



CASE STUDY

ORCHESTRATING A STANDALONE HOSPITAL'S RCM TURNAROUND

FROM TEAMWORK TO TRANSFORMATION

In early 2024, a rural, standalone hospital in the western U.S. faced mounting revenue cycle challenges. The facility had recently transitioned from being designated as a short-term acute care facility to a critical access hospital and was struggling with cash flow, a backlog of accounts receivable (A/R), and coding.

At the time, the hospital's RCM vendor wasn't providing the attention and service required, focusing instead on "cherry-picking" high-dollar claims and offering little to no communication or reporting to hospital leadership.

Frustrated by the lack of transparency and responsiveness, the hospital's CEO sought a new RCM partner to deliver the spectrum of support, two-way communication, and integrated processes needed to get the hospital back on firmer financial ground.

Enter Meduit.

A WORKING RELATIONSHIP THAT WORKS

The hospital initiated talks with Meduit in early 2024 and partnered within one month. The initial focus of the new partnership was resolving the immediate issues impeding the hospital's cash flow while laying the groundwork for sustainable financial growth. Key objectives included the following:

- **Accelerating** cash flow by resolving outstanding claims that had been held back during the hospital's transition to a critical access hospital designation.
- **Reducing** A/R days to improve financial predictability and sustainability.
- **Enhancing** transparency through clear reporting and consistent communication.
- **Establishing** a true partnership in which Meduit's team provided a full range of RCM services, essentially becoming an extension of the hospital's staff.

CHANGING THE RCM TRAJECTORY

Meduit implemented a multifaceted approach to enhance the hospital's revenue cycle performance.

By leveraging AI-driven tools, Meduit efficiently worked through aging accounts while minimizing new A/R and claim denials. The AI solutions, deployed under the supervision of Meduit's experienced team, facilitated faster claim resolution and increased cash flow.

To improve communication and ensure transparency, Meduit established structured weekly and monthly check-ins between its team and hospital leadership. These regular touchpoints provided invaluable insights and allowed for strategy adjustments and collaborative problem-solving in real time. In less than a year, the hospital saw substantial results.

Within 8 months, Meduit's team achieved:

10.5M

INCREASE
in EBITDA



30%

REDUCTION
in A/R Days



7.6%

INCREASE
in net patient revenue

BIG STEPS FORWARD

Over the first eight months of engagement, Meduit made significant inroads in the following areas:

\$15M

DRAMATIC UNBILLED A/R (DNSP) REDUCTION: Decreased 64 days, an improvement that accelerated \$15M in incremental cash.

\$25.7M

LOWERED A/R DAYS: Reduced 61 days, which resolved \$25.7M in A/R.

\$1.17M

INCREASED NET PATIENT REVENUE: Raised intake by \$1.17M per month

5%

FROM 6/1/24 – 2/1/25: 5% Overall Profit Margin Improvement

"We're a rural hospital, and before Meduit, our previous RCM vendor made us feel like we weren't a priority. It wasn't a good fit. However, within a month of meeting the Meduit team, we felt very positive about working with them. That's why we signed on so quickly. And the relationship has been outstanding. The Meduit team follows through, they communicate well and have delivered right from the start—optimizing the potential in our A/R and significantly increasing cash flow. That's huge for our hospital and our community since we're so essential for the region."

—Hospital CEO

THE POWER OF FOLLOWING THROUGH

This rural, standalone hospital needed an RCM partner that would live up to its promises. Meduit not only met initial expectations but exceeded them, helping to stabilize the hospital's financial health at a particularly critical stage, while providing the level of service and communication hospital leadership had been missing with previous RCM partners.

"You have to have a say-do ratio of 1:1. If you say you're going to do something, you need to stand by your word, and we've done that. Based on their past experiences, our level of commitment and follow-through has resonated with this hospital's leadership, and I'm glad we've been able to deliver the results they were hoping for. The job's not done yet, as we are always striving to do better, but we have them on the right path; there's agreement across the board on that."

—Mike Carnrite, Meduit Senior V.P.

These statistics reflect the hospital's continuing momentum:

Since go-live date on 6/1/24 – 2/26

60%

REDUCTION
in A/R days



45.5%

REDUCTION
in total A/R



41%

REDUCTION
in A/R >90 days

— RAISE YOUR **REVENUE CYCLE CEILING** —

For standalone hospitals struggling in today's challenging healthcare environment, Meduit offers support across the revenue cycle. Whether it's targeted expertise in a specific service line or comprehensive management of back-end operations, Meduit delivers a scalable pathway to revenue cycle success.



To discuss how **Meduit can help your organization increase patient revenue, lower A/R days, reduce unbilled A/R, and improve EBITDA**, email us at contactus@meduitcm.com.