

# Calculating Downstream Revenue

Presented by:

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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.

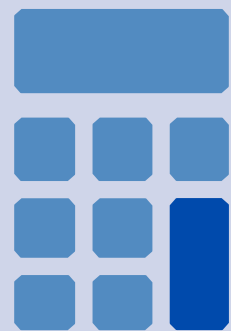
# Session Focus..



**Downstream Revenue**  
*What impacts this*



**Other Ways to Capture  
patient market share**



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

# The Human Factor



# 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

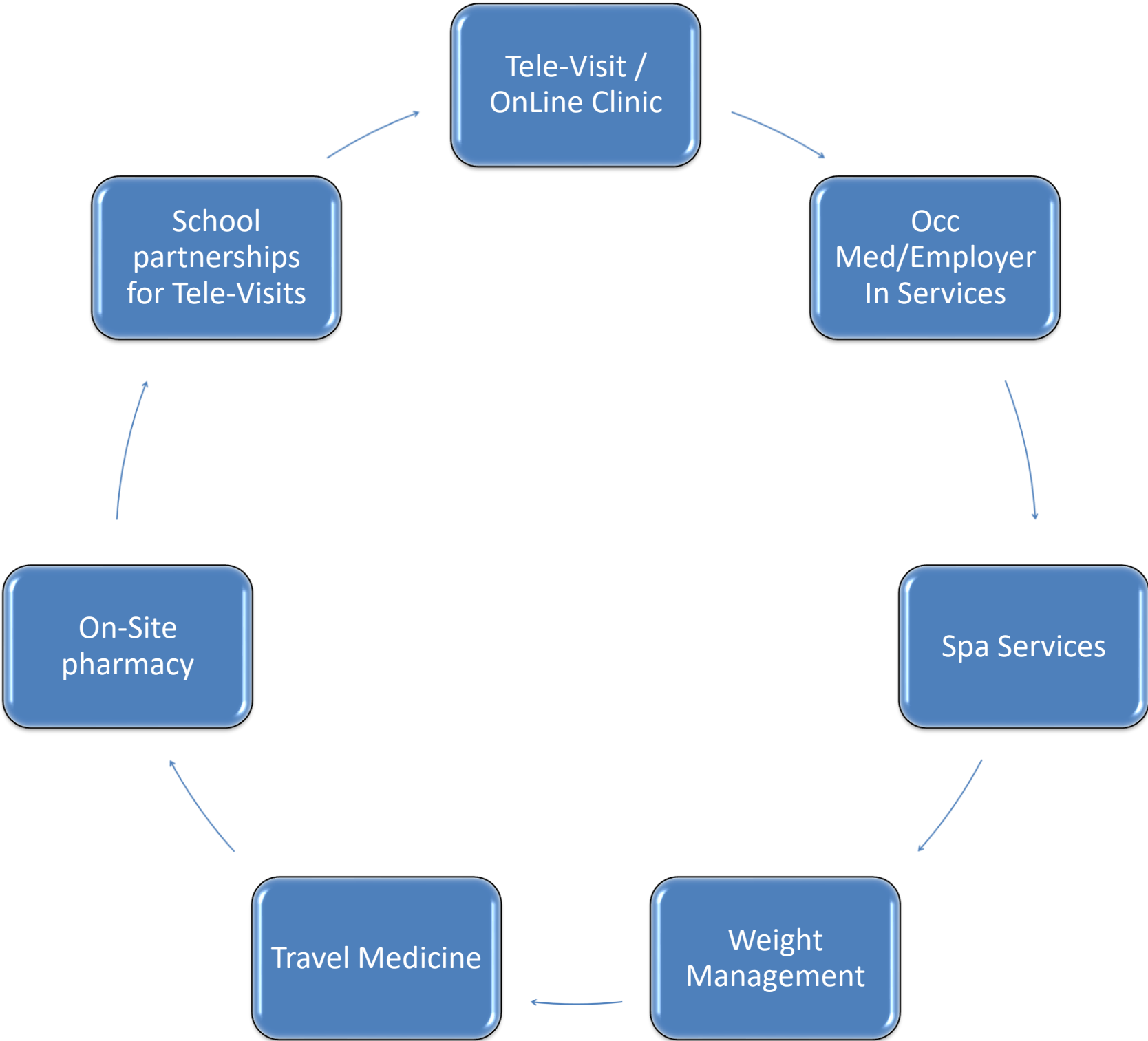


# Calculating Downstream Revenue Part of a Health System



# Downstream Revenue Considerations

## Services Offered



# Individualized Performance Based Activities

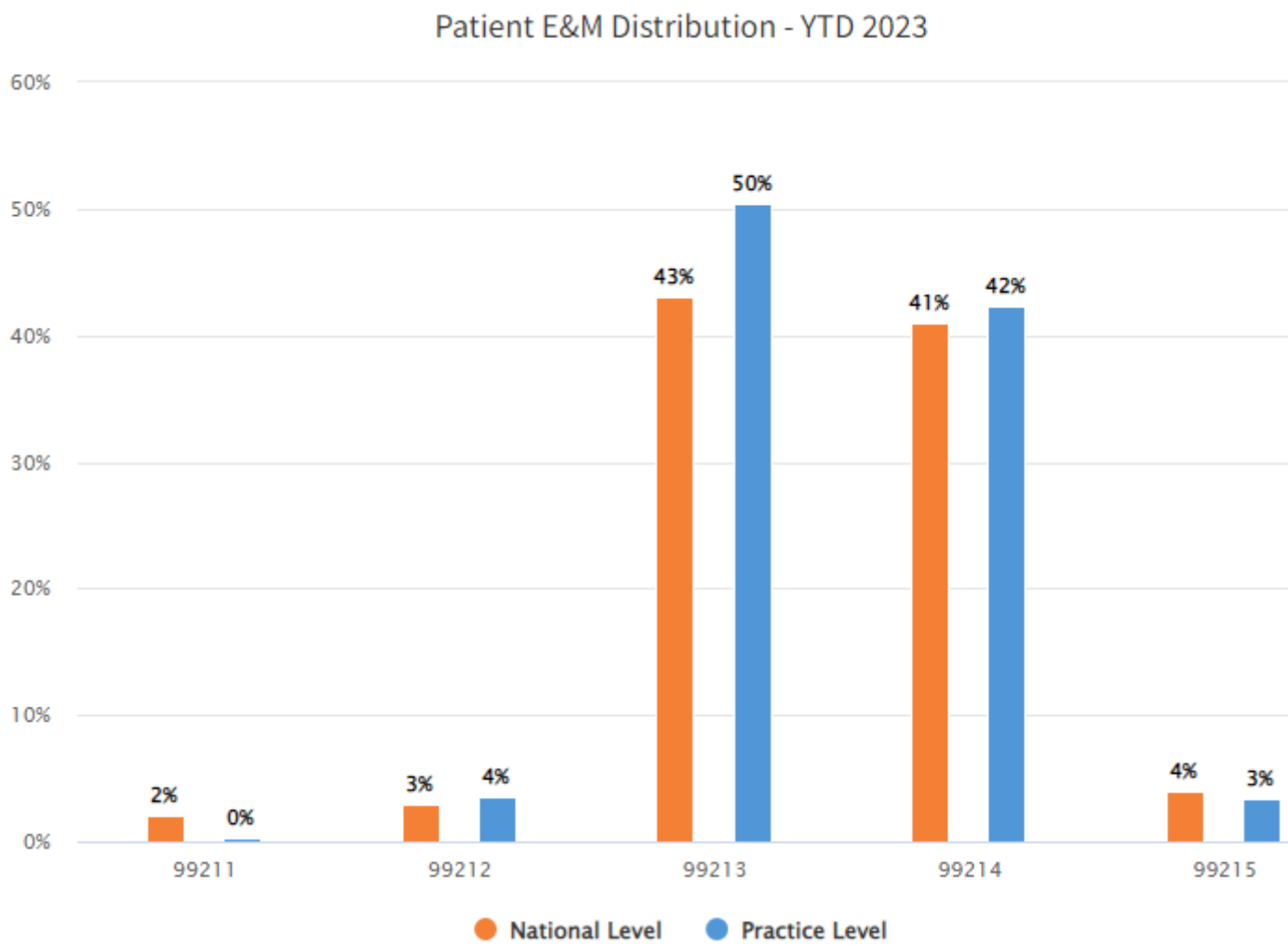
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# How to Analyze repeat visits

