



Dave Capone  
President & Founder  
(302) 299-7627  
dcapone@dccsconsulting.com

[www.dccsconsulting.com](http://www.dccsconsulting.com)

## **CASE STUDY: FINANCIAL ADVISORY SERVICES**

### **SITUATION ANALYSIS:**

A 20 hospital National Health System, engaged DCCS and Mr. David C. Capone under a 1-year employment agreement to assist with the financial turnaround of a regional health system located near New York City, with over \$500 million net revenues. The regional health system had experienced unfavorable operating margin trends over five consecutive years.

Hospital leadership had identified a need for an “independent” senior level strategic financial advisor who would assist in identifying and implementing financial change to improve the overall annual operating margin of the regional system, which included 3 hospitals, a certified home health agency, two long-term care facilities, an assisted living and adult home facility, an International Cardiac Institute, with 2,700 full-time employees, and over 1,000 physicians.

### **IMPROVEMENTS IDENTIFIED:**

Mr. David C. Capone, DCCS President/Founder, provided Senior Financial Advisory Services reporting to the national health system’s CFO. Major areas of work concentration included, but not limited to, revenue cycle, labor productivity, cost controls, new strategic ventures, budget process and reporting improvements, improvements in decision support systems and managed care contracting, improvements in board level financial reporting and forecasting.

### **Process Utilized**

Mr. Capone successfully implemented an integrated team approach between corporate and regional level resources in areas of productivity, managed care contracting, financial reporting, while leading individual work groups at the regional level to strengthen initiatives focused on revenue cycle, cost controls, decision support, and the budget development and reporting processes.

### **KEY RESULTS:**

- ❖ Completed assessment & implemented \$30 million (targeted) turnaround work plan within 60 days of start date.
- ❖ Produced a break-even budget at the end 1-year, reversing a \$26 million operating loss.
- ❖ Renegotiated a major managed care contract with Blue Cross, \$20 million increase in reimbursement over 3 years.
- ❖ Rapid improvements in revenue cycle, budgeting, forecasting, and financial reporting.