

Operational Recovery White Paper: Partner Case Study

Demonstrating how AVA identifies margin leakage, aligns operations to revenue, and produces measurable recovery.

Background: 2-physician, Southeast US-based vascular surgery practice, chronically underperforming due to a combination of labor makeup, scheduling inefficiency, procedure mix, vendor exposure and pipeline conversion

1. Problem Statement: What the Customer Needs to See

Many OBL and ASC owners know labor cost and margin pressure are issues, but they may not have a clear ratio-based framework for diagnosing performance. In this case, market demand and procedural capability existed, but financial performance was unstable because operating costs and procedural production were not consistently managed to revenue.

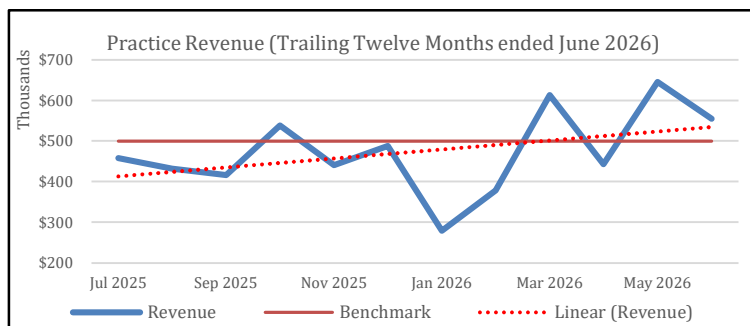
Issue	Metric / Signal
Revenue instability	Consistently below \$500k benchmark (avg. \$420k)
Labor cost misalignment	Labor was above target; quarterly labor cost required a utilization reset
Vendor / A/P exposure	\$633.9K total A/P, including \$187.5K over 90 days (vendor holds create procedural risk)
Scheduling / production gaps	Weekly major/minor case counts were volatile despite available capacity
Case cost visibility	Case costs ~25% of revenue, leaving room for improvement

2. AVA Intervention Framework

AVA's response was not positioned as a single tactic. The recovery plan focused on aligning the center's operating structure to the economics of the business while avoiding disclosure of proprietary execution details.

Intervention Area	Client-Facing Description
Staff utilization / labor alignment	Reduced labor burden and matched staffing more closely to procedural demand
Scheduling / production discipline	Rebuilt procedural block expectations and emphasized major case throughput
Supply-chain optimization	Compared vendors, renegotiated pricing and improved case-cost visibility
Financial / RCM visibility	Tracked A/R, A/P, case cost, production, and EBITDA to guide operating decisions.
Procedure mix diversification	Prioritized higher-value interventions, including PAD, dialysis access, venous disease, and embolic procedure growth supported by DTC marketing.

3. Results Achieved



	Pre-Intervention	Post-Intervention
Metric	Jul '25 – Feb '26	Mar '26 – Jun '26
Revenue (\$000)	\$429k/mo.	\$564k/mo.
EBITDA (\$000)	(\$11k)/mo.	\$71k/mo.
Case Cost (% Rev.)	25.0%	20.1%
Staff Costs (\$000)	\$179k/mo.	\$154k/mo.

4. Forward Plan: Consistent, Replicable Operating Structure

- Sustain revenue recovery through emphasis on higher-value procedures
- Expand GAE and other embolic procedure mix through direct-to-consumer marketing
- Continue to reduce Accounts Payable exposure, ensuring continued vendor support
- Utilize weekly production, case-cost and referral-conversion data to fine-tune operating flow

Bottom line: Many underperforming practices don't need a new market: they need a management system that connects cost structure, procedural mix, referral conversion, scheduling, and real-time data. AVA helps owners identify hidden operating problems, apply disciplined interventions, and measure results through labor ratio, case cost, production volume, A/P exposure, and EBITDA trend.