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
<b>1418</b>	<b>214</b>	<b>87</b>	<b>1</b>	<b>419</b>	<b>2139</b>

**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

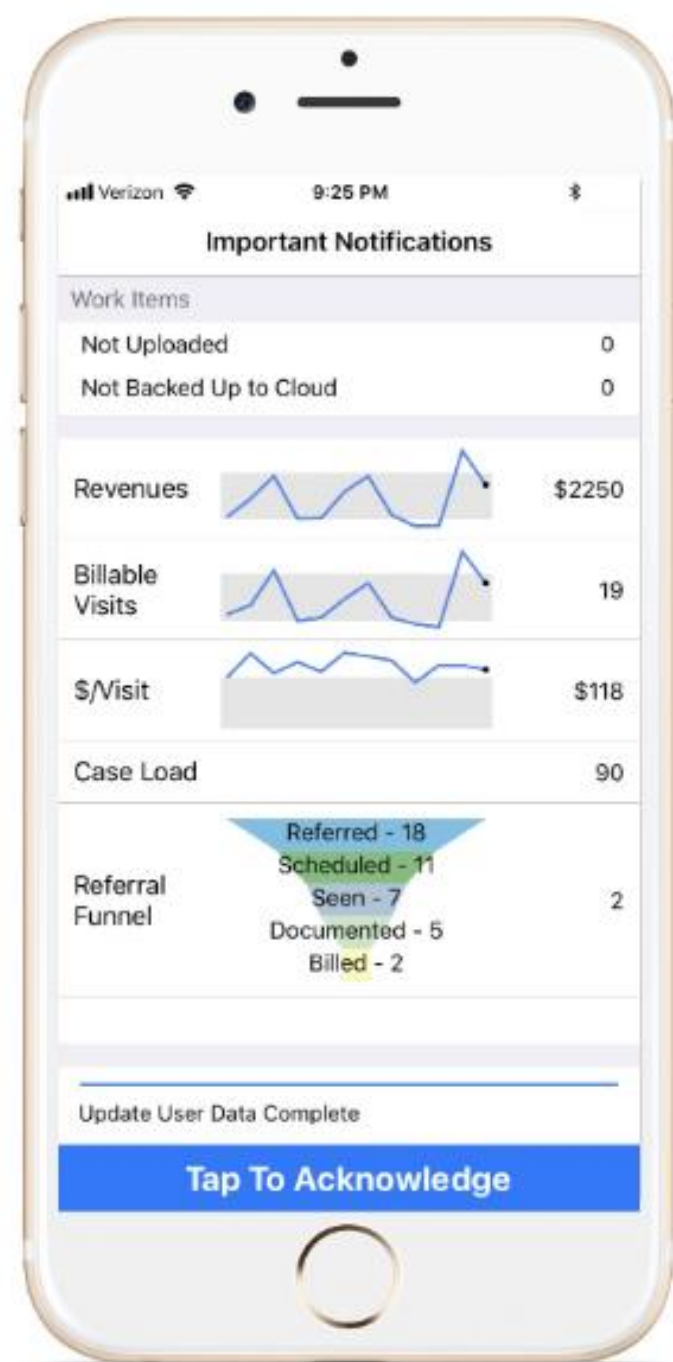
Not a 1:1 ratio

