

Calculating Downstream Revenue

Presented by:

Stacy Calvaruso, MBA – CEO, Medical Practice Success



COLLEGE OF
URGENT CARE
MEDICINE

Getting to know me...



- Chief Executive Officer who LOVES the business side of medicine
- 35+ years in revenue cycle with MBA from Louisiana State University
- Financial freedom is very important to me and my family
- I enjoy traveling and recently spent 3 weeks in Scotland.
- I have developed a strong mentorship program that works with the local court system to assist with skill and vocational rehab needs for women who are working on improving their life.

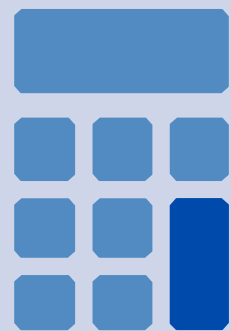
Session Focus..



Downstream Revenue
What impacts this



**Other Ways to Capture
patient market share**



**Multiple Methods to
calculate – *pick one!***

The Human Factor

DRIVING **CHANGE**2023
THE URGENT CARE CONVENTION



Where is our revenue??

Claim Denials have increased an average of 10-15% according to a recent Experian Health survey

Between 2013 and 2016 the avg revenue per visit was \$123, it dropped to \$115 in 2019, rose to \$128 in 2021, and is now settling in at around \$121-\$123 again

Credentialing and enrollments are now taking an average of 8 months to complete for major plans



Where is our revenue going??

Staffing shortages
&
Salary increases

Increased cost in every single
area including supplies,
insurance, taxes, utilities, etc..

Decreased rates
from the payors



What is Downstream Revenue?



Easier to identify in a Health System / Academic Medical Centers



An UC Visit average revenue per visit is \$121 - \$126



Thought to have a much smaller value for an independent Urgent Care

Calculating Downstream Revenue: Single Site



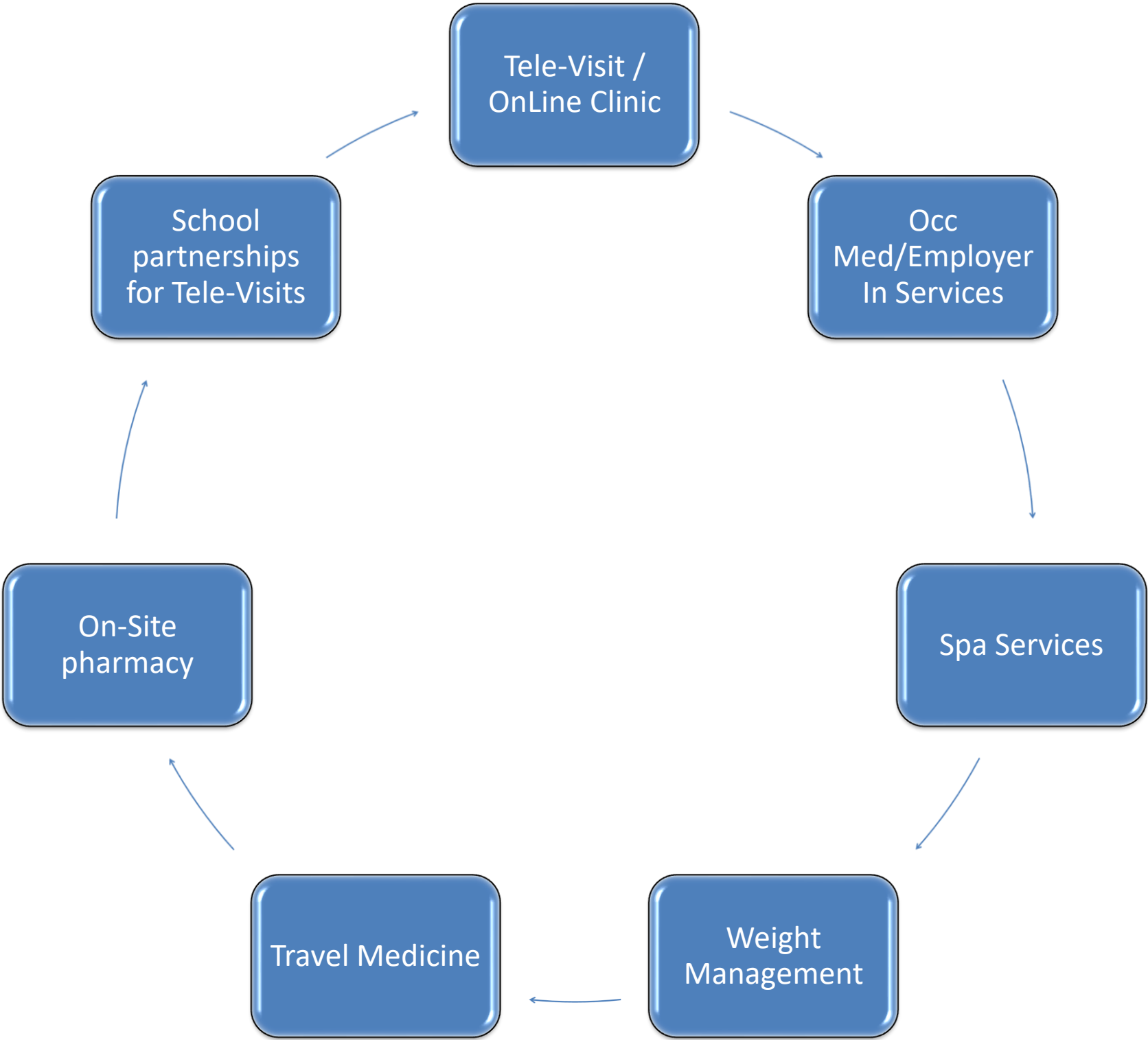
Calculating Downstream Revenue

Part of a Health System

Usage of EHR Platform	
Longitudinal focus on Wellness and Chronic Care	
Return to or hand-off to Specialties	

