

# Baptist Memorial Health Care Gets Ahead of Change with Significant Operational Improvements and Financial Gains

As changing payment models challenged the future financial health of the organization, Baptist Memorial Health Care engaged Huron to help their organization create sustainable operational improvements. In partnership, the Baptist and Huron teams implemented enterprise-wide changes to boost revenue, improve care coordination, increase productivity and reduce costs resulting in significant financial gains.

## Challenge

Historically, Baptist has achieved solid performance despite operating in a challenging reimbursement environment. As the organization faced changing payment models, Baptist set the goal of making significant operational improvements throughout its facilities and physician group to improve its finances while maintaining the highest quality care.

“The tools and training that Huron provided helped us streamline every aspect of our operations, while supporting our mission to provide high-quality care. It was a very successful engagement”

**JASON LITTLE, PRESIDENT AND CEO, BAPTIST MEMORIAL HEALTH CARE**

## Results

**\$168 million** in annually recurring benefits

**\$58 million** in recurring revenue cycle benefits

**24 percent** reduction in average length of stay variance

## Approach

Baptist partnered with Huron for an enterprise-wide engagement designed to accelerate performance improvement efforts and position the organization to thrive as new payment structures emerge under healthcare reform. Huron worked with Baptist to boost revenue, improve processes and communications around patient placement, increase productivity across the organization and reduce

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costs — all while implementing the tools and training needed to ensure sustainable results.

**Boosting Revenue.** Huron and Baptist identified barriers to payment and implemented new processes to resolve issues and reduce financial risk. In addition, the team developed a new pricing structure for services and a new clinical documentation process to ensure Baptist is correctly reimbursed for patient care. In total, the engagement generated \$168.3 million in recurring benefits against a target of \$104 million and \$58 million in recurring revenue cycle benefits against a target of \$40 million.

**Improving Care Coordination.** Baptist and Huron implemented daily multidisciplinary meetings on 41 nursing units to improve communication, coordinate care, facilitate timely discharge for each patient and ensure efficient use of resources. Patient placement, case management and social work processes were redesigned and standardized at the five largest facilities to ensure consistency and expedite patient flow. The team also implemented a comprehensive patient flow accountability structure including actionable metrics.

**Increasing Productivity.** Huron provided work drivers to improve staff performance and customized reporting to ensure accountability. The team measured baseline productivity, identified daily productivity barriers, developed performance improvement plans and introduced new processes for evaluating staff. New metrics, targets and key performance indicators help ensure accountability.

**Reducing Costs.** The labor team reduced costs by streamlining scheduling and closing unproductive practices. The human resources team redesigned benefit programs, premium pay practices and leave policies to be competitive in the market. The non-labor team negotiated new pricing and contracts to achieve significant savings on supplies and products.

**Driving Sustainable Results.** Baptist and Huron engaged key stakeholders and staff at all levels of the organization and implemented tools and training to ensure sustainable results.

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Baptist Memorial Health Care is an award-winning network that includes 14 hospitals in Mississippi, Tennessee and Arkansas. Baptist has been named among the top healthcare systems in the country for several years.

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