Jacobus CONSULTING™

The Perfect Formula for DOUBLING CASH COLLECTIONS AND IMPROVING EMPLOYEE SATISFACTION

Case Study

CHALLENGE

In 2011, Plumas District Hospital (PDH) was wrestling with a number of financial issues in the PDH Revenue Cycle/Business Office operation that resulted in certain key financial indicators to move in the wrong direction. In many cases, the root causes for these adverse trends were not clear and the hospital's new CEO, Doug Lafferty, sought to have analysis performed to gain clarity on the issues as well as the underlying state of the hospital's AR and Bad Debt. In addition, a number of process and customer service issues arose which needed analysis to improve operational efficiency and customer service to their community. As a new CEO, Doug Lafferty was confronted by a myriad of revenue cycle and Business Office challenges:

- Bad Debt – and reasons for growth
- Collection Agency strategy and efficiency – analysis of accounts, is follow-up efficient and cost effective?
- Status, trending, accuracy and visibility of AR
- Billing efficiency
- Customer service operation and efficacy
- Policy & Procedures status and efficacy
- Leadership efficacy
- Education and skill level of current staff
- Business office incentive programs
- Revenue cycle systems issues
- Workflow process observation – degree of efficiency and deviation from best practice
- Current Business Office/Revenue Cycle financial reports – degree of accuracy and confidence level

SOLUTION

Plumas District Hospital engaged Jacobus Consulting to perform an assessment that analyzed these issues, report on the findings, and assist PDH to clearly identify causes and formulate plans to transform the situation. Jacobus performed a rapid one-week audit and evaluation of the entire Patient Financial Services (PFS) policies and processes. PDH received a detailed report of key findings and recommendations as well as an action plan for immediate improvement. Following the audit, Plumas

Plumas DISTRICT HOSPITAL

Challenges

- ADVERSE TRENDS IN FINANCIAL DIVISION
- PROCESS AND CUSTOMER SERVICE ISSUES
- NEEDED UNDERSTANDING OF THE HOSPITAL'S UNDERLYING STATE OF A/R AND BAD DEBT

Action Taken

- ASSESSMENT TO ANALYZE CURRENT FINANCIAL STATE AND UNDERLYING CAUSES
- ONE WEEK ON-SITE AUDIT PRODUCED DETAILED REPORT WITH ACTION STEPS TO TAKE
- JACOBUS INTERIM PFS MANAGER HIRED TO REBUILD AND REDESIGN ALL PATIENT SERVICES FUNCTIONS

Customer Profile

NAME
Plumas District Hospital

ADDRESS
1065 Bucks Lake Road
Quincy, CA 95971

WEBSITE
www.pdh.org

BED SIZE
25

ANNUAL INPATIENTS
440 (2014)

Jacobus engaged with my staff throughout the hospital, focused on our needs, re-energized the employees of the department, and put together a formal corrective plan of action. I found a complete change, not only in departmental operations, but in employee attitudes, and an almost doubling of our cash collections during their time here."

CEO, Plumas District Hospital

District Hospital leadership decided to hire Jacobus' Interim PFS Manager to both manage the day-to-day operations of the department and to put together a plan of action to rebuild and redesign all patient financial services functions. Within a 90-day period, PDH realized a significant rise in cash, was able to put an action plan in place and to begin executing upon it immediately, and transformed employee morale and satisfaction.

RESULTS

Plumas District Hospital completely transformed their AR and Bad Debt and continued to exceed their monthly cash goals – nearly ***doubling cash collections.***

As part of the project, a new permanent PFS Manager led the hiring department, improving employee and customer satisfaction. New job descriptions, processes, policies and procedures were put in place and referenced daily, providing clear goals and direction for all staff to adhere to.

About Plumas District Hospital

The staff of Plumas District Hospital are caring people, working together with the community to promote healing, health and wellness. In this effort, Plumas District hospital collaborates with community leaders, agencies, friends and neighbors of Plumas County in responding to the ever changing health care needs. They endeavor to create an environment that enhances the ability for people to reach their full potential. PDH staff are dedicated to ensuring patient services meet the expectations of everyone.

Plumas District Hospital strives for excellence in quality. In fact, they are on the leading edge of healthcare offering a full range of services, including obstetrics, dental care, the district's only paramedic ambulance service, and state-of-the-art equipment, including the latest in ultrasound and pulmonary testing. PDH is affiliated with the University of California, Davis and Feather River College, allowing them to access their resources and expertise. PDH is the only hospital in the region to be accredited by the Joint Commission on Accreditation of Healthcare Organizations, meeting the group's high standards for excellent care.

Jacobus Consulting is wholeheartedly committed to helping providers improve patient care and quality, optimize operations, and increase financial performance through process redesign, healthcare technology and workforce development. Because of the depth and breadth of our expertise, we are uniquely suited to be your partner to solve the most complex challenges in healthcare.

ACHIEVE WHAT MATTERS MOST.

To connect with an expert or to receive more information, call us at 949.727.0720 or visit our website at JacobusConsulting.com