

# New York Health System Recovers \$12M and Achieves 16% Gross Collection Rate on Aged A/R

## CASE STUDY

### Premier Nonprofit Integrated Health System

New York

- Multi-facility health system with **seven hospitals** and more than **3,000 beds**
- Employs more than **6,000 primary and specialty care physicians**
- Handles more than **6M annual outpatient visits**
- **One of the largest health systems** in the New York metro area

#### OVERVIEW

A premier, nonprofit integrated health system partnered with AGS Health to stabilize a highly volatile 90+ day accounts receivable (A/R) portfolio and improve declining recovery performance. Traditional activity-driven workflows limited the organization's ability to prioritize accounts by financial impact, resulting in reduced recovery efficiency and missed optimization opportunities. The organization engaged AGS Health under an outcome-focused partnership with a contingency-based pricing model to strengthen revenue growth and recovery.

#### CHALLENGES

- **Significant A/R baseline:** An initial placement of \$17.6M created a high-volume baseline that outpaced existing recovery capacity.
- **Inventory volatility:** Unpredictable monthly inflows hampered workforce planning, making it difficult to set accurate staffing levels or realistic recovery targets.
- **Manual inefficiencies:** A heavy reliance on manual follow-up processes extended turnaround times and increased the cost-to-collect without a corresponding improvement in recovery outcomes.
- **Suboptimal prioritization:** Inefficient routing logic resulted in improper account sequencing, delaying the resolution of high-value claims.
- **Complex denial landscape:** High volumes of authorization denials, coordination of benefits issues, and payer-specific denial patterns increased rework and delayed resolution timelines.

## OUTCOMES

- **\$12M** in recovered revenue in PB collections over **12 months** from inherited **90+ day aged A/R** inventory
- Achieved an average **16% gross collection rate** across aged inventory, exceeding **6% target**
- **11x ROI** on PB collections per FTE through outcome-based resource alignment
- **\$14M A/R backlog reduced** over **12 months**
- Reduced claim denials related to authorizations, coordination of benefits (COB), non-covered services, and escalation-related claims from **\$6M** to **\$450K** in **four months**
- Approximately **150K accounts resolved** across high-impact inherited inventory.

## SOLUTION

AGS Health deployed a data-driven, outcome-based managed services approach, supported by a contingency-based pricing structure that aligned incentives with financial performance.

- **Trend analytics:** Conducted deep-dive analysis of month-over-month volume and dollar-value patterns to pinpoint backlog drivers and hidden recovery opportunities.
- **Strategic stratification:** Prioritized high-dollar accounts, key payer groups, and high-impact specialties (representing 20%+ of monthly A/R) to maximize revenue capture while ensuring alignment with specialty-level financial performance and profitability.
- **Workflow optimization:** Minimized dependency on manual resources by standardizing resolution workflows, streamlining routing logic and enabling consistent, timely follow-up cycles with payers to accelerate resolution of high-value accounts.
- **Targeted automation:** Introduced automation for claims status and eligibility verification across select payer platforms to accelerate follow-up and reduce manual effort.
- **Root cause remediation:** Accelerated the resolution lifecycle and implemented permanent corrections for recurring denial categories to prevent future rework and improve sustained recovery performance.



### Outcome-Based Revenue Prioritization

Prioritized accounts based on financial impact across specialties rather than claim volume alone.



### Accelerated Cash Recovery

Accelerated cash recovery across multiple aging buckets while improving gross collection performance on aged inventory.



### Improved Revenue Realization

Improved revenue realization through targeted denial and strategic A/R resolution initiatives.



### Stronger ROI

Delivered stronger ROI by aligning resources, workflows, and operational expertise directly to measurable financial outcomes.