

A California Pathology Lab Reverses Financial Decline and Boosts Collections by 125% with AIMA

A Case Study in Transformation



California Pathology Lab and AIMA Partnership

A PARTNERSHIP WITH AIMA TRANSFORMED THE REVENUE CYCLE OF A CALIFORNIA-BASED PATHOLOGY LABORATORY, DRIVING A SIGNIFICANT INCREASE IN COLLECTIONS, SLASHING ACCOUNTS RECEIVABLE DAYS, AND ESTABLISHING A NEW STANDARD FOR COMPLIANCE AND BILLING EFFICIENCY IN THE FIRST TEN MONTHS OF 2025



The Challenge: Declining Performance and Mounting Receivables



KEY CHALLENGES IMPACTING PERFORMANCE

- High AR days
- low collection ratios.
- Sub-par Net Collection Ratio
- Stagnant Collections

Key Performance Indicators

Before partnering with AIMA, the laboratory's key performance indicators (KPIs) from 2024 painted a concerning picture:

- **High AR Days:** At 96 days, the lab's AR was nearly three times the Medical Group Management Association (MGMA) standard of 35.
- **Low Gross Collection Ratio (GCR):** The GCR stood at a mere 18% , indicating very low collections compared to their fee schedule.
- **Sub-par Net Collection Ratio (NCR):** The NCR was 55%, well below the 75% benchmark recommended for facilities by MGMA.
- **Stagnant Collections:** On total charges of nearly \$6 million, net collections were just \$981,652 for the period.



The Solution: A Strategic Overhaul of the Revenue Cycle



SOLUTIONS

- Enhanced Coding and Compliance
- Billing Process Automation
- Financial Transparency

AIMA's Approach

- **Enhanced Coding and Compliance:** AIMA ensured that every chart was coded with the highest standards of accuracy, effectively minimizing the risk of red flags from payers and significantly decreasing coding-related denials⁷.
- **Billing Process Automation:** The implementation of HL7 integration streamlined the flow of information. Pre-billing exception handling and client communication were migrated to the Imperium platform, which drastically improved billing turnaround times⁹.
- **Financial Transparency:** AIMA instituted a rigorous weekly reconciliation process, matching payments against bank deposits and billing inflow samples to ensure the highest level of confidence and transparency for the client.



The Results : A Dramatic Turnaround in Financial Health

The impact of ALMA's intervention was both immediate and substantial. A comparison of the first ten months of 2024 to the same period in 2025 reveals a significant positive transformation across all key metrics.



Year-Over-Year Financial Comparison

Key Performance Indicator	2024 (Jan-Oct)	2025 (Jan-Oct)	Improvement
Net Collections	\$980,125.59	\$2,212,551.99	+125.7%
Gross Collection Ratio (GCR)	18%	21%	+3%
AR Days	96	46	-52%
Total Charges	\$5,962,480.66	\$10,663,508.41	+76.8%

FINANCIAL GAINS FROM AIMA'S INTERVENTIONS

Increased collections and improved compliance metrics.

Key Achievements in 2025

Massive Growth in Collections: Net collections surged by over 125% to more than \$2.2 million. The average monthly collection jumped from approximately \$90k in 2024 to \$245k in 2025.

Improved Collection Efficiency: The Gross Collection Ratio (GCR) improved from 17% to 21%, a 3% growth that is expected to continue rising. AIMA anticipates achieving a GCR of 24% to 25% by the end of the first quarter of 2026.

Drastic Reduction in AR: Days in AR were cut by more than half, falling from 96 to 46, which is considered a good performance level and is significantly closer to the MGMA standard.

Stable Net Collections Despite Growth: Despite a nearly 79% increase in gross charges, the Net Collection Ratio (NCR) held steady at 55%. This ratio is expected to improve as adjustments are made on the current accounts receivable.



Transforming Financial Health in Pathology Labs

The partnership with ALMA has fundamentally transformed the financial health of the pathology lab. By implementing robust processes, leveraging technology, and focusing on compliance, ALMA delivered measurable improvements in collections and operational efficiency, setting the stage for the lab's sustained financial success.



Thank You

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