

UCLA HEALTH FACULTY PRACTICE GROUP

LOS ANGELES, CA

“Partnering with Huron allowed us to realize results we had been unable to achieve independently. Huron worked side by side with our team to implement long-term solutions tailored to our environment. I’m confident these solutions will continue to drive financial and process improvement for our organization.”

JONATHON ARRINGTON
CFO
UCLA FPG



RESULTS AND BENEFITS

27%
average reduction in weekly denials (\$4M weekly)



\$800K+
annual labor redeployment



\$8M+
annual decrease in controllable write-offs



UCLA HEALTH FACULTY PRACTICE GROUP (FPG) IS COMPRISED OF A WIDE-REACHING SYSTEM OF PRIMARY CARE AND SPECIALTY CARE OFFICES THROUGHOUT SOUTHERN CALIFORNIA. WITH \$1.1 BILLION IN NET PATIENT REVENUE, UCLA HEALTH FPG IS CONSISTENTLY RANKED AMONG THE TOP HOSPITALS IN THE UNITED STATES.

THE CHALLENGE

UCLA Health FPG had historically experienced high claim denials that averaged \$15.5 million per week. After attempting to fix the problem internally, UCLA Health FPG partnered with Huron to help understand, quantify and decrease denial levels system wide. To accomplish this, Huron needed to outline, obtain and validate information from UCLA’s health information system, and then organize a consistent approach across each of its 22 practice groups.

OUR APPROACH

UCLA Health FPG and Huron collaborated to implement a denials management and prevention program aimed at the root cause of denials, and preventing controllable writeoffs. Huron implemented technology solutions to help quantify, analyze and report on denial levels at the time of engagement. It was important to reinforce the idea that best practice denials management requires consistent focus and energy across the revenue cycle to ensure long-term sustainability.

Implementing process improvements: Huron and UCLA Health FPG partnered to bring together leadership from across the revenue cycle to focus on system-wide denial trends and standardize denials reporting. This Denials Management Task Force centralized the process of identifying the underlying causes for denials, formulating next steps and implementing process improvements aimed at curbing denials

at the source. To ensure continued success, the task force continues post-project to address both existing and new denial populations.

Implementing analytic solutions:

Huron and UCLA Health FPG implemented a comprehensive denials analytics reporting solution, which is refreshed weekly with new denials and write-off data, allowing the ability for that data to be accessed and reviewed across the system. The database, made up of both detailed and summary-level reporting, helps not only in the identification of opportunities for improvement, but leadership’s ability to take personal responsibility for denials within their area of control. This allowed UCLA Health FPG to both reduce denials and limit the amount of rework necessary to receive claim payment. This freed up about 17 fulltime employees to be re-deployed across the system to increase efficiencies.

Engagement results: Huron’s engagement averaged a 27 percent weekly reduction in posted denials, totaling \$4 million per week – more than \$200 million annually. Denied invoices decreased by 20 percent (20,000 annually), resulting in the reallocation of revenue cycle resources totaling more than \$800,000 in labor costs. The process breakdowns that lead to increased denials and write-offs were also reduced, resulting in an annual benefit of more than \$8 million. UCLA Health FPG was able to reinvest that money across the system in ways that will improve patient care.