Productivity and Profitability

Metrics and Improving Performance

18th Annual ASC Conference

Reasons to Consider Metrics

- Reduce decisions based on gut/feel and make decisions based on objectivity and fact.
- Quantify the achievement of goals.
- Focus on facts when the day turns into chaos.
- Communicate clearly with physicians and staff.

Metrics Can…

- Identify Problems and Recognize Opportunity
- Set targets for physicians, staff and departments
- Organized by category
  - Financial
  - Operational
  - Satisfaction
  - Safety

Metrics Should Be

- Clear in meaning and presentation.
- Simple to understand.
- A measurement of something in your control.
- Linked to your top level goals.
- Focused on one thing: success.

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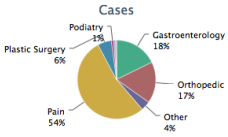
Metrics to consider

- By Physician:
  - Charges
  - Collections
  - Cases
  - Cost/case
- Staff
  - Staff as % of Revenue
  - Staff cost per case
  - FTE/Case



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Metrics to Consider

- Supplies
  - % of Revenue
  - Avg/Case
- Financials
  - Profit Margin
  - Break Even
  - Contribution Margin

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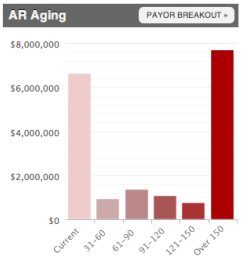
Metrics to Consider

- AR
  - DOS to DOB
  - Over 90, 120, 180 days
  - Denials
- AP
  - Aging



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Example (Productivity)

Cases	592
Procedures	1407
Total Collections	927,856.00
Total Charges	4,162,280.00
Avg Charge/Case	7,030.88
Avg Charge/Proc	2,958.27
Collection Percent	22.5%
Avg Collection/Case	1,584.87
Avg Proc/Case	2.4
Cases/Day	26.9
Cases/OR	98.7
Cases/OR/Day	4.5
Cases/FTE	13.2

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Are my numbers in the "ballpark"?

- National Publications (Becker's ASC) (VMG Health)
- National, State and Local AAASC)
- Other centers in the same area
- Guys like me

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Have an Action Plan in advance

- Understand any modifiers (vacations, holidays, room problems, staffing issues)
- Communicate effectively with the physicians (procedure volume)
- AR Step Up Plan (work accounts, review balances, check denials)

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This?

	J	F	M	A	M	J	J	A	S	O	N	D
Revenue	723	785	648	790	821	768	834	782	825	809	799	711
Expenses	453	433	489	409	389	502	427	391	433	479	489	424
Net Income	270	352	159	381	432	266	407	391	392	330	310	287

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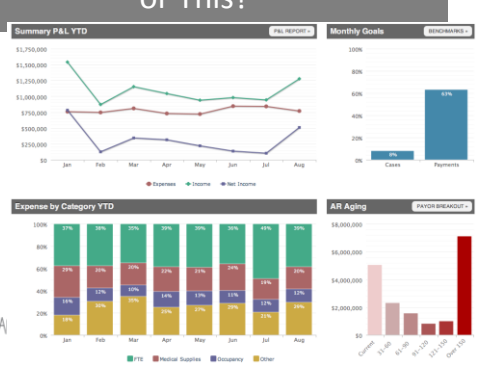
or This?



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