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

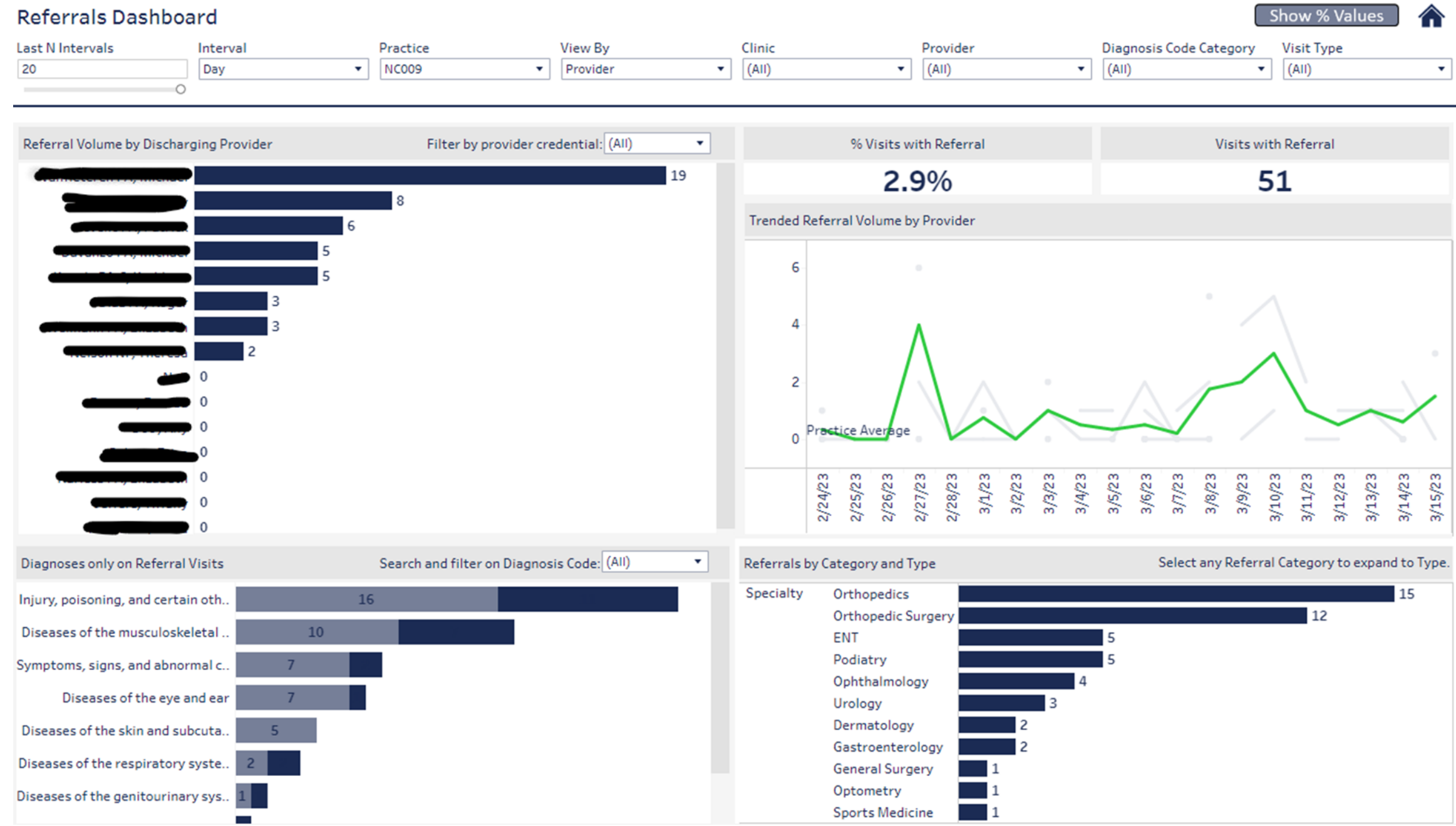
- COVID testing for free-standing surgical services
- Many Occ Med opportunities never previously considered
- Expansion of Lab Services

