

Revenue planning facilitates the profitable allocation of scarce resources, maximizes occupancy, and models a profitable payer mix.

The healthcare industry seems to face challenges on all sides. Medical costs continue to escalate. Payment and reimbursement for services are convoluted processes that impede cash flow and put revenue in question. Double-digit premium increases have consumers and regulators questioning insurers and healthcare organizations. Rival providers now aggressively recruit patients. New regulations will penalize hospitals for inefficiencies in service delivery and cost control and require technology investments to deal with information storage and privacy issues.

To compete successfully in this climate, you have to demonstrate consistently high quality of care and maintain a strongly positive reputation. You must deliver outcomes that satisfy patients while limiting hospital stays but maximizing the occupancy rate of beds. You need to manage costs per patient and per bed and optimize capital spending and cash on hand. You want to develop the most profitable mix of types of payers and achieve the highest possible percentage of claims paid and the lowest amount of bad debts. And you have to do all of this while complying fully with evolving regulations.

The role of Finance is more central than ever. Today it extends beyond managing spending and preparing the budget to providing analysis of the financial implications of actions across the business and advising decision-makers at all levels and departments.

Host Analytics can help. For more than 10 years, we have been working with dozens of health-care organizations such as yours to improve these and other processes and realize significant benefits by using our Host Analytics CPM suite. The suite includes fully integrated modules for budgeting and planning, revenue planning, reporting and analysis, financial consolidation, and scorecarding and dashboarding.

Payer Mix and Performance – Track % of revenue and claims paid by payer. Model the most profitable mix of payers given patient demographics and the impact of reducing days in accounts receivable for certain payers.

Average Length of Stay (ALOS) – Track the total inpatient days and numbers of patients admitted. Model ways to shorten ALOS, which would increase profitability.

Occupancy Rate – Track utilization of available bed days by units and average cost and revenue per bed. Model impacts of increasing occupancy in conjunction with shortening ALOS.

Accounts Receivable Metrics – Monitor the numbers of days bills are in AR before payment, the number of days in AR before a bill is issued, the percentage of bad debts and the percentage of bills with no errors (clean claims). Model ways to reduce the first three and increase clean claims.

Revenue Streams – Determine net patient revenue after subtracting contractual allowances with payers, charity care and bad debts. Also track ancillary revenue from additional services.



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- Escalating medical costs and insurance premiums results in patient dissatisfaction and scrutiny from regulators
- Unpredictable payment plans make it hard to plan revenue, cash flow and capital
- Cost issues from ALOS, occupancy rates and staffing levels put pressure on operational efficiency
- Competition for subscribers through advertising / social media

benefits

- Forward-looking plans help plan utilization of facilities
- Revenue planning facilitates the profitable allocation of scarce resources and models profitable payer mix
- Automated consolidation speeds the financial close and turns data into actionable information, making it available to all finance and operations decision makers
- Using scorecards and dashboards, everyone can focus on goals and improvement

Incidents and Readmissions – Track the number of hospital incidents that create poor patient outcomes and lead to readmissions or prolonged stays. Model the impact on profitability of reducing incidents.

Staffing Levels and Workload – Determine proper staffing levels to support fluctuations in occupancy and create high levels of patient satisfaction. Model the impact on staff turnover and overtime of increasing staff burdens or bed and equipment utilization.

Regulatory Compliance – Identify the costs of meeting current and pending compliance requirements, including mandates for electronic record-keeping. Model the penalties or loss of funding for noncompliance vs. efficiency benefits of automating processes.

Host Analytics CPM helps you get the information you need to make decisions that determine the success of your business. Finance professionals can take charge of their key responsibilities and provide valuable input into operations.

Budgeting and Planning enables forward-looking plans and forecasts so you'll be ready for market changes. You can compare actuals vs. budget, reforecast easily as necessary so the budget is always timely, and track AR activity and cash on hand.

Revenue Planning facilitates forecasting so you deploy capital spending to gain the best return on investment. It provides guidance to optimize payer mix, hospital occupancy and staffing levels.

Financial Consolidation automates and speeds the financial close and reporting process and lets you put the latest information in the hands of executives.

Reporting and Analysis turn your data into actionable information to support key decisions in finance and operations. Workflow ensures that all people who should contribute to decisions do so in the proper order.

Scorecarding and Dashboarding provide the visibility required for employees, managers and executives to understand and track their performance and that of their reports.

Delivered through Software-as-a-Service (SaaS), Host Analytics CPM allows you to avoid significant costs for new hardware purchases, software licenses and IT staff, and its rapid implementation enables you to begin improving processes and performance right away.

Host Analytics knows what matters to finance professionals in your industry. You see the full implications of decisions, both risk and reward. You ensure that decisions are made on a sound financial basis. You gain confidence that your operational processes are efficient, managing ALOS and occupancy, billing and workforce planning to achieve patient satisfaction, high quality of care and finally superior financial results in cash flow, revenue growth and greater profitability.



“With Host Analytics we have better internal controls on producing financial statements, and we have one version of the truth for all our consolidated information.”

—Scott Finnegan
Controller
Baptist Health Services

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