

Baptist Health South Florida Saves \$28 Million Through KPI Net Patient Revenue Improvements



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Guidehouse/Baptist Health joint venture — Health System Solutions — leverages data transparency and employee empowerment to enhance hospital and physician revenue cycle performance

“The progress the HSS team has made in its first year played a significant role in Baptist Health’s improved financial performance. Their revenue cycle expertise is successfully driving our business office operations, with experts collaborating with leadership to create programs that capitalize on such major opportunities as denials and point-of-service collections.”

Matthew Arsenault,
Executive Vice President and CFO,
Baptist Health South Florida

Challenge

In 2016, Baptist Health South Florida was exploring strategies to enhance its revenue cycle operations while furthering its commitment to improving patient and employee engagement. Similar to providers nationwide, the Coral Gables-based health system was challenged with collecting payment for services provided, especially with patients responsible for more of their healthcare costs through high-deductible health plans. The situation was magnified by growing consumer demand for a more connected care experience, as well as growth and margin compression due to reimbursement evolution.

Solution

Some providers have explored partnerships or outsourcing to enhance revenue cycle efficiencies. After a series of discussions buoyed by the announcement of a revenue cycle outsourcing arrangement at UAB Medicine, Baptist Health leveraged its long-standing relationship with Guidehouse to create Health System Solutions (HSS), a joint venture entity to manage its revenue cycle operations.

HSS opened its doors on July 9, 2018, with 560 employees transitioned from Baptist Health’s revenue cycle department to HSS. The new organization combines Baptist Health’s highly skilled staff and focus on quality service with Guidehouse’s Best in KLAS revenue cycle outsourcing expertise, innovative processes, and scale. Led by a team of revenue cycle executives from all three organizations, HSS manages Baptist Health’s revenue cycle, including health information management, revenue integrity, patient access, and physician revenue management.

“That the HSS team was able to launch a new company, transition 560 employees and add dozens more, and still drive this level of success, is a true testament to the team’s dedication, focus, and leadership,” said Matthew Arsenault, executive vice president and CFO at Baptist Health.

Goal Setting and Data Transparency

One of the first steps HSS' leadership team took was to leverage Guidehouse data to clearly define a series of hospital and physician key performance indicators (KPIs) by department, and implement a system to consistently and transparently monitor progress. The approach allows the entire HSS team to identify what's working and what isn't, and target areas for improvement. It also has given physicians, clinicians, and Baptist Health's senior leadership team a direct line of sight into performance.

"Data is at the heart of HSS," said HSS CEO Marilia Garner. "Having clearly defined and constantly tracked departmental goals has been empowering for employees, and it has helped promote collaboration and accountability across the company."

Employee Engagement Vital to Success

Recognized 19 times by Fortune as one of the 100 Best Companies to Work for in America, Baptist Health wanted to ensure the joint venture provided opportunities for team members to grow in their careers while avoiding direct layoffs. HSS leadership implemented an employee engagement structure centered on empowering employees through the following aspects.

Recognition and Training. Employee recognition and training programs, developed and implemented by HSS' human resources team, have been core to success.

Employee incentives are structured to appropriately reward high performance and provide opportunities for development and advancement. Employees also receive companywide acknowledgment for successes achieved and are recognized on birthdays and service anniversaries. This culture of employee recognition was recently illustrated by HSS' commemoration of its first year by hosting a celebratory employee event, with complimentary food trucks, carnival-style games, and company-branded mugs and T-shirts for all employees.

Moreover, employees receive leadership and patient engagement training as part of HSS' continued focus on providing Baptist Health's patients with optimal customer service.

Employees cite the trust, personal attention, and support HSS' leadership team displays as a key to establishing a sense of companywide camaraderie and pride.

Cross-Departmental Collaboration. To enhance collaboration across departments and create a better understanding of the revenue cycle, a governance structure was developed, composed of leaders from HSS, Guidehouse, and Baptist Health. Structured governance committees and councils meet monthly to share results, successes, and challenges that are then shared with HSS employees. Weekly team huddles have been implemented to monitor and review progress. The governance structure has also been effective in engaging Baptist Health clinicians to improve revenue cycle performance.

A recent internal survey reflects growing satisfaction, with employees ranking HSS above industry benchmarks for 19 of 21 categories. The greatest baseline improvements were achieved in such areas as collaboration, intent to stay, and taking action.

"Our team took great pride in working at Baptist Health, and they realized they could bring the best of that culture to HSS and mold it based on their identities," Garner said. "They're embracing the challenge of adapting to new skills, technologies, and processes."



On the Horizon


Plans include offering their services to additional health systems in the Southeast and integrating recently merged Baptist Health hospitals. While there inevitably will be additional obstacles to overcome, HSS will benefit from the “playbook” it has developed to successfully transition employees and drive outstanding results.

Results




Baptist Health South Florida achieved the following in HSS' first year:

Successfully **transitioned 560 Baptist Health employees** to new HSS joint venture with **no layoffs** and **added 60-plus employees**



Achieved all **five physician KPIs**, including  **15% Physician Net Collection Ratio**

Dramatic improvements in hospital KPIs:

↑ 9% Point of Service Collection (Achieved 3% best practice)	↓ 28% Discharged Not Submitted to Payer	↓ 16% Initial Denials
↓ 21% Accounts Receivable > 90 days	↑ 2% Insurance Yield	↑ 13% Self-Pay After Insurance
Net Patient Revenue ↑ \$28M 		
 Cost to Collect 2.9% to 2.6%	 ↑ \$15M Monthly Cash Acceleration	



About Baptist Health South Florida

Baptist Health South Florida is the largest healthcare organization in the region, with 11 hospitals, nearly 23,000 employees, more than 4,000 physicians and more than 100 outpatient centers, urgent care facilities and physician practices spanning across Miami-Dade, Monroe, Broward and Palm Beach counties. Baptist Health has internationally renowned centers of excellence in cancer, cardiovascular care, orthopedics and sports medicine, and neurosciences. In addition, it includes Baptist Health Medical Group; Baptist Health Quality Network; and Baptist Health Care On Demand, a virtual health platform. A not-for-profit organization supported by philanthropy and committed to our faith-based charitable mission of medical excellence, Baptist Health has been recognized by Fortune as one of the 100 Best Companies to Work for in America and by Ethisphere as one of the World's Most Ethical Companies. For more information, visit BaptistHealth.net/Newsroom and connect with us on [Facebook](#), [Instagram](#), [Twitter](#) and [LinkedIn](#).



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