

CASE STUDY: Increasing CHC Cash Flow Takes the Right Team

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- David B. Vliet
CEO, Tiburcio Vasquez Health Center



The Tiburcio Vasquez Health Center (TVHC) has delivered primary health care and mental health services to nearly 15,000 residents of southern Alameda County for over 40 years.

The Problem: When David B. Vliet took on the role of CEO at TVHC, he immediately noticed that there was a cash flow problem. His people and systems were not in sync and it was impacting the bottom line. Providers needed training in order to maintain coding accuracy and assistance in changing their workflows. Hiring and training the right front desk staff was a big challenge and the executive team worked hard to make advancements. Vliet knew that he was facing some huge challenges and that the entire team would need to work together to be successful.

TVHC quickly focused on the source of the cash problem: billing and collections. Staffing had been under resourced for some time and there were a number of issues including skillset deficiencies. "Billing and collections is one of the most important parts of a community health center. When there is a cash flow problem it affects programs and services, which impacts our patients," said Vliet. The fact that TVHC had a number of tenured employees with years of dedicated service added to the complexity, posing potential communications issues and limiting flexibility as they searched to improve billing and collections efforts.

The Solution: After much thought, David conferred with the California Primary Care Association (CPCA) for advice and CPCA informed them of their partnership with PMG, Inc. to provide a comprehensive revenue cycle management solution. CPCA had recognized that many health centers struggle to find the right billing staff and that it is expensive to keep them trained. Additionally, with the expansion of managed care in California and ICD-10, billing was not getting any easier; it was getting harder and more complex. CPCA, through their Health Center Operations team, had formed a great relationship with the State to resolve billing issues but needed a partner to develop a full Revenue Cycle Management (RCM) program for its member health centers. With CPCA's expertise on state issues and PMG's expertise on health center billing it was a perfect partnership. David and his team recognized the value of this partnership and the decision was made to contract with PMG and CPCA to handle TVHC's MediCal revenue cycle needs. [\(continued\)](#)

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The Solution (continued): CPCA and PMG, were pleased to find that the C-level leadership at TVHC was willing to have candid conversations about improving their revenue cycle process. The idea of outsourcing, especially revenue cycle, can be unnerving for staff at all levels: They worry about job security and all the changes that can come with contracting with an outside entity. Lack of confidence in such a critical area trickles down and affects every level of the team. TVHC's strategic communications, unified front, and determination allowed them to make changes with confidence and demonstrate their conviction that working with CPCA and PMG was the right choice.

CPCA and PMG visited TVHC and evaluated the current workflows; gathered data and analyzed the provider coding to see where it fell within the bell curve; and, most important, began to delve into existing billing and coding procedures to identify the gaps. "Despite the initial trepidation," Vliet said, "the implementation process was excellent and detailed. It felt like we were in capable hands from the beginning. Both CPCA and PMG were very transparent and clear on how the process would work. That significantly helped reassure our team."

Even the staffing challenges were eventually worked through. "It took time and dedication from all parties involved but we found the right solutions," said Vliet.

The Results: Working together with the staff at TVHC, CPCA and PMG strengthened the communication among the front desk, providers, and the billing team. By creating a functioning revenue-cycle unit and continuing to monitor progress, and making adjustments as needed, they were able to increase the blended encounter rate at TVHC by 19.13 percent within the first year.

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