Downstream Revenue Considerations

Services Offered



Individualized Performance Based Activities

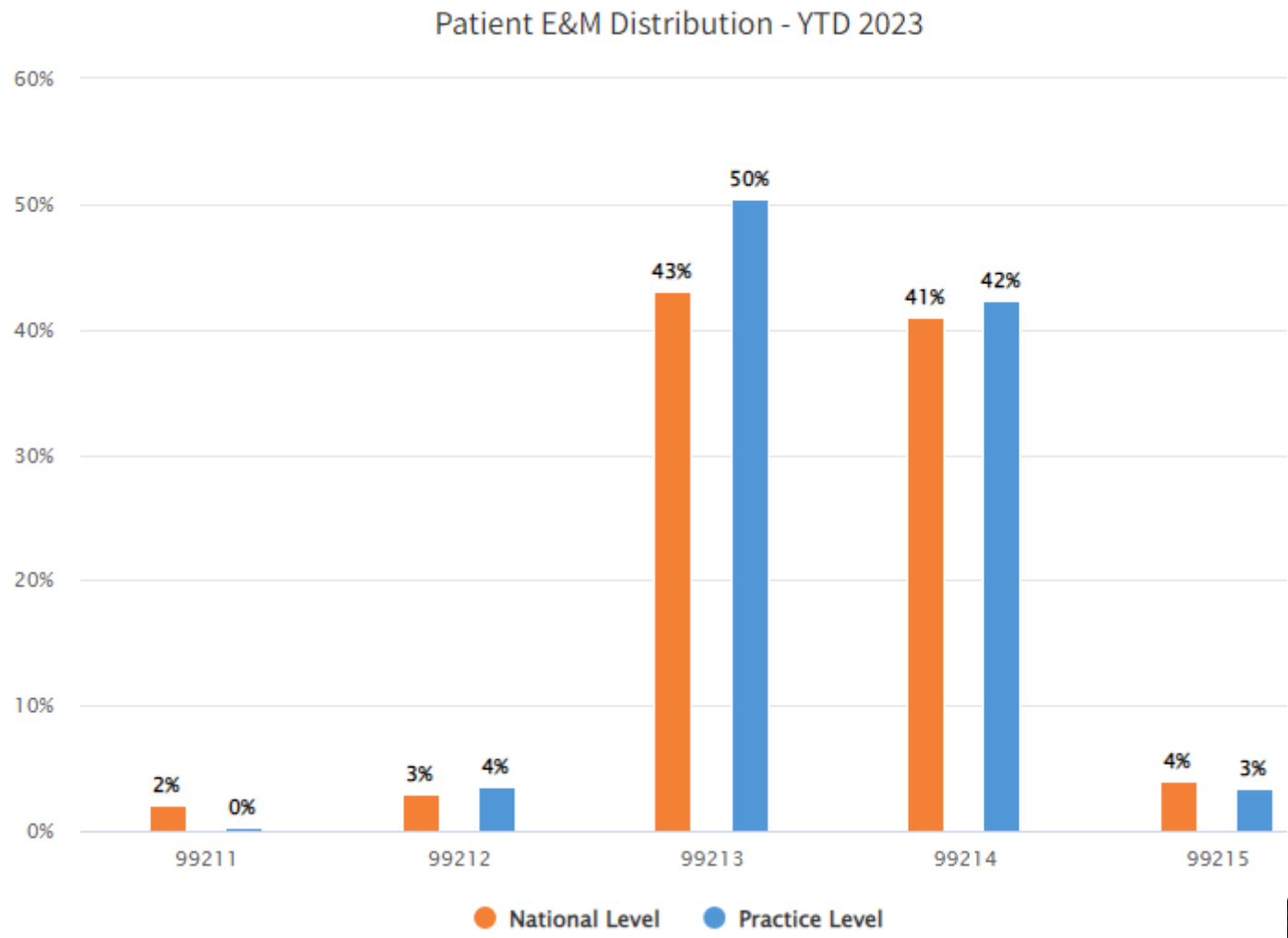
DRIVING **CHANGE**2023
THE URGENT CARE CONVENTION



How to Analyze repeat visits

Private	Work Comp	EPS	Drug Screen	Non-Dr.	Total
265	52	26	1	156	500
704	5	28	0	200	937
449	157	33	0	63	702
1418	214	87	1	419	2139

Return Visit
February 2023



- Registration Data
- Visit Types
- By singular locations
- Segmentation

Most obvious example of Downstream Revenue?

First thing that comes to mind is...

REFERRALS!!!!

