

**Healthcare**

# Martin Luther King, Jr. Community Hospital Resolves Revenue Cycle Challenges with Help from Guidehouse

**About MKLCH**

Martin Luther King, Jr. Community Hospital (MLKCH) is a private, nonprofit, safety-net hospital serving 1.3 million residents in South Los Angeles. The 131-bed hospital opened in 2015 through a unique public/ private partnership with the County of Los Angeles, the University of California, and other healthcare providers. The Board of Directors of Martin Luther King, Jr., Los Angeles Healthcare Corporation, which governs and operates the hospital, is committed to establishing an innovative model focused on patient-centered, coordinated-care delivery, both inside and beyond the hospital walls.

**The Challenge**

When Martin Luther King, Jr. Community Hospital (MLKCH) opened in 2015, a partnership with Guidehouse (formerly Navigant)\* was already in place to support hospital executives. Guidehouse's history with MLKCH began in 2013 when administrators established revenue-cycle operations for the new facility.

The safety net hospital serves South Los Angeles, a community that faces significant socioeconomic and health challenges. The facility required comprehensive revenue-cycle management (patient access, health information management, and billing and collections) and collaboration in aligning revenue-cycle goals, expectations, and performance.

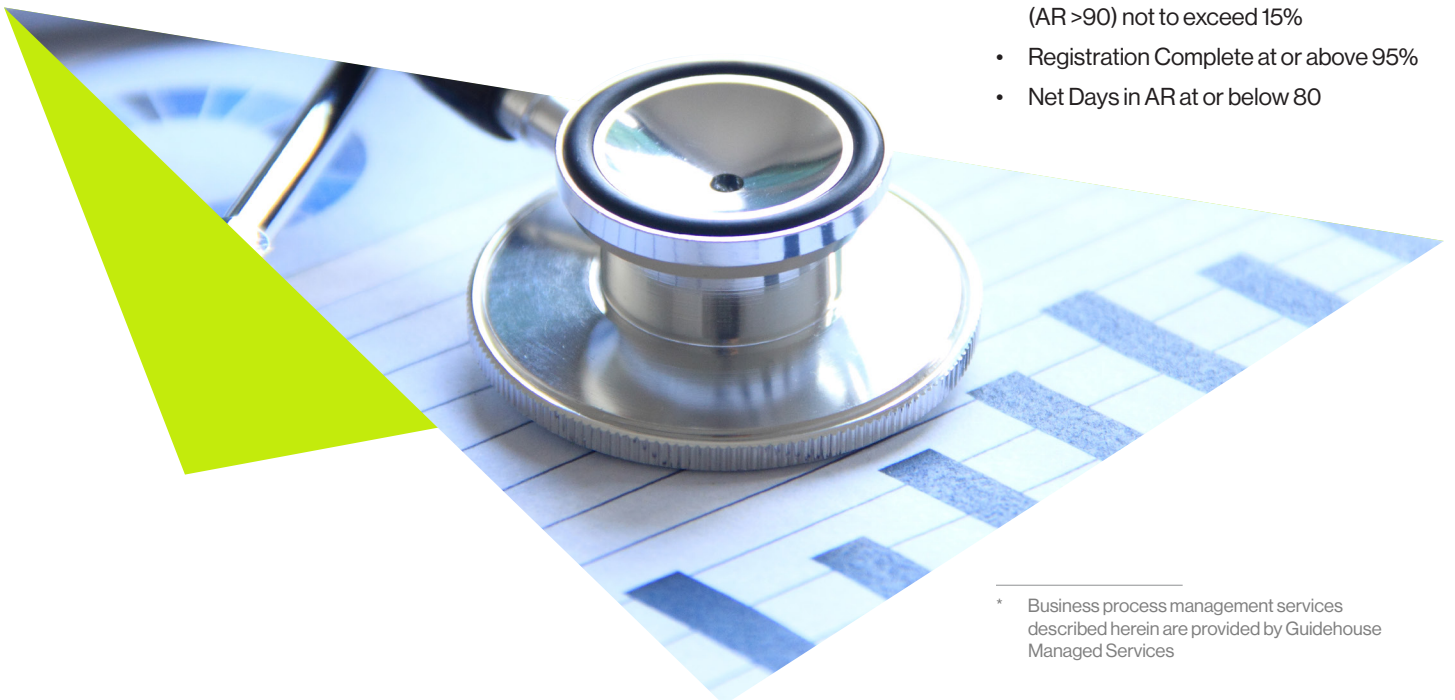
**The Solution**

Electronic health record implementation was among the initial needs at the new hospital. Guidehouse was brought in to support the project with customized policies and procedures, workflows, and vendor/technology applications. Guidehouse and the MLKCH leadership team agreed to establish startup key performance indicators (KPIs) in patient access, and patient financial services.

