



Findings Report

Brightwater Learning & Therapy (fictional) · Therapy services · enrolment to payment

The answer in brief

Therapy sessions are being delivered, but too little of that work turns into cash on time. Three issues explain most of the gap: billing exceptions sit without an owner, new clients wait weeks for funding approval, and session notes lag delivery. Fixing those first could recover **\$41,000–\$53,000 already owed**, protect **\$30,000–\$50,000 a year** in revenue and add **\$11,000–\$19,000 a year** in contribution.

CASH RECOVERABLE NOW

\$41k–\$53k

one-time, from existing receivables;
not new profit

REVENUE PROTECTED

\$30k–\$50k

a year, from fewer preventable
rejections

CONTRIBUTION ADDED

\$11k–\$19k

a year, from faster service starts

Five leaks, ranked

#	LEAK	IMPACT	CONFIDENCE
1	Billing exceptions have no owner	Cash recovery; revenue protected	High
2	New clients wait for funding approval	\$11k–\$19k contribution a year	High
3	Session notes completed late	About \$28k cash released, once	High
4	Paid clinical hours not matched to sessions	900–1,300 hours a year of capacity	Medium
5	Shared school costs hide therapy's margin	Decision clarity; no dollars claimed	Medium

What to do first

WITHIN 30 DAYS

Run one register for billing exceptions

Every open claim gets an owner, a next action and a due date.

DAYS 1–60

Submit funding requests within three days

A document checklist at enrolment, so requests go out complete.

DAYS 1–90

Complete notes within two business days

A daily overdue list and protected documentation time.

Impact types are reported separately and never added together. Estimates show size and priority; results are not guaranteed.

Illustrative sample. Brightwater is a fictional composite and all figures are invented.

MF-SMP-PPR-002 · MF-SOP-PPR-001 v1.0 \$7.6, \$7.7, \$7.9

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What the numbers show

Scope: the therapy revenue stream, from enrolment to payment. School operations are included only where shared staff or costs affect therapy.

SERVICE TO PAYMENT, 12 MONTHS	VALUE	CLIENTS AND CASH	VALUE
Session hours delivered	14,000	Clients enrolled / in service	85 / 66
Notes completed within 2 days	59%	Median days, enrolment to first session	34
Median days, session to claim	9	Receivables over 60 days	\$96,000
Claims accepted first time	91%	Therapy revenue / contribution	\$1.12M / 35%

Leak register

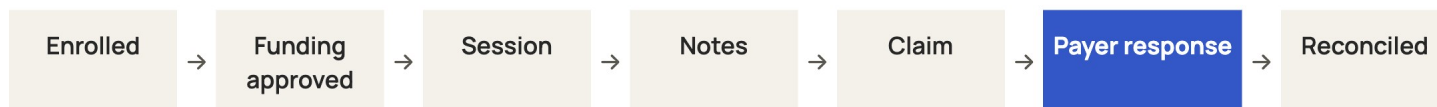
#	LEAK AND EVIDENCE	LIKELY CAUSE	IMPACT	CONF.	EFFORT
1	Billing exceptions have no owner Receivables: \$96,000 over 60 days across 210 claims. Claims log: 9% rejected first time, mostly for fixable reasons (provider details, codes, missing notes).	No named owner, next action or due date for exceptions.	\$41k–\$53k cash recovery, once; \$30k–\$50k revenue protected a year	High	Low
2	New clients wait for funding approval Intake log: 19 of 85 enrolled clients waiting. Requests go out a median 11 days after enrolment because documents are incomplete.	No document checklist or submission standard at enrolment.	\$11k–\$19k contribution a year	High	Low–Med.
3	Session notes completed late Session records: 41% of notes finished after the two-day standard. Claims wait a median 9 days after the session.	No protected documentation time or overdue tracking.	About \$28k cash released, once (shorter cash cycle)	High	Medium
4	Paid clinical hours not matched to sessions Payroll vs schedule: 22% of paid clinical hours are neither sessions nor required notes or supervision. Cancellations are 11% of scheduled hours; a quarter are reassigned.	Cancelled slots aren't refilled from the waitlist. <i>Hypothesis.</i>	900–1,300 hours a year of capacity; money only if filled	Medium	Medium
5	Shared school costs hide therapy's margin P&L: rent, administration and leadership costs are not allocated. No agreed allocation basis.	Costs recorded at organisation level only.	Decision clarity; no dollars claimed	Medium	Low

Overlap check: clinician hours filled from the waitlist are counted once, in leak 2, not again in leak 4. Cash recovered from existing receivables is reported apart from future revenue protected, and neither is called new profit.