1. Return Visits
2. Reciprocal Referrals
3. WOM Referrals
4. EPS Referrals
5. Add on service referrals



Downstream Revenue Opportunities

Referrals

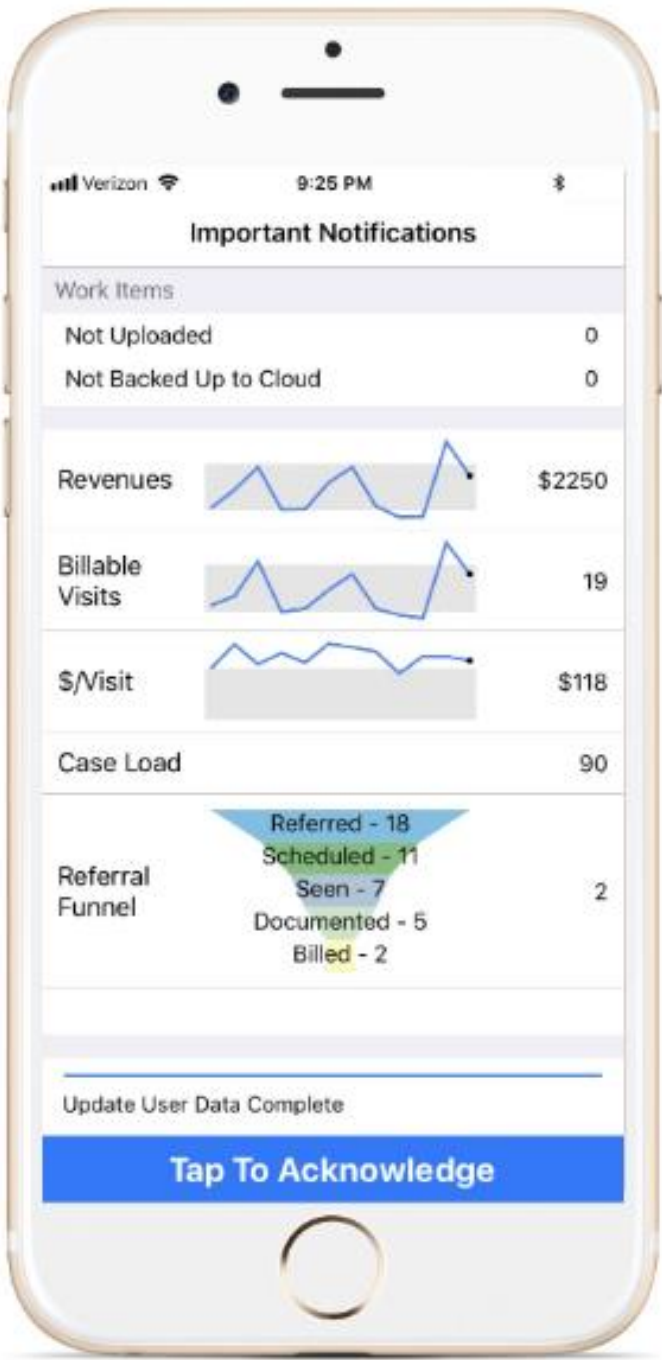
Not a 1:1 ratio

COVID - on the downside....
has given you many opportunities

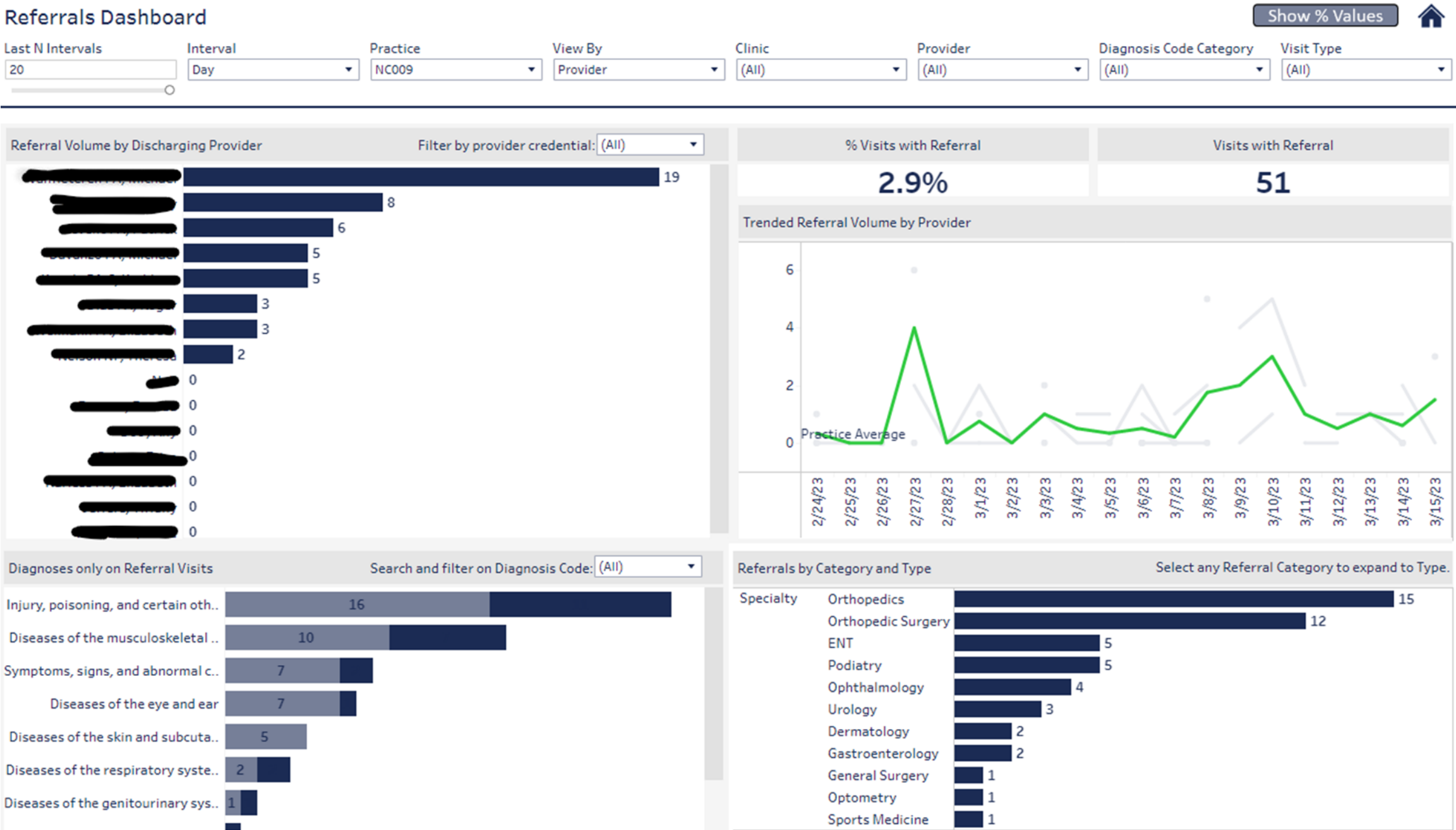
- COVID testing for free-standing surgical services
- Many Occ Med opportunities never previously considered
- Expansion of Lab Services

Tracking referrals

In Bound



Out Bound



Referrals and the Value of a Single Patient

Why is this important....

