MatrixCare®
by **ResMed**

CASE STUDY:
PARADISE VALLEY ESTATES

Outsourced billing helps Paradise Valley Estates boost its net collection rate by 15% and recover up to $400K in aged AR

CHALLENGES
> Underperforming outsourced billing team
> Hold on Medicare money
> High aged AR

SOLUTIONS
> Revenue cycle management services
> AR clean-up

Paradise Valley Estates (PVE) is a long-term care community in Fairfield, California, offering senior living, assisted living, and skilled nursing care. The facility outsourced its billing for several years, but in 2023, facility leadership began questioning the effectiveness of its current partner. PVE was struggling with low cash flow and their billing vendor was hard to reach and couldn't answer basic billing questions authoritatively. Then, PVE met Quality Healthcare Resources (QHCR), MatrixCare's billing partner, at a conference later that year.

QHCR is a financial services firm specializing in long-term care and supports more than 300 facilities with revenue cycle management (RCM), AR clean-up, and AP/GL services. They offer a complimentary AR assessment to help facilities evaluate their financial performance. The assessment analyzes a facility's net collection rate, days sales outstanding, and AR over 90 and includes a detailed financial analysis and recommendations for better financial management. Recognizing the value of a data-driven financial review, PVE decided to take advantage of the assessment to evaluate their current billing partner.

Using data to find the best billing solution

QHCR's AR assessment confirmed PVE's concerns; their net collection rate was only 81%, meaning they were losing $1 out of every $5 in services billed. Meanwhile, PVE's AR over 90 was an alarming 48%; a healthy AR over 90 should be less than 15%.

PVE leadership knew they needed to act quickly. They immediately hired QHCR to clean up their ballooning AR and, soon after, they decided to outsource their billing to QHCR as well. Kara Shuttin, a health information analyst for PVE, joined the facility right when the transition to QHCR revenue cycle management happened.

> "The AR clean-up started right away, which helped our cash flow. It also helped QHCR uncover all kinds of deeper billing problems. When they took over our full RCM, they were able to start fixing root problems faster."
>
> **Kara Shuttin**, health information analyst for PVE

Moving with urgency to overcome challenges

QHCR began addressing a range of issues, including outdated enrollments, inconsistent admissions processes, and billing inaccuracies.

1 Restoring Medicare payments

The QHCR team discovered issues with the CMS enrollment record, unfiled credit balances, and missing cost reports. They assisted PVE in solving these issues, helping ensure the release of Medicare funds.

2 Renewing PVE's TriCare certification

QHCR discovered PVE's certification for TriCare, a Veterans Affairs reimbursement program, had expired. By addressing this lapse, they helped restore the PVE's eligibility for TriCare payments, leading to the reprocessing of claims and increased cash flow. QHCR was able to recover up to $110K of aged TriCare receivables.

3 Optimizing billing processes

QHCR transitioned the billing process to electronic submission and overhauled PVE's MatrixCare set up, including updating payor trees, implementing new workflows, and providing staff training on eligibility checks and admissions process. These changes across the revenue cycle helped reduce denials and improve operational efficiency.

4 Providing training and staffing support

QHCR identified issues across admissions, pre-authorization processes, and clinical documentation that were causing denials. Then they trained admissions and clinical staff on best practices to help avoid underpayment and nonpayment issues in the future.

5 Offering communication and financial transparency

As a data-driven company, QHCR created reports on all PVE's core RCM metrics and regularly shared additional data, providing both a snapshot of the facility's performance, trends over time, and a roadmap for improvements and enhancements.

> "*QHCR really goes above and beyond. We can call them at any time, and they'll be ready to help. At one point, our admissions coordinator left, and the new replacement was on vacation—it was a lot of turnover and inconsistency. QHCR stepped in to help us keep things on track. They didn't need to do that. They did it because they care.*"
>
> **Kara Shuttin**, health information analyst for PVE

Dramatic financial results revitalized PVE's bottom line

After collaborating for eight months, PVE's net collection rate increased by 15%, and they recovered over $400K in aged accounts receivable. Between the AR clean-up and restored Medicare payments, PVE had benefited from $1M in increased cash flow. Cash comes in 40 days faster on average, and aged AR is down 23%. PVE was so impressed by the improvements that they expanded QHCR's responsibilities to include their independent living and assisted living care settings, as well as the AP/GL finance function.

> "If someone were in a similar situation—struggling with their finance department and dealing with a third party that wasn't delivering—I'd absolutely recommend QHCR. The change we've seen in less than a year is remarkable, both in terms of financial improvement and team support. I can't imagine where we'd be without them."

Kara Shuttin, health information analyst for PVE

PVE'S RESULTS TO DATE

> 15% increase in net collections (from 81% to 96%)
> $400K in recovered aged AR

> 25.8% decrease in AR over 90
> Revenue is collected up to 40 days faster

(Customer results may vary)

MatrixCare's outsourced RCM services through QHCR offers the expertise you need to streamline your revenue cycle and take control of your financial health, helping support efforts to improve billing accuracy, expedite payments, and reduce administrative burdens.

Contact our experts at **866.469.3766** or visit **matrixcare.com** to learn more.

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