

# Outsourcing RCM drives net collections and AR improvements for Hartsfield Village

## CHALLENGES

- > Bad debt
- > Low Medicare Advantage collection rates
- > Lack of data and reporting

## SOLUTIONS

- > Revenue cycle management services
- > AR clean-up
- > Remote MDS Coordinator Program

Director of Finance Kristle Ondo and Senior Accountant Michelle Showalter worked hard to help Hartsfield Village in Munster, Indiana, improve its net collections and AR management after the COVID-19 pandemic.

Ondo tried a few solutions. "We completed a MatrixCare software optimization, and we worked with a MatrixCare consultant to look for ways to optimize our processes and workflows." Then Ondo learned that MatrixCare partnered with a billing company, Quality Healthcare Resources, and were offering a free AR assessment.

Quality Healthcare Resources (QHCR) is a financial services company supporting more than 300 long-term care facilities with revenue cycle management, AR clean-up and AP/GL services.

QHCR's AR assessment is a free service available to any facility. The QHCR team pinpoints billing performance opportunities through a comprehensive analysis of a facility's net collection rate, days sales outstanding, and AR over 90.

"Our AR assessment was eye opening. We saw our KPIs against industry benchmarks and broken out by payor which highlighted exciting opportunities," explained Ondo.

"QHCR was confident they could move our net collections rate from 90% to 98%. They also had AR clean-up services. I only wish we'd signed up for those sooner! With the progress we are making on both fronts, we're definitely coming out ahead."

Five months into the collaboration, Hartsfield Village's net collection rate increased by 4% and they recovered more than \$400,000 in aged accounts receivable. Cash came in 10 days faster on average, and aged AR dropped by 10%

"I'm an accountant, so when I say our first AR review meeting was fun, it was fun because there were so many zeros on the report," said Showalter. "The team was really prepared. It wasn't just 'Here's what's in this aged bucket.' It was, 'Here's what's in here and why, what we've done already and what our next steps are.'"

Medicare Advantage (MA) claims, which are notoriously complex and denied at a higher rate, are also trending in

**\$400,000**  
recovered in first five months

the right direction. “We hadn’t received reimbursement from one of our MA payors for several months. Now, those old claims are getting paid. They’re paying new claims on time and for me, that’s huge!”

In addition to financial wins, there were significant operational improvements:

#### **Better communication and transparency between admissions, billing, clinical, and leadership**

Ondo said having support across admissions, billing, clinical, MDS and administrative staff through complex claims helps them define best practices and work better as a team.

#### **Quick access to expert insights and reporting**

Fast response times means information and answers are ready to share with leadership, Showalter said.

#### **New value to residents, and new opportunities for back-office staff**

Ondo says she now sees the value of having someone onsite as a “financial counselor” who can focus on educating residents and family members about potential billing or payment challenges.

#### **Discovery of outside MDS Coordinator support**

After partnering with QHCR, Hartsfield also needed MDS assessment support. Polaris Group, another MatrixCare partner and QHCR sister company, offers fully outsourced and part-time MDS coordinators. “It was a no brainer to work with Polaris. We’ve been really happy with their MDS coordinators,” says Ondo.

#### **A clear roadmap for improved financial performance**

With many shared ideas and best practices from other facilities, Ondo says it has “sparked new ideas” about steps they can take to improve their organization’s financial health.

Ondo added, “If I had one piece of advice for other facilities, it’d be, ‘Do the assessment’. Maybe it’ll show that you’re doing a great job. Maybe it shows you areas where you can improve. Either way it’s a win.”

Getting a clear picture of your RCM cycle can pave the way to your organization’s financial health. Contact MatrixCare to get started with your AR assessment.



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#### **RESULTS TO DATE**

- > Collected more than \$400k in unrecovered aged AR
- > Increased net collection rate by 4%
- > Improved collaboration between admissions, clinical, and back-office teams

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