DRIVING **CHANGE**2023
THE URGENT CARE CONVENTION



Single Patient Value or PLV

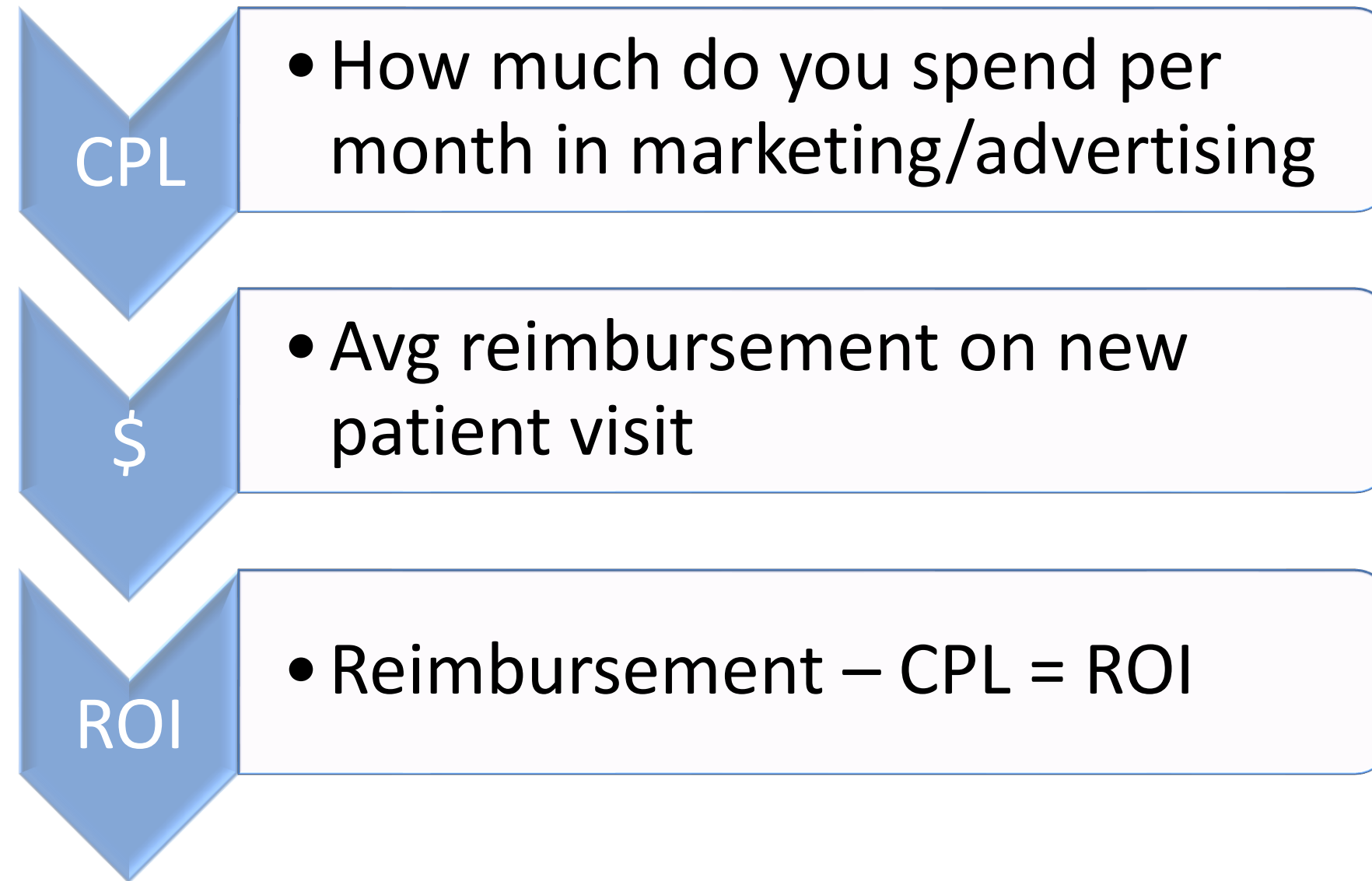
How do you calculate this?

- 1 **Average visit value of the patient:** This is the total value of all patient visits over a period (for example, one year), divided by the number of visits in that period
- 2 **Average visit frequency:** To gather this figure, divide the number of visits to your medical practice in that same time period (one year) by the number of individual patients over the same period
- 3 **Patient value:** You'll calculate the average practice visit frequency multiplied by the average visit value
- 4 **Average patient lifespan:** What is the average length of time a patient continues seeing you?

$$\text{PLV} = \text{patient value} \times \text{average patient lifespan}$$

Calculating Referral Value

How to look at a ROI on patient referrals



Marketing

What are key drivers?

Types of Market Segmentation

Demographic Segmentation

Age, generation, origin, class, gender, sexuality, etc.

