

*PivotHealth***PIVOTHEALTH STEERS CATHOLIC HEALTHCARE WEST BACK ON TRACK**

**C**atholic Healthcare West (CHW) is the eighth largest healthcare system in the nation and the largest not-for-profit hospital provider in California. The San Francisco-based system has a rich heritage of providing excellent care at its 41 hospitals and 45 health clinics across Arizona, California, and Nevada. The hospital provider also works closely with its affiliated physicians through a variety of partnership models that help physicians maximize the time they can spend with their patients. One such model is the CHW Medical Foundation, which has approximately 190 physicians serving communities throughout Northern California.

In early 2000, CHW embarked on a turnaround plan that would bring the system back to health after losing nearly \$1 billion in the preceding four years. To help them maintain and strengthen their relationship with the CHW Medical Foundation physicians during the turnaround, CHW partnered with PivotHealth, LLC, a Nashville, Tenn., physician practice management company, to manage the day-to-day operations of the group.

"PivotHealth first did a thorough analysis of all processes, from billing to human resources to communication," said Dr. John Young, former Chairman/President of the Board of Directors of CHW's MedClinic, a member of the CHW Medical Foundation. "PivotHealth made a point to speak to practically every person within the organization, to get a sense of what was going on and what was needed to maximize the time physicians could spend with their patients."

**THE CHALLENGE**

PivotHealth was challenged with the task of providing the resources necessary for the successful day-to-day operations of the physician group, including improving the group's revenue cycle, managing accounts receivables, and increasing physician productivity.

The challenges for PivotHealth were monumental since MedClinic's physicians were apprehensive about the future of CHW and as a result billing and income were down. Staff and employee turnover was near 50% and the morale and self-esteem of both the physicians and practice employees were at all-time lows.

**THE SOLUTIONS**

Working together, CHW and PivotHealth made it possible for the CHW Medical Foundation physicians to achieve their goals and grow their practice. The organization began to see a rise in both morale and confidence.

After PivotHealth's initial goals of increased employee and patient

satisfaction, open communication channels and practice performance were met, the CHW Medical Foundation began to work on its perception across Sacramento. The name changed to Mercy Medical Group in 2006 and a heavy marketing campaign in Sacramento allowed PivotHealth to more closely align the group to its original core strength, the positive reputation of CHW.

PivotHealth also implemented a number of substantive changes to the physician compensation plans and group performance initiatives that empowered the physicians to take ownership of these key measurements and be rewarded for improving upon them. This move alone allowed for the group practice to strengthen and produce dramatic increases in the capability to compensate its physicians and parent company.

**THE RESULTS**

Because of PivotHealth's involvement, the CHW Medical Foundation not only saw dramatic improvements in core patient services and patient satisfaction, but also saw dramatic growth to more than 10 locations over the next five years. The group's quality scores went from last to one of the top in the Sacramento region and employee satisfaction scores improved from last in the CHW system to the top tier. The length of time for revenue cycle collections went from more than 140 days to less than 60 days. Perhaps more importantly, the group's market share continues to grow in the community.

The relationship between PivotHealth and the CHW Medical Foundation continues to be successful. In 2006, the two entered into a multi-year extension of their service contract.

"We are very pleased with the partnership we have built with Catholic Healthcare West," said Mike McClintock, president of PivotHealth Management Company, a division of PivotHealth, LLC. "We appreciate the opportunity to continue working with CHW and their physicians to share in their continuing success. The strength of the CHW Medical Foundation clinics, the high quality physicians and providers, along with outstanding patient satisfaction, provide a solid platform for the future, enabling them to better care for their patients."



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