



REMOVING BOTTLENECKS IN PE OWNED REHABILITATION FIRM

BACKGROUND

The company is a market leader in Ontario for complex-case occupational therapy. TPG was brought on by a Canadian Private Equity firm with a focus exclusively on high-growth opportunities in healthcare.

APPROACH

- Conducted 10 interviews, as well as numerous follow up interviews
- Identified 97 pain points, then categorized these by role, department, and type to gain insights and realize trends
- Split the business into 5 core functions: Referral, Treatment Planning and Execution, Billings, Collections, and Month End Reporting, then mapped primary process within each function in Visio; enabled us to gain a bird's eye view of the business from end to end and identify bottlenecks
- Implemented **2 quick wins** during initiation study: "Front-end reconciliations", which entail creation of 2 reports that work to ensure what FA bills out matches entries in their accounting system so that no revenue entries are missed; time to complete condensed from 0.5 day/week or 2 days/month to a matter of minutes
- Conducted **analysis on root causes** of 439 invoices being declined in first 6 months of 2018, slowing month-end closing processes and stalling collection of payment from insurance companies
- Developed **16 programs to address 96% of pain points** over the course of 6 months

RESULTS

Implementation of solutions will:

- Shorten month-end closing period from 50 days to 26
- Free up **\$280k in cash flow**
- Reduce rework by **> \$70k**
- Eliminate gaps in accounting controls
- Mitigate single point of failure risks posed by IT systems
- Significantly improve quality of data
- Decrease number of "satellite databases"
- Improve organization's understanding of processes