CASE STUDY
Altru Health System and INTEGRIS Health
Collections Optimization Manager

Clients. Altru Health System and INTEGRIS Health.

Challenge. A rise in the number of self-pay patients and high deductible insurance plans resulted in an increase in the number of accounts with open balances. As a result, Altru Health System and INTEGRