

Turnaround of an HBCU Academic Teaching Hospital

CLIENT:

A 145-year-old safety net hospital owned by a Historically Black College and University (HBCU) with a Level 1 trauma center; one of the most comprehensive healthcare facilities in the Mid-Atlantic region. The hospital plays a crucial role in training the next generation of African American medical leaders, while also serving a community that is negatively impacted by multiple social determinants of health.



LEVEL 1
TRAUMA CENTER



TEACHING
HOSPITAL

+ DISTINCTIVE FACTOR:

The hospital is an unincorporated operating segment of an HBCU. Its financial challenges left the university at risk of losing the federal appropriation it had received for annual operating expenditures since 1928.

+ SITUATION:

Multifaceted issues led to mounting financial losses: an underserved patient population suffering from complex medical issues; a poor insurance payor mix; billing errors and coding issues; breakdown of communications between the billing team and physicians; improper handling of denied claims; limited visibility and oversight of the claims process; creditworthiness concerns with vendors, and leadership transitions.

+ ENGAGEMENT:



Dreskin served as managing partner and led a healthcare team from a global accounting, tax and business advisory firm to address its revenue cycle management challenges. Over time, the engagement was expanded in scope to meet evolving needs. The team performed a comprehensive assessment of the revenue cycle management process and after reviewing the analysis, management expanded the scope of the engagement to lead the implementation of the recommended plan. Dreskin managed efforts to accelerate accounts receivable collection, improving cash flow, and achieved immediate results: cash collections increased by \$30 million in the first 12 months of the engagement. At the same time, Dreskin worked intensively to repair relationships with government leaders to support the university and secure its federal annual operating appropriation through the Department of Education.

The hospital also experienced historical turnover in financial, operational and clinical leadership. The team provided assistance on issues as diverse as reengineering clinical operations, including nurse staffing by skill level; reducing emergency department crowding and long wait times for admissions; opening new units to accommodate surge; and reducing the length of stay / discharging long-stay patients, thus reducing hospital costs.

Dreskin and his team provided assistance on a diverse range of issues to improve the hospital's reputation in the community. Throughout the years-long engagement, Dreskin worked closely with hospital leaders, university leaders and the university board to ensure that their plan to turn around the hospital was properly executed and that all project milestones were achieved on time and within budget.

OUTCOME:

- Optimized revenue cycle from beginning to end
- Developed and executed revised financial reporting and budget processes
- Streamlined processes and workflow
- Improved community and government relationships