

Streamlining Remittances to Improve One Hospital's Cash Position

Outcomes

Improved deposit turnaround from 73% for commercial payments in 12 hours and 24% for personal checks within 24 hours to **90% of all remittances within 6 hours**. In one week the clinic's cash position improved by more than 40%.

Wisconsin's Monroe Clinic had a typical problem: checks received didn't always make it to the bank in a timely way. Staffers were frustrated at their inability to improve timely bank deposits, no matter how hard they tried. The interval between receipt of check to money in the bank hovered stubbornly at about 73% for commercial payments within 12 hours, and at just 24% for personal checks within 24 hours. Money delayed was money denied. They knew they could do better—but how?

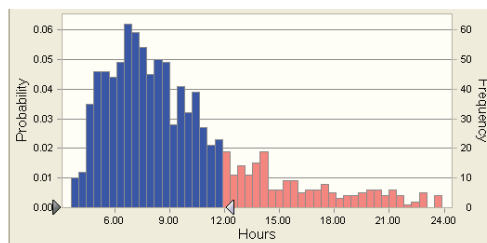
In scrutinizing their process, they discovered they had been accepting built-in waste. They had five separate ways to sort. Working in large batches meant automatic delays for the first items in the queue. Because the processing occurred in

three locations, staff members traveled about 380 miles per year.

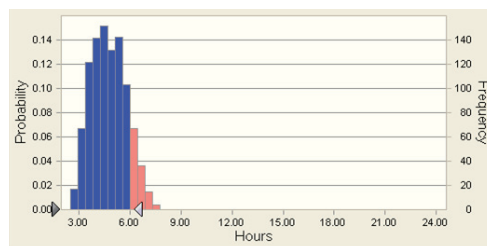
With help from HPP, within four days, the team built its own production cell in a single location, and began processing payments one by one. Travel and duplicate processes were immediately eliminated. These changes resulted in 90% of remittances entering the bank within 6 hours of receipt. That first week, the clinic's cash position improved by approximately \$125,000, and subsequently jumped to \$175,000.

Improved deposit turnaround—both Commercial and Personal—to 90% in less than 7 hours.

Commercial Payment Remittance

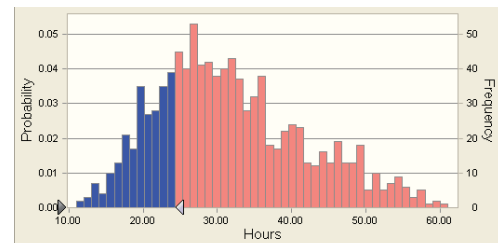


Before: 75% in 12 hours

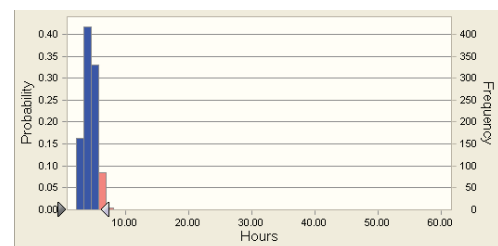


After: 90% in 6.5 hours

Personal Payment Remittance



Before: 25% in 24 hours



After: 90% in 6 hours