

# HOUSTON METHODIST IMPROVES PHYSICIAN REVENUE CYCLE PERFORMANCE

## CHALLENGE

Houston Methodist committed to insourcing their physician revenue cycle prior to an electronic health record (EHR). Their goal was to maximize their EHR investment and to enhance and stabilize revenue before, during, and after the conversion. Leadership recognized the potential for disruption and physician dissatisfaction, and made a commitment to minimize or avoid short-term risk while achieving long-term gain.

“Huron’s expertise was a key success factor for us. Their collaborative approach allowed us to transform our physician revenue cycle while maintaining and improving performance during a complex EHR conversion.”

STEPHEN SPIELMAN, SVP & COO

HOUSTON METHODIST PHYSICIAN ORGANIZATION

## APPROACH

Huron worked with Houston Methodist to create a physician central billing office (CBO), and to centralize and standardize revenue cycle functions across 30 departments. The engagement also created a shared single billing office (SBO) with the hospital CBO focused on self-pay accounts and customer service. Huron worked closely with all stakeholders throughout the engagement and helped the Houston Methodist Physician Organization achieve record cash performance only months after their EHR conversion.

**Standardizing processes and workflow:** Huron created new operational and technical workflows, including consistent billing and follow-up processes, policies, and procedures across all

## RESULTS

Increased collections per wRVU by **\$3.3** for all physicians with revenue before and after the CBO creation

Achieved **97%** of the cash goal or greater in all months following the EHR go-live

Reduced 120+ insurance aged A/R by **11%**

back-end revenue cycle functions. This work was key to building the supporting workflows for use within the new EHR. Huron’s team developed a transition strategy and helped implement the new physician CBO and SBO to standardize services and enhance the patient experience system-wide. The engagement also standardized all coding resources under the CBO coding manager.

**Improving cash collections:** Huron supported metrics management initiatives to improve cash collections in the midst of the EHR conversion. This included developing tools for legacy systems and for weekly and monthly metrics focused on A/R management and denials prevention. Additional focus was placed on preparing for each go-live and then monitoring performance with physician and administrative stakeholders. This resulted in Houston Methodist exceeding baseline charges within a month of their first two physician conversion waves.

**Ensuring performance and sustainability:** Huron worked in coordination with human resources to create a staffing model, job descriptions, performance expectations, and training plans to support the transition and drive performance.

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The engagement team helped onboard roughly 18 management and 165 staff members into the new physician office CBO and the SBO. Huron also helped develop a physician office training department to provide ongoing revenue cycle training and support continuous process improvement.

**Successfully managing change:** Huron and Houston Methodist worked together to gain buy-in from physicians and executive leadership with a thorough communications plan reaching all stakeholders. Recognizing that Houston Methodist operates in a highly competitive physician market, the engagement paid careful attention to physician satisfaction and compensation, developing a “hold harmless” physician compensation model to build physician support and confidence regarding the transition.

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Houston Methodist is comprised of a leading academic medical center, six community hospitals and a physician organization with more than 500 physicians across the greater Houston area.

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