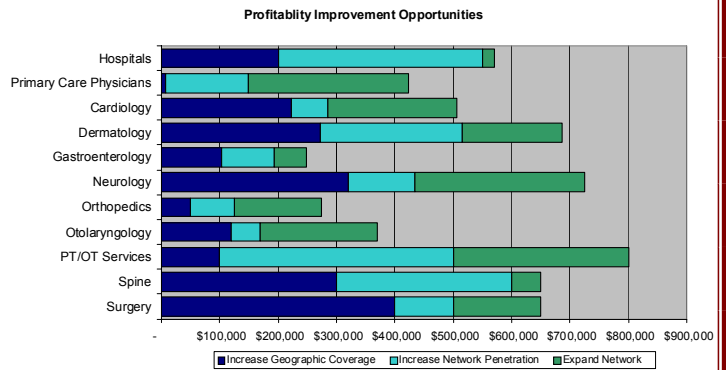


# HEALTH SERVICES INDUSTRY

*Long-term View: By 2030 the over 65 population will nearly double as a result of aging Boomers. They will account for more than twice as many hospital admissions as the do today. Health workforce and resources will not be able to keep up with the demand.*

*Today the US healthcare costs have risen 13% in the last 5 years while the number of hospitals has decreased by almost 20% and 1/3 of are losing money.*

*Areas to address: medical errors due to incorrect or incomplete information, unnecessary or avoidable care, redundant tests, excessive administrative costs tied to record keeping, 4-5% of patient care expenses are not captured or correctly charged for, and errors and omissions in data entry to medical records after medical admission or procedures have occurred.*



Sample Profit Opportunity Identification

## OUR EXPERIENCE

NXI consultants have extensive operational experience and a proven track record in various segments of the Health Service Industry. We have a practical understanding of the business of healthcare. We facilitate revenue growth and cost reduction through our specialty services: profit opportunity identification, healthcare operations, business process optimization, enterprise performance management and information integration.

## REVENUE ENHANCEMENT

In his article "What Makes an Effective Executive" (Harvard Business Review, June, 2004) Peter F. Drucker wrote "Good executives focus on opportunities rather than problems. Problems have to be taken care of, of course; ... But problem solving, however necessary, does not produce results. It prevents damage. Exploiting opportunities produces results."

## PROFIT OPPORTUNITY IDENTIFICATION

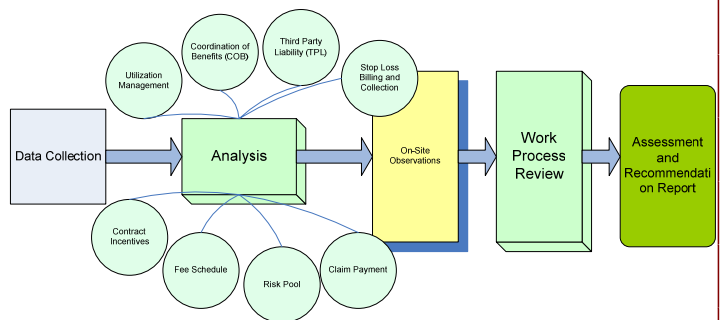
We offer a way to exploit opportunities. Our unique methodology uses cross-functional operational, financial, and market data to develop comprehensive views of current performance relative to potential performance, uncovering profit improvement opportunities "hiding in plain sight."

We use this analytical technique with your detailed admission, referral, cost, revenue, and product data, and apply peer comparisons to estimate profitability potential. We then compare them to current measurements and determine the "opportunity gap" at various levels of the organization. The results are typically surprising, uncovering "hidden" opportunities for profit improvement of 15% or more. We deliver the results in an interactive model.

## REVENUE RECOVERY DIAGNOSTIC

Our revenue recovery diagnostic identifies financial exposure and/or revenue enhancement opportunities in the following areas: Claims Payment Discrepancies, Contract Incentives and Carve Out Provisions, Fee Schedule Review (Capitation or FFS rates), Risk Pool Distribution, Enrollment and Capitation Reconciliation, Utilization Management Cost Control Strategies, Care Management Process and Criteria, Coordination of Benefits (COB), Third Party Liability (TPL), and Stop Loss Billing and Collection.

We identify potential revenue recovery opportunities such as: Duplicate claims paid, fraud and abuse, payments for contract carve-outs, missed co-payments and others. Potential revenue enhancement opportunities like: Increase contract rates, implement contract incentives and others.