Psychographic Segmentation

Pets, preferences, habits, beliefs, work, tastes, etc

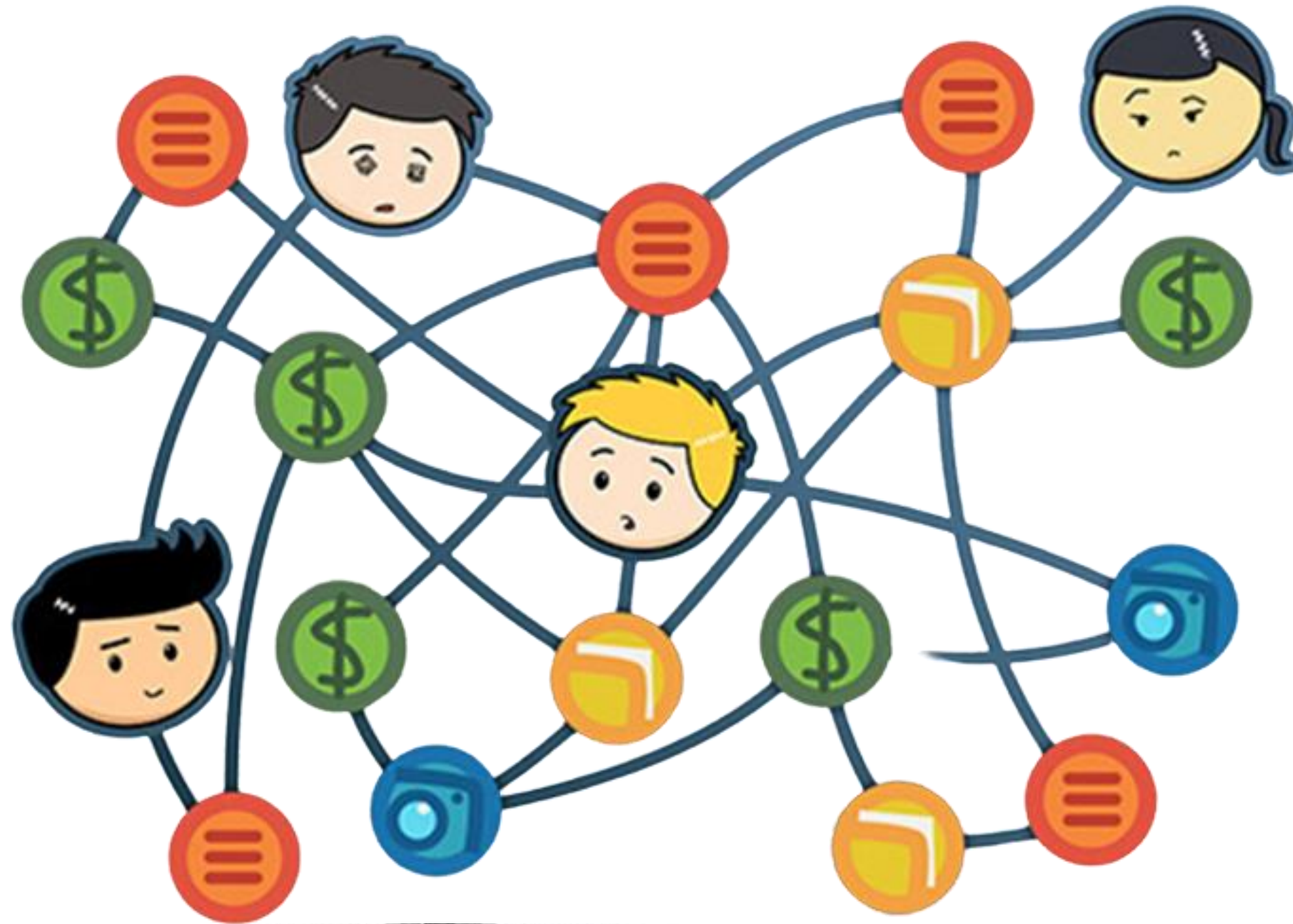
Other Factors

Language, fears, pains, food, physical abilities, etc



Single Patient Value

Why should you consider it this way?



Patient Loyalty

The lifetime value
of a patient in an
Urgent Care
includes more than
just the patient on
the table.....



What is the lifetime value of a patient?

1.4

2.7
2nd half 2022 = 2.4

Current Contributors to LVOP

Chronic Illnesses

Access to Care

Operations (hours/staffing/services)

America is mobile / tech savvy

TeleHealth

Lifetime Average of a Patient with organization

6.4
YEARS

Calculating the lifetime value of a patient? (LOYALTY Value)

Start with your average payment per claim over last 12 months (exclude prior month

Average Payment/Claim	\$128.97
Average Expenses/ Visit	\$27.19
Net Income per Visit	\$101.79
Average Visits per year	2.4
Yearly income per patient	\$244.30
Years of Loyalty	6.4
Average loyalty value of patient	\$1563.52

Month	Total Visit	Incomplete Visits	Completed Visits	Claim Count	Voided Claim Count	Charges	Avg Charge/Claim	Payment	Avg Payment/Claim	Insurance Payments	Write Off
Aug 2022	4,077	172	3,901	5,151	370	\$1,261,586.54	\$244.92	\$508,626.16	\$98.74	\$379,355.46	\$10,700.37
Jul 2022	4,233	6	4,225	3,903	357	\$1,051,520.44	\$269.41	\$538,288.83	\$137.92	\$391,930.03	\$19,970.53
Jun 2022	4,082	1	4,080	4,664	175	\$1,436,752.38	\$308.05	\$582,007.83	\$124.79	\$446,552.41	\$48,325.11
May 2022	3,877	1	3,875	3,893	192	\$1,175,849.82	\$302.04	\$446,299.25	\$114.64	\$347,638.36	\$47,188.69
Apr 2022	3,333	1	3,332	3,759	325	\$1,092,719.94	\$290.69	\$350,197.72	\$93.16	\$256,907.19	\$47,751.78
Mar 2022	3,095	0	3,095	3,345	408	\$969,339.41	\$289.79	\$406,404.32	\$121.50	\$302,507.59	\$22,005.95
Feb 2022	2,434	0	2,434	2,894	331	\$818,982.45	\$282.99	\$415,697.17	\$143.64	\$331,039.84	\$50,069.80
Jan 2022	3,622	0	3,622	4,072	515	\$1,119,733.41	\$274.98	\$558,456.58	\$137.15	\$433,239.90	\$44,756.81
Dec 2021	4,476	0	4,476	4,477	481	\$1,152,592.42	\$257.45	\$661,357.61	\$147.72	\$522,953.87	\$25,115.65
Nov 2021	3,575	0	3,575	3,770	300	\$916,218.06	\$243.03	\$542,291.67	\$143.84	\$434,982.84	\$31,881.03
Oct 2021	3,677	0	3,674	4,222	212	\$1,026,008.13	\$243.01	\$602,115.24	\$142.61	\$457,164.20	\$24,547.80
Sep 2021	3,713	0	3,711	3,956	194	\$1,053,654.14	\$266.34	\$521,357.89	\$131.79	\$407,860.25	\$30,533.67
Aug 2021	4,312	0	4,309	4,478	283	\$1,126,875.11	\$251.65	\$566,903.37	\$126.60	\$436,445.00	\$30,812.35
Jul 2021	4,168	0	4,167	4,348	291	\$1,123,589.82	\$258.42	\$574,295.97	\$132.08	\$447,693.91	\$744.86
Jun 2021	3,811	0	3,811	4,453	710	\$1,049,127.87	\$235.60	\$546,872.14	\$122.81	\$448,694.12	\$36,786.36
May 2021	3,372	0	3,372	3,892	946	\$984,032.22	\$252.83	\$440,077.47	\$113.07	\$382,548.05	\$8,576.04
Apr 2021	3,826	0	3,826	4,218	753	\$923,894.22	\$219.04	\$698,680.79	\$165.64	\$633,083.26	\$17,238.42
Mar 2021	4,564	0	4,564	4,797	1,112	\$1,065,082.68	\$222.03	\$720,382.34	\$150.17	\$635,901.92	\$17,997.19
Feb 2021	3,951	0	3,948	4,692	1,371	\$1,017,695.70	\$216.90	\$576,835.29	\$122.94	\$534,139.04	\$42,965.17
Jan 2021	4,696	0	4,696	4,434	1,070	\$1,101,796.45	\$248.49	\$501,145.08	\$113.02	\$422,611.47	\$57,802.85
Summary	76,894	181	76,693	83,418	10,396	\$21,467,051.21	\$257.34	\$10,758,292.72	\$128.97	\$8,653,248.71	\$615,770.43

