



The Best Health Centers Do These Things
Community Health Association of Connecticut

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Introductions



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Crux of the Matter

So How Do High Performing CHC Management Teams Perform & Think?

- They don't think like a victim
- They don't let being good hold them back from being great
- They understand the importance of the revenue cycle
- Their finance departments communicate effectively
- Their finance departments provide the right information to the right individuals
- Their finance departments don't only live in the past
- Culture of accountability
- Administration works well with the provider group

Culture eats Strategy for Breakfast

- Peter Drucker



Take time to develop a strong culture

Tone at the Top

- Humility
- Your Vibe Attracts Your Tribe
- Culture Coach?

Customer Service

- Examples of the good and the bad
- In a highly competitive primary care environment, customer service can make the difference

- CEO vs. CFO
- Administration vs. Providers
- Billing vs. Front Desk
- CEO vs. Board
- Generational issues

Communication is King

Communication is King

- Internal communication is vital to the success of the CHC – decisions are made every day that have financial consequences to them – CFO must communicate effectively to assist in decision making
- Communication skills can enhance (just like bad communication skills can detract from) your effectiveness as a CFO
- CFOs have to get out of their office and ask about financial information needs of department heads, clinic managers, etc.
- Communicating financial information (which is often complex), in a way that an individual who does not have a finance or accounting background can understand, is challenging (but vital)

Forecasting Future Outcomes

Predicting Financial Outcomes

- Every decision made at the health center has a financial consequence to that decision
- Key is to work with decision makers to help them understand what those consequences are to help them make more informed decisions
 - What happens to our balance sheet if we start that new service, add a new location, outsource our billing, etc.
 - Will the decision enhance or erode our operating results?

Attentive CFO

- CFO should attend monthly board meetings and assess:
 - What future plans are being considered?
 - What internal resources are needed to accomplish those plans?
 - What else is the CEO and the Board not thinking of?
- CFO should try and attend departmental meetings to provide financial context (if needed) and to seek to understand what financial information is needed by each department

Managing Risks and Thinking Strategically

Managing Risks

- What are the main risks/threats to the health center and how are you helping to mitigate those risks?
 - Revenue cycle risks (billing, coding, etc.)
 - Grant compliance risks
 - Fraud risks
 - Other
- Good to frequently report to CEO and Board on how these risks are being mitigated

Strategic Thinking

- Avoid the “checklist” mentality – what can be learned from and improved upon?
- Never let the chaos of the short-term make you lose sight of long-term goals
 - **Make time** for efficiency improvements
 - **Make time** for coaching your direct reports
 - **Make time** for growing your level of expertise

Sustainability Strategies

What Can Finance Do?

Optimize the Revenue Cycle!!

- Is this the fourth leg of the stool???
- It is a common occurrence in a health center for revenue, in which you are entitled to receive, is not realized
- There are many ways for the revenue cycle to breakdown
- You do not have to be a revenue cycle expert to make a big difference
- Where are your weaknesses?, what areas do you need to augment?, start with the biggest weaknesses and work your way down to the smallest

The Revenue Cycle



Charge Structure



Charge Capture



Appointment Taking



Third-Party Billing



Patient Registration



Patient Collections



Patient Check Out



Cash Receipts/Collections

Pay Attention to Your Commercial Contracts



Make sure that your negotiated rates make sense considering your costs



Should I enter into a rate that does not cover my direct cost per visit?



Do not negotiate rates with the “I am a small fish in a big pond” mentality!

Planning for the Aging Population

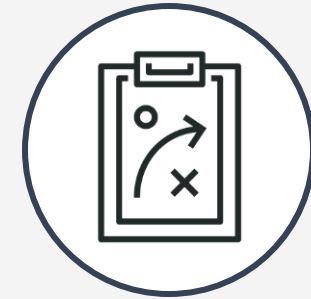
- Medicare will become a much more significant payer to CHCs as the population ages – what is your strategy to capitalize on this opportunity?

Fee Schedule and G Codes

- Important to remember to update your fee schedule and G codes at least annually remembering compliance issues in setting your charges

Consider needs of Aging Patients

- Consideration should be made for a separate clinic or at least a separate waiting area for Medicare patients



Do You Have
a Medicare
Strategy?

What Can Be Done to Prepare?

- Be Proactive - Financial difficulties should not “sneak up” on any health center
- Obtain data showing financial results from each operating location and each department as a whole (medical, dental, pharmacy, etc.)
 - What operational changes could be made to limit negative financial outcomes?
 - Are revenue opportunities being missed? Look at metrics to help determine
 - Look at staffing and productivity models to help increase efficiencies
 - Communicate, communicate, communicate – everyone has to be on the same page

What is Holding You Back?

Lack of time?

Lack of knowledge?

Lack of desire?

Other?

Let's Talk...

Q&A

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