# Tracking referrals

## In Bound



## Out Bound



# Referrals and the Value of a Single Patient

*Why is this important....*

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# Single Patient Value or PLV

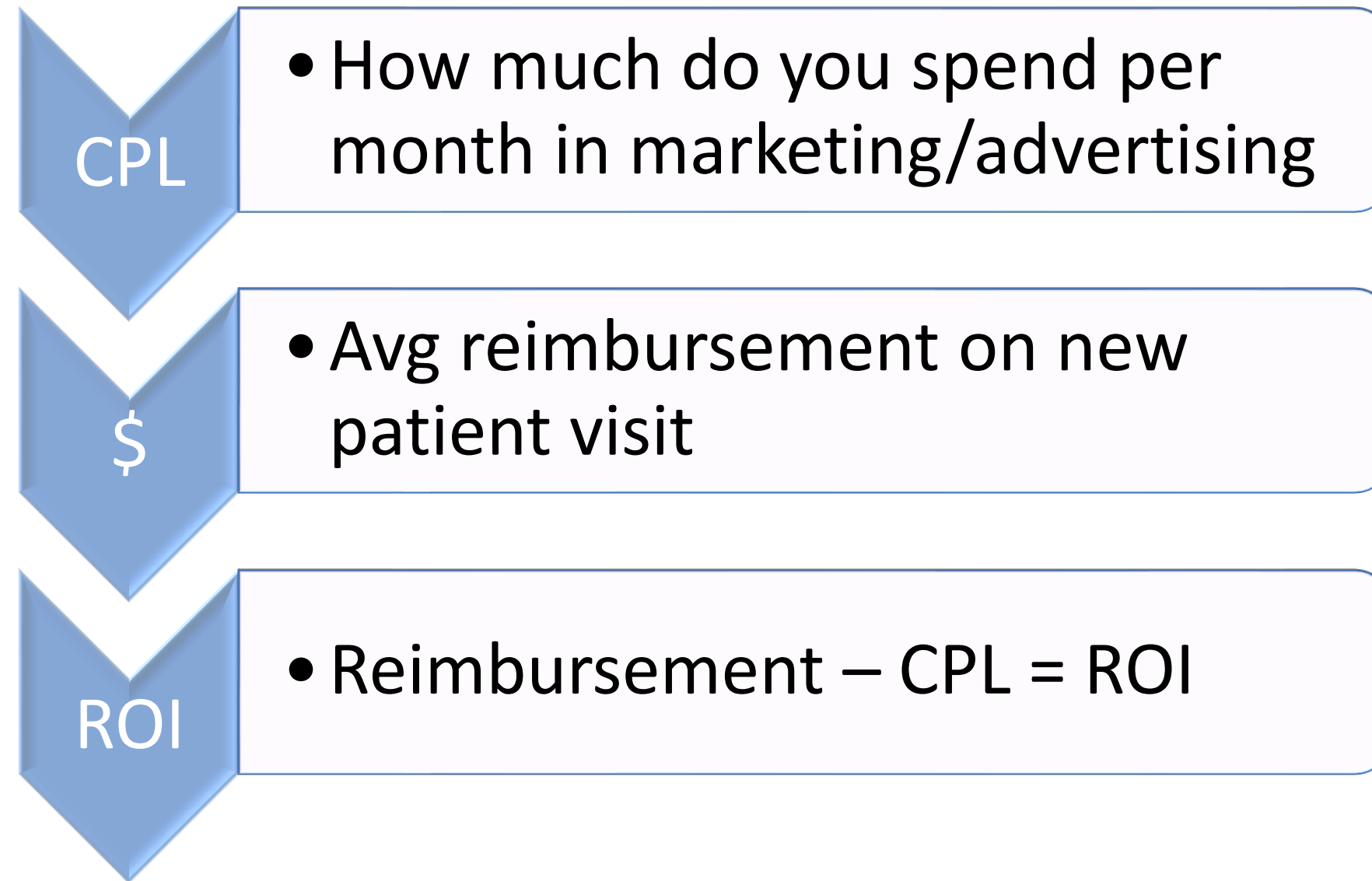
## *How do you calculate this?*

- 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

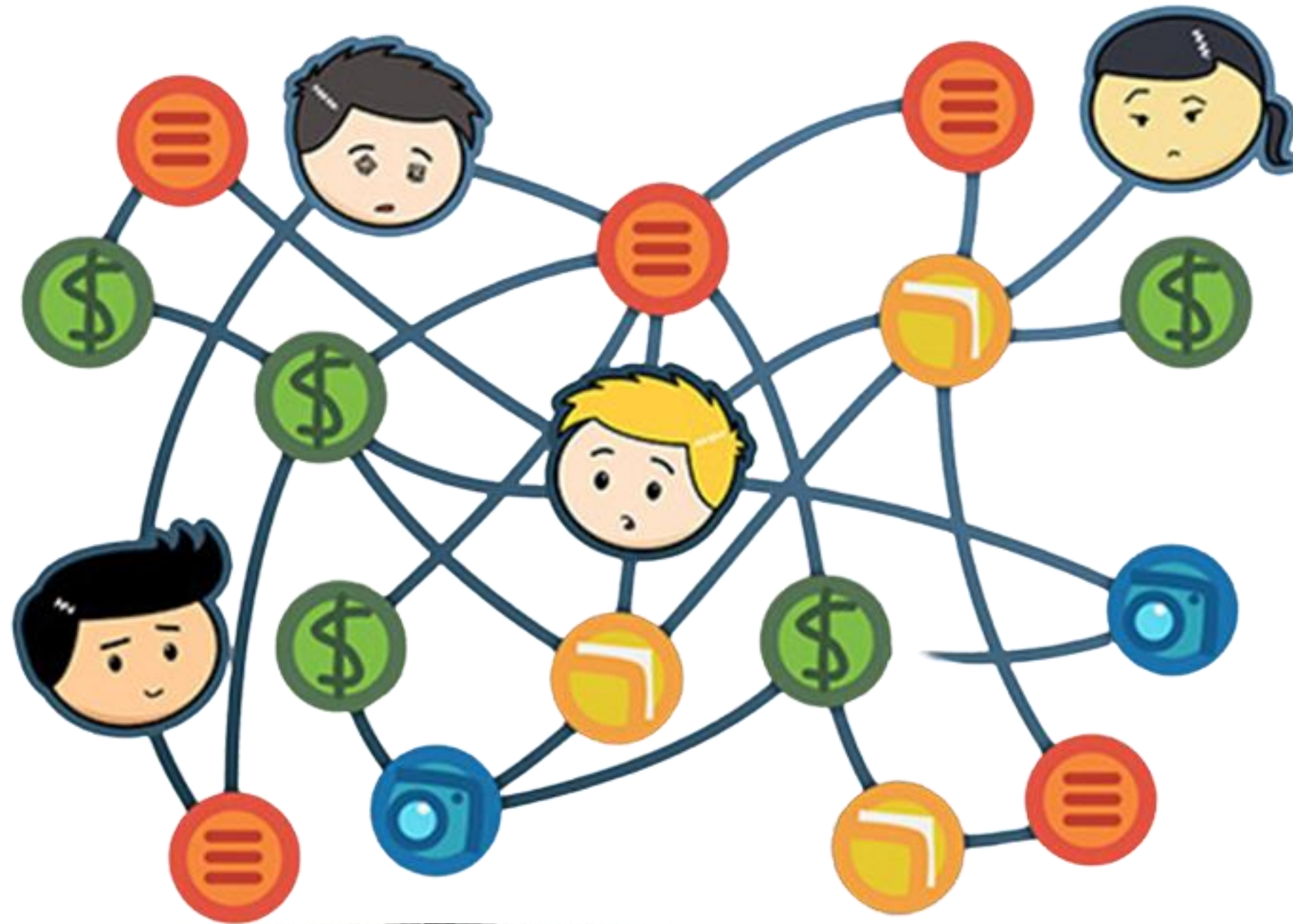
### Other Factors

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)*

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
