

# Outsourcing RCM adds +25% to Northern Lakes Nursing and Rehabilitation's bottom line

## CHALLENGES

- > Back-office staff turnover
- > Low Medicare and Medicare Advantage collection rates
- > High-aged AR

In August 2022, President Lisa Baker was struggling to find back-office talent for Northern Lakes Nursing and Rehabilitation, a 111-bed facility in Angola, Indiana.

"Our long-time biller had left. I hired someone great to handle Medicaid, but she was struggling with Medicare and Medicare Advantage billing."

Northern Lakes didn't have a regional or corporate office to turn to for assistance. "Our claims weren't being paid, we had some outstanding AR, and we were wondering if we were going to meet our payroll next month."

Baker contacted MatrixCare seeking options and learned that MatrixCare partnered with a billing and financial services company, Quality Healthcare Resources (QHCR). QHCR supports more than 300 long-term care facilities with revenue cycle management, AR clean-up, and AP/GL services.

They offer a complimentary AR assessment to help pinpoint billing performance opportunities through a comprehensive analysis of a facility's net collection rate, days sales outstanding, and AR over 90.

## SOLUTIONS

- > Revenue cycle management services
- > AR clean-up

"The AR Assessment confirmed we were leaving a lot of money on the table, but QHCR said they could get us back on track," explained Baker.

In just a few weeks, QHCR had taken over Medicare and managed care billing at Northern Lakes and kicked off an AR clean-up to collect as much aged AR as possible.

Baker's initial confidence was well placed. "They just took off running on day one. Once I signed the contract, the next week we got our first payment."

QHCR optimized their MatrixCare set up, implemented a variety of process improvements across admissions and the back-office, and launched weekly AR review meetings to discuss claims progress. Their communication, efficiency, and expertise, "really showed what we'd been missing."

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**Lisa Baker**, President  
Northern Lakes Nursing and Rehabilitation

When QHCR came on board, Northern Lakes' net collection rate had dipped to 70%. They were losing \$1.5 million dollars in revenue annually, and 80% of their aged AR was over 90 days.

But less than a year later, their financial status was transformed. QHCR collected over \$600,000 of aged AR and increased the facility's Medicare net collection rate from 70% to 99%. Their aged AR over 90 also dropped by 51%.



## The impact of RCM services at Northern Lakes in less than a year

**\$600,000**  
of aged AR collected

Medicare net collection rate rose



Beyond the significant financial improvements, Baker now feels confident about the future. "I don't have to worry about if my staff leaves. I don't have to worry about training anybody. And with all the complexities of billing Advantage plans and all the regulatory changes happening, I don't have to keep up with that now."

She also recognizes that outsourcing your revenue cycle management isn't a decision to be taken lightly. "It needs to be the right partner—you need to trust them, and it has to make sense financially. We have both with QHCR."

The greatest proof of their successful collaboration?

*"The communication with them as a partner and working with them has just been amazing. Our facility probably wouldn't be here without them."*

**Lisa Baker**, President  
Northern Lakes Nursing and Rehabilitation

### RESULTS TO DATE

- > Increased net collections rate by 29%
- > Collected more than \$600,000 in unrecovered aged AR
- > Decreased AR >90 by 51%

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Customer results may vary.