Calculating the lifetime value of a patient? (LOYALTY Value)

Start with your average payment per claim over last 12 months (exclude prior month

Average Payment/Claim	\$148.62
Average Expenses/ Visit	\$36.49
Net Income per Visit	\$112.13
Average Visits per year	2.4
Yearly income per patient	\$269.11
Years of Loyalty	6.4
Average loyalty value of patient	\$1722.32

Charges, Payments, Visits by Month											
Month	Total Visit	Incomplete Visits	Completed Visits	Claim Count	Voided Claim Count	Charges	Avg Charge/Claim	Payment	Avg Payment/Claim	Insurance Payments	Write Off
Sep 2022	20,664	66	20,590	20,987	152	\$7,656,837.60	\$364.84	\$3,119,005.48	\$148.62	\$2,243,829.53	\$416,313.54
Aug 2022	23,058	19	23,032	23,571	549	\$7,621,468.63	\$323.34	\$3,411,551.81	\$144.74	\$2,459,335.01	\$434,923.85
Jul 2022	20,671	1	20,664	21,508	1,041	\$7,268,899.82	\$337.96	\$2,975,637.79	\$138.35	\$2,104,091.64	\$265,831.13
Jun 2022	19,308	0	19,300	20,305	1,695	\$6,645,130.96	\$327.27	\$2,950,407.44	\$145.30	\$2,123,029.83	\$23,508.84
May 2022	18,283	2	18,280	20,083	2,464	\$6,463,643.83	\$321.85	\$2,730,163.33	\$135.94	\$1,908,157.35	\$760,031.22
Apr 2022	16,927	0	16,927	18,453	4,364	\$6,094,909.44	\$330.29	\$2,575,545.38	\$139.57	\$1,794,761.16	\$329,917.32
Mar 2022	20,391	0	20,391	17,912	3,865	\$7,682,347.37	\$428.89	\$3,141,909.58	\$175.41	\$2,195,978.56	\$67,086.10
Feb 2022	16,404	1	16,401	18,852	3,649	\$6,105,854.04	\$323.88	\$4,064,525.55	\$215.60	\$3,358,189.44	\$134,805.55
Jan 2022	31,088	0	31,085	30,197	3,640	\$12,928,776.13	\$428.15	\$4,102,039.73	\$135.84	\$3,075,220.84	\$104,065.18
Dec 2021	25,252	0	25,248	24,261	2,126	\$9,324,349.08	\$384.33	\$4,017,912.56	\$165.61	\$3,118,596.43	\$104,166.78
Nov 2021	22,111	0	22,111	21,949	1,452	\$7,440,482.05	\$338.99	\$3,239,945.48	\$147.61	\$2,391,995.30	\$249,827.27
Oct 2021	21,973	0	21,964	23,449	1,797	\$7,657,401.42	\$326.56	\$3,856,672.30	\$164.47	\$3,015,324.69	\$584,234.27
Sep 2021	27,213	0	27,211	28,212	2,418	\$9,587,877.17	\$339.85	\$4,383,071.66	\$155.36	\$3,392,856.10	\$1,714.66
Aug 2021	34,815	0	34,799	33,012	1,968	\$10,879,437.79	\$329.56	\$4,083,220.18	\$123.69	\$2,887,443.43	\$75,493.20
Jul 2021	24,542	1	24,537	24,341	1,079	\$7,451,341.69	\$306.12	\$2,944,797.27	\$120.98	\$1,957,171.46	\$49,400.40
Jun 2021	20,249	0	20,246	20,276	1,046	\$6,175,633.40	\$304.58	\$2,883,547.58	\$142.21	\$2,018,723.23	\$26,716.20
May 2021	19,139	1	19,137	20,134	989	\$6,448,717.75	\$320.29	\$2,641,004.29	\$131.17	\$1,795,020.02	\$15,201.29
Apr 2021	18,728	1	18,727	18,043	1,006	\$5,454,855.48	\$302.33	\$2,503,134.29	\$138.73	\$1,632,316.99	\$46,938.92
Mar 2021	18,293	0	18,289	17,702	1,131	\$5,261,376.79	\$297.22	\$2,813,854.05	\$158.96	\$1,897,301.29	\$386,328.87
Feb 2021	14,850	0	14,848	16,522	1,582	\$4,901,086.11	\$296.64	\$3,265,993.98	\$197.68	\$2,618,637.31	\$251,303.89
Jan 2021	25,821	0	25,819	25,937	1,682	\$8,614,830.43	\$332.14	\$3,508,834.80	\$135.28	\$2,500,927.26	\$139,484.91
Summary	459,780	92	459,606	465,706	39,695	\$157,665,256.98	\$338.55	\$69,212,774.53	\$148.62	\$50,488,906.87	\$4,467,293.39