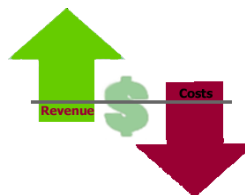
Revenue Recovery Diagnostic Process

For more information, please contact us at:

Telephone: 949.892.5212

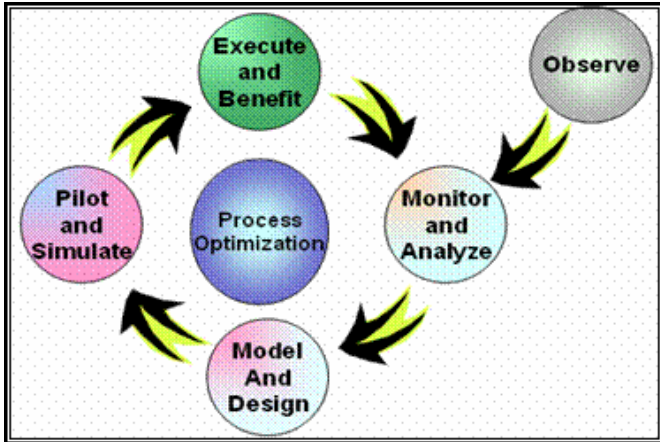
E-Mail: info@NeXtgenInnovation.com

Postal: NeXtgen Innovation, LLC  
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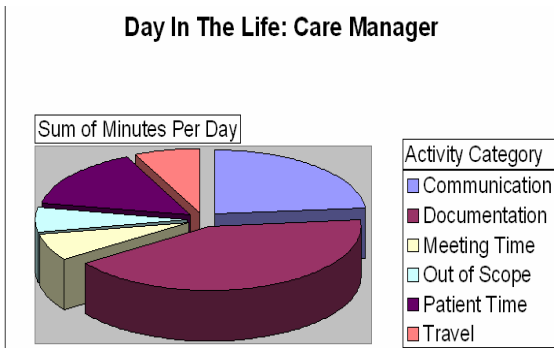


# BUSINESS PROCESS OPTIMIZATION

Healthcare organizations are challenged with changing mar-



kets, pressure from competition, unpredictable regulatory pressures, and the need to do more with less. We have come up with a practical methodology and tools to visually and quantitatively depict and analyze complex business processes. Using these tools we can quickly recommend significant improvement based on Key Performance Indicators (KPI) and quality control points to increase quality, patient and provider satisfaction and reduce operational costs.

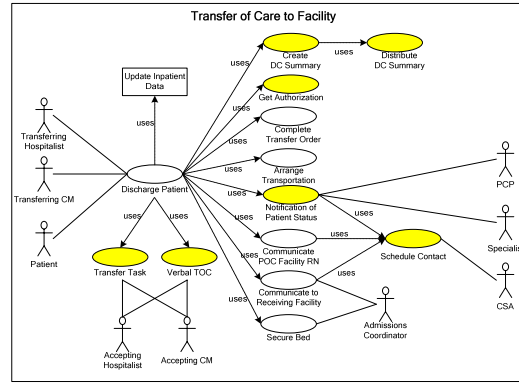


Example cycle-time analysis for Hospitalist Care Managers

Healthcare organizations have invested billions in the adoption of Electronic Medical Record system. Recent studies indicate that most of these systems have not had a positive impact on operational costs and the return on investments were nil. We believe that these systems were implemented in terms of automating an ineffective, inefficient, or broken process. Our approach will help your organization realize the benefits of that investment.

## Get Value Quickly

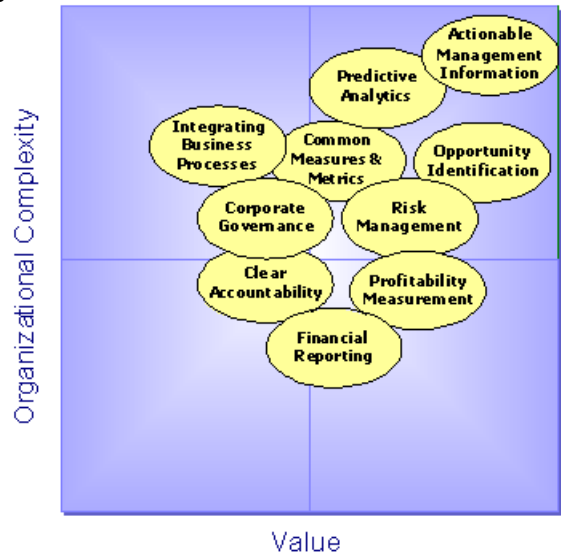
We offer a quick, cost-effective approach that delivers short-term value and a foundation for profitable growth and cost reduction.



Example Use Case Analysis for Patient Transfers

# ENTERPRISE PERFORMANCE MANAGEMENT

More accountability, alignment of strategies, identification of improvement opportunities, and a consistent vehicle for decision making are the greatest benefits of the successful implementation of performance management, according to a March 2007 survey of large organizations across multiple industries conducted by BusinessWeek Research Services in partnership with SAS. Done right, performance management will substantially improve the profitability and operational performance of the organization as a whole.



Organizational Relationship between Complexity and Value

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