<b>Summary</b>	<b>76,894</b>	<b>181</b>	<b>76,693</b>	<b>83,418</b>	<b>10,396</b>	<b>\$21,467,051.21</b>	<b>\$257.34</b>	<b>\$10,758,292.72</b>	<b>\$128.97</b>	<b>\$8,653,248.71</b>	<b>\$615,770.43</b>

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 <b>loyalty</b> value of patient	\$1563.52

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

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

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

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 <b>loyalty</b> value of patient	\$1722.32

# Patient Loyalty

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



**Convenient Locations**



**Extended Hours**



**Effective Costs**



**Friendly Staff**

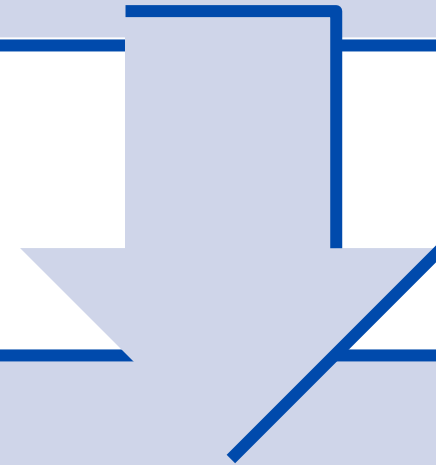


**Having walk in options with fast service**

# What are **THEY** Saying?

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Younger Millennials don't want *just* convenient care



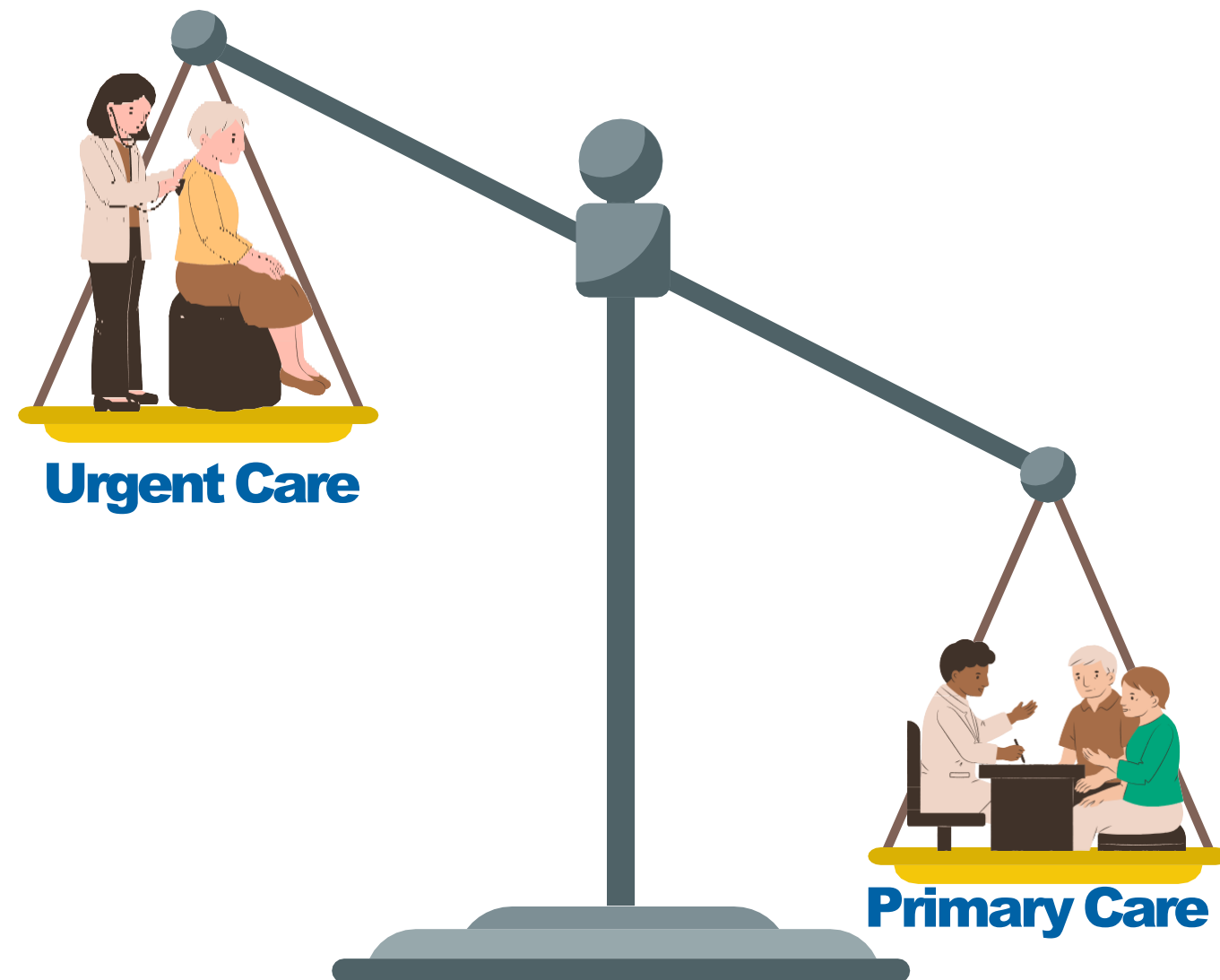
they want *HYPHER*-convenient care!!