Patient Loyalty





Top **5** mentions for patient loyalty from
GOOGLE reviews



Convenient Locations



Extended Hours



Effective Costs



Friendly Staff

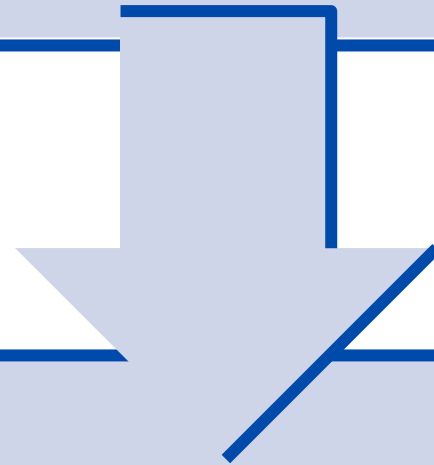


Having walk in options with fast service

What are **THEY** Saying?

DRIVING **CHANGE** 2023
THE URGENT CARE CONVENTION

Younger Millennials don't want *just* convenient care



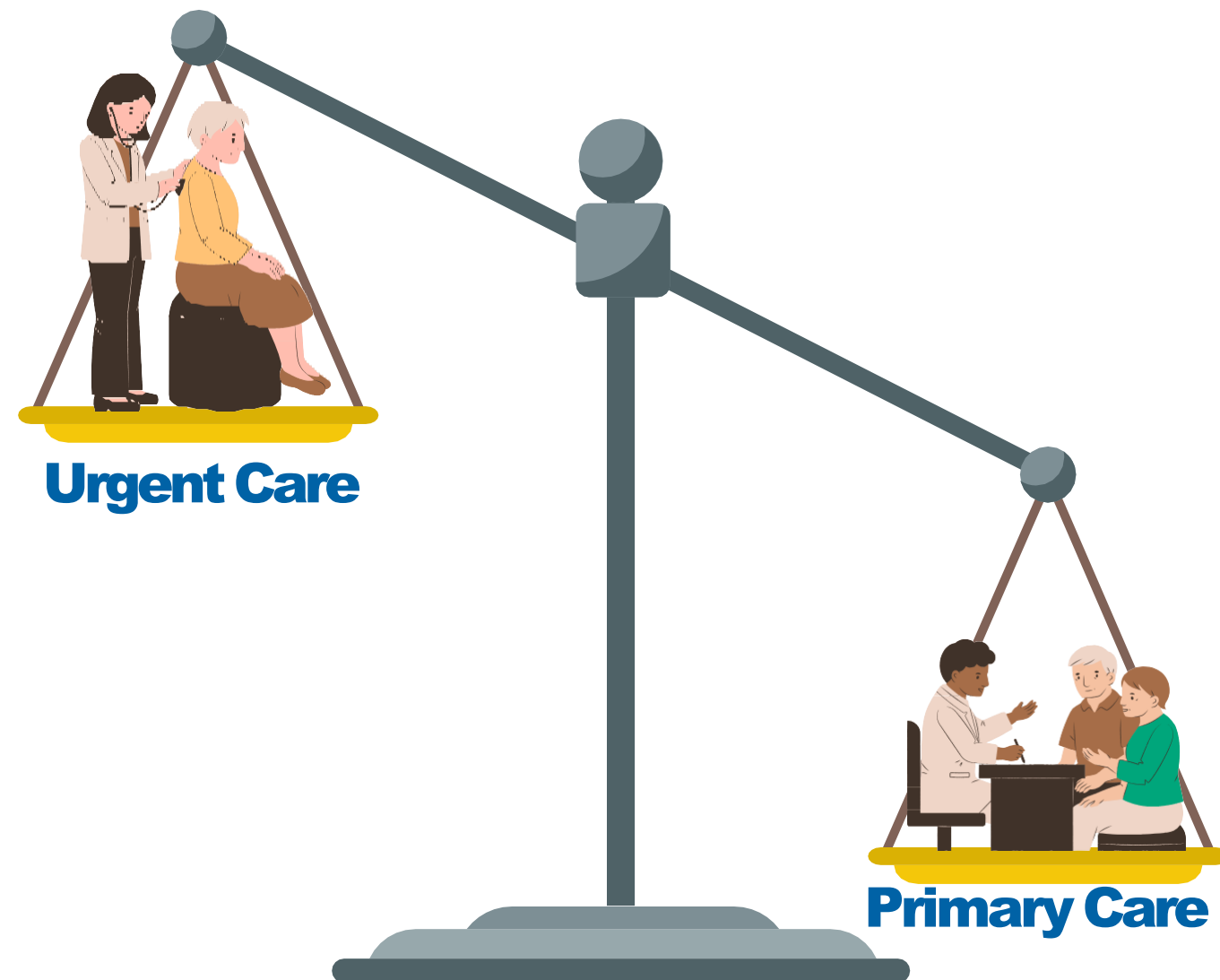
they want *HYPER*-convenient care!!

Here is what **'THEY'** are Saying?

In convenient

One-third of millennials state that they have not visited a primary care provider in five years or more due to lack of convenience.

Here is what **'THEY'** are Saying?