**Start-up KPIs**

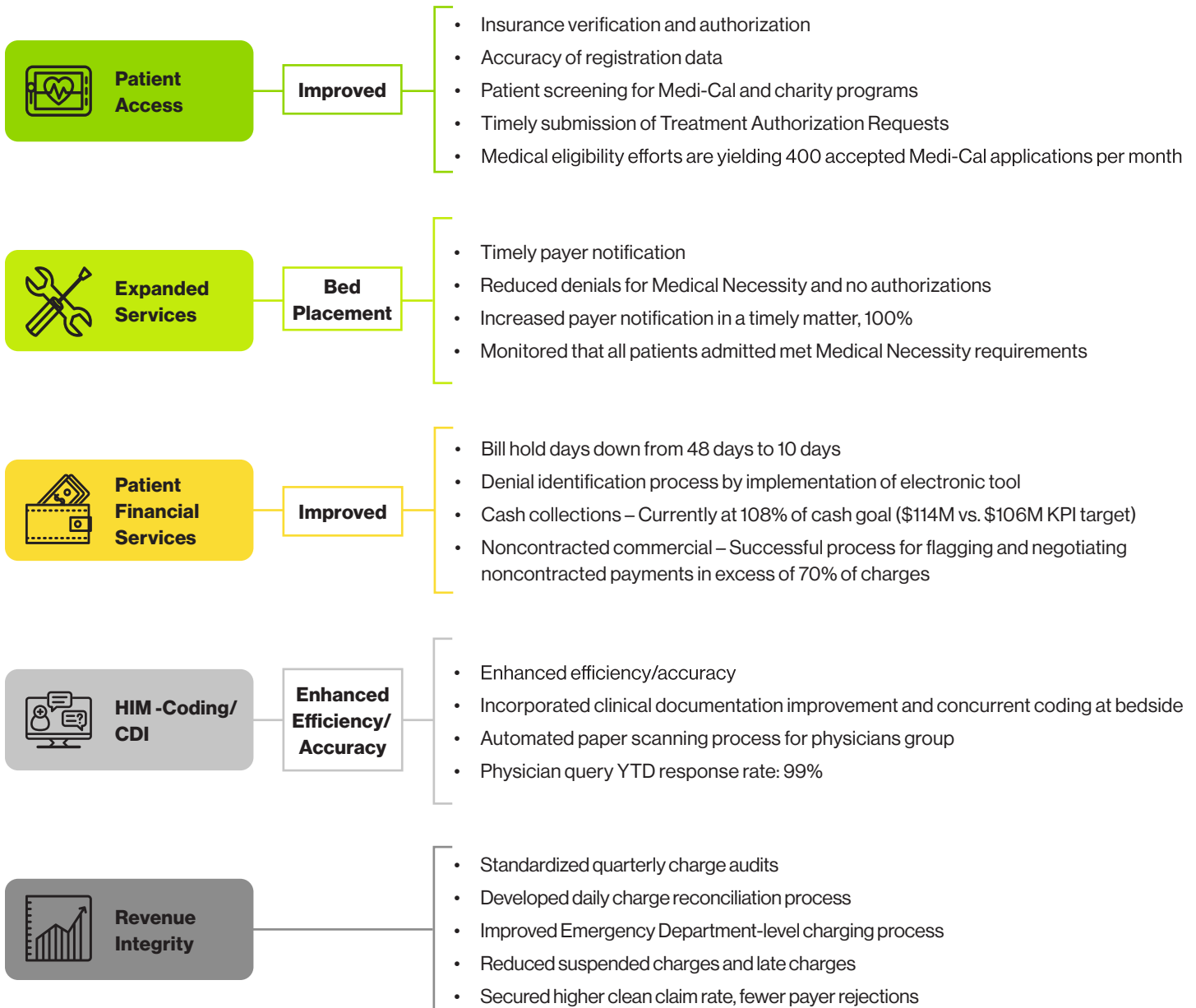
- Cash Collections as a Percentage of Adjusted Net Patient Services Revenue at or above 100% rolling 3-Month Average
- Final Billed Not Submitted to Payer not to exceed one Gross Day of AR
- Aged Accounts Receivable (AR) >90 Days as a percentage of Billed AR (AR >90) not to exceed 15%
- Registration Complete at or above 95%
- Net Days in AR at or below 80

\* Business process management services described herein are provided by Guidehouse Managed Services



## The Impact

As a new hospital, MKLCH revenue cycle system was built from the ground up. Initial startup processes were established and improved, as needed. Once the facility was open and the kinks worked out, Guidehouse identified areas that needed additional focus and improvement.



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### About Guidehouse

Guidehouse is a leading global provider of consulting services to the public and commercial markets with broad capabilities in management, technology, and risk consulting. We help clients address their toughest challenges with a focus on markets and clients facing transformational change, technology-driven innovation, and significant regulatory pressure. Across a range of advisory, consulting, outsourcing, and technology/analytics services, we help clients create scalable, innovative solutions that prepare them for future growth and success. Headquartered in McLean, VA, the company has more than 8,000 professionals in more than 50 locations. Guidehouse is a Veritas Capital portfolio company, led by seasoned professionals with proven and diverse expertise in traditional and emerging technologies, markets, and agenda-setting issues driving national and global economies. For more information, please visit: [www.guidehouse.com](http://www.guidehouse.com).

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