# 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?

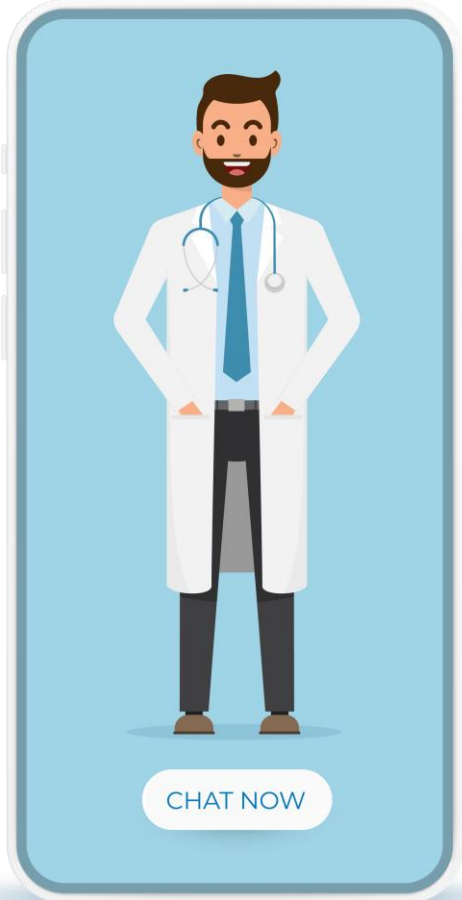


Over 37% of typical primary care/well care visits were performed in an **Urgent Care Setting** between 2018 and 2021.

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



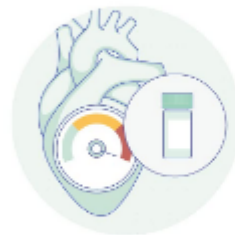
# America is no longer medically homeless – we are MOBILE!



# TeleHealth Market Updates

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

## Cash Pay Rates




## 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** \$30<sup>00</sup>

Estimated response time: 3 hours

[Learn more about HealthTap, Inc](#)

**SteadyMD** \$30<sup>00</sup>

Estimated response time: 2 hours

[Learn more about SteadyMD](#)

Get started

# TeleHealth Analytics worth tracking



## 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

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# Any Questions?



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# 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?