data Analytics: A Case Study

The Solution

Our Data Analytics Team used historical invoices and other practice data to calculate the average payment time and reimbursement amount by insurance company and procedure code. This allowed the practice to see which insurance companies paid most timely, which covered a greater amount for the procedure, and which were lagging in both areas. We also provided dashboards so practice personnel could easily see the results of these calculations.

The Results

With this newly discovered information at their fingertips, the practice could quickly determine which insurance plans they would accept for the procedure – and which they could decline due to low ROI. This in turn allowed them to schedule more patients, better predict cash flow needs, and increase their bottom line.

They also realized that their in-house procedures were not the culprit when it came to cash flow. The data showed that practice personnel were efficient with getting initial claims to the insurance companies after the procedure was completed. This affirmation meant they could zero in on the true issue and resolve it.