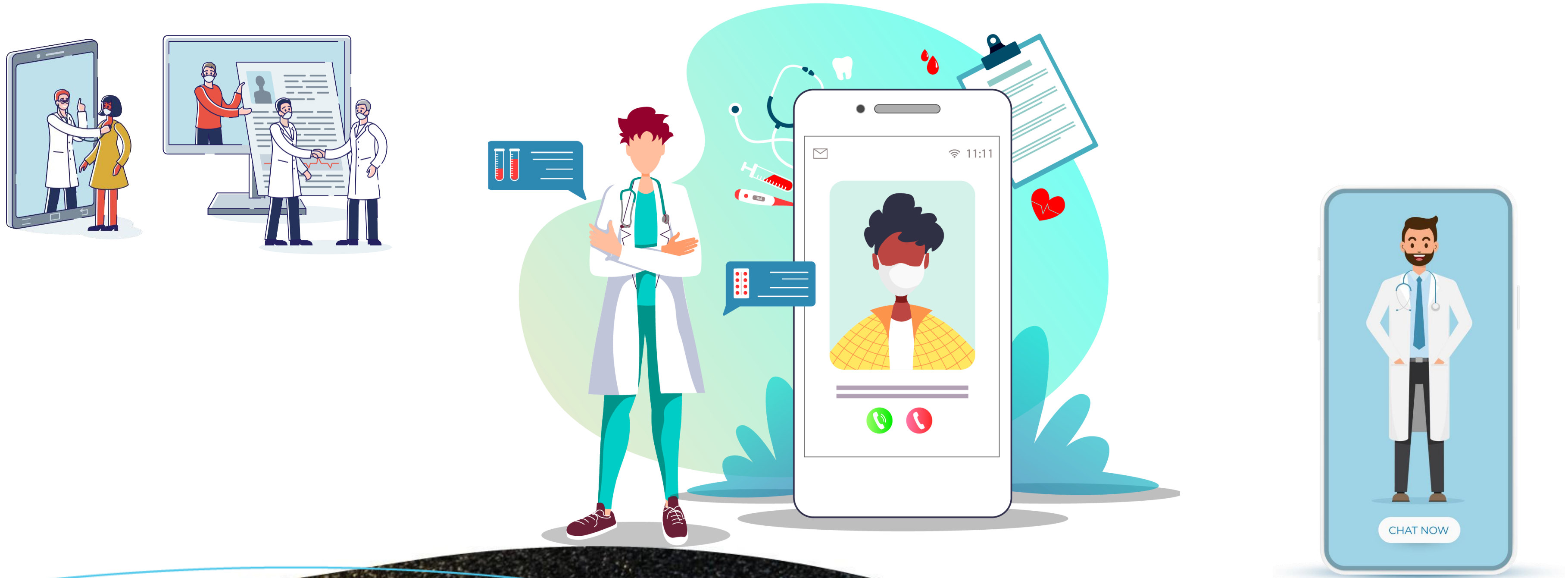
Over 37% of typical primary care/well care visits were performed in an **Urgent Care Setting** between 2018 and 2021.

Occ Med, Niche Services and other Add-on's



America is no longer medically homeless – we are MOBILE!

DRIVING **CHANGE**2023
THE URGENT CARE CONVENTION



TeleHealth Market Updates

FREE	Dollar General via a partnership with babylon currently in multiple states
\$15	Walmart
\$15 - \$20	Amazon to be anticipated
\$59	CVS
\$79	Walgreens

Cash Pay Rates



Go

[Your Account](#) | [Help](#) | [Cart](#)

ENTION

amazon clinic

[Home](#)

[Find a treatment](#)

[How it works](#)

[Help](#)

[Sign in](#)

[Sign in to Amazon Clinic](#)



High blood pressure medication renewal

Ages 18-64

FSA or HSA eligible

Request a high blood pressure medication renewal from a licensed clinician by filling out an intake form. No appointment needed.

Visit type

 Messaging

This is right for you if

- ✓ Your prescription for high blood pressure (hypertension) medication has expired
- ✓ You've taken your medication within the past 6 months
- ✓ You're not experiencing dizziness, lightheadedness, severe headaches, or chest pain
- ✓ Your systolic (top) blood pressure is lower than 160
- ✓ Your diastolic (bottom) blood pressure is lower than 90
- ✓ You're not pregnant or nursing

What's included

Personalized treatment plans may include a prescription renewal for a high blood pressure medication that's worked well for you in the past 6 months. Your clinician won't prescribe new medications or change medication doses. They also won't order lab testing. You can message your clinician with follow-up questions for 14 days after you get your treatment plan.

Choose your state

We need to know where you're located to show you virtual clinics licensed in your state.

STATE

Louisiana



✓ Amazon Clinic is available in Louisiana.

Choose an online clinic

Amazon Clinic consultations aren't covered by insurance and don't include the cost of medication.

☐ **HealthTap** \$30⁰⁰

Estimated response time: 3 hours

[Learn more about HealthTap, Inc](#)

☐ **SteadyMD** \$30⁰⁰

Estimated response time: 2 hours

[Learn more about SteadyMD](#)

Get started

TeleHealth Analytics worth tracking

DRIVING **CHANGE**2023
THE URGENT CARE CONVENTION



ICD-10/ CPT code combination



E/M level by provider

In person visit conversions

Average charge per claim

Denials

Average Reimbursement per claim

Common payor grouping

- 
- Downstream Revenue
 - *Referrals*
 - *Add On Services*
 - *Relationships*
 - Examples of How to Calculate
 - Value of Patient Loyalty

DRIVING **CHANGE2023**

Any Questions?



Stacy.Calvaruso@medpracticesuccess.com

903-213-2799



URGENT CARE
ASSOCIATION®



COLLEGE OF
URGENT CARE
MEDICINE

Session Evaluation

- Your feedback is valuable, take a moment to complete the survey for this session.
- To claim CME, you must complete a separate survey available after the convention.

* How likely are you to recommend this **content** to a colleague?

Not likely at all

Neutral

Extremely likely

0

1

2

3

4

5

6

7

8

9

10

What did you find most valuable about this **content**?

What would have made this **content** better?