LEAK 1 IN DETAIL

Billing exceptions have no owner

Where it happens in the workflow



Rejections, denials and underpayments come back from the payer, but nobody is assigned to resolve them, so they age in the receivables report.

The diagnostic chain

Symptom	Receivables over 60 days keep growing although sessions are delivered.
Evidence	Receivables aging and claims log: \$96,000 across 210 claims, most rejected or denied for fixable reasons. Interview: no one owns follow-up.
Likely cause	Exceptions have no named owner, next action, due date or escalation route.
Consequence	Cash arrives late or not at all, and the same errors repeat on new claims.
Corrective action	One exception register, reviewed weekly, and the most frequent rejection cause fixed at source.

How the recovery estimate was built

OUTSTANDING OVER 60 DAYS	AMOUNT	TREATMENT	CONSERVATIVE	LIKELY
Not yet submitted	\$14,000	Submit	90% · \$12,600	100% · \$14,000
Rejected, fixable	\$31,000	Correct and resubmit	60% · \$18,600	80% · \$24,800
Denied with a reason	\$22,000	Appeal where supported	30% · \$6,600	45% · \$9,900
Underpaid	\$6,000	Query with payer	50% · \$3,000	75% · \$4,500
Awaiting payer	\$18,000	Normal processing	Excluded	Excluded
Likely uncollectible	\$5,000	Write-off review	Excluded	Excluded
Total	\$96,000		\$40,800	\$53,200

Collecting these amounts is cash recovery, not new profit; the revenue was already earned. Revenue protected (\$30k–\$50k a year) assumes preventable first-time rejections fall by 30–50%.

Noted but not ranked

- Staff may be unsure who resolves rejected claims (leadership report only).
- Some approval delays may sit with funders and outside the business's control (to confirm).

Boundaries

The review makes no judgment on clinical appropriateness, payer eligibility or regulatory compliance; those go to specialists. Only aggregate, de-identified records were used.

90-day action plan

Three fixes, each with one accountable role, a baseline and a way to tell whether it's working.

1 Run one register for billing exceptions

Accountable: Billing lead

FIRST STEPS

1. Load every open claim over 30 days into one register.
2. Give each an owner, next action and due date.
3. Review the register weekly with operations.

MILESTONES

- Day 30:** every exception categorized and assigned
- Day 60:** top rejection cause fixed at source
- Day 90:** over-60-day balance compared with baseline

MEASURES

- Baseline:** \$96,000 over 60 days; 91% first-time acceptance
- Leading:** share of exceptions with an owner and due date
- Lagging:** cash recovered; first-time acceptance

2 Submit funding requests within three days

Accountable: Intake coordinator

FIRST STEPS

1. Use a required-documents checklist at enrolment.
2. Log the date each request is sent and approved.
3. Fill open clinician hours from the waitlist first.

MILESTONES

- Day 30:** checklist in use for all new clients
- Day 60:** median submission within 3 days
- Day 90:** enrolment-to-first-session time reviewed

MEASURES

- Baseline:** 11 days to submit; 34 days to first session
- Leading:** share of requests sent within 3 days
- Lagging:** median days, enrolment to first session

3 Complete notes within two business days

Accountable: Clinical director

FIRST STEPS

1. Agree the standard with clinicians.
2. Publish a daily overdue-notes list.
3. Protect documentation time in schedules.

MILESTONES

- Day 30:** standard agreed; overdue list live
- Day 60:** 80% of notes on time
- Day 90:** session-to-claim time compared with baseline

MEASURES

- Baseline:** 59% on time; 9 days session to claim
- Leading:** share of notes completed on time
- Lagging:** median days, session to claim

Capacity check: these fixes need about 4 leadership hours a week in month one, falling to about 1.5 by month three. Results are reported as cash recovered, revenue protected, contribution and capacity, never as one combined figure.



Next: the findings meeting

We agree the plan and the accountable roles. Help putting the fixes in place is available as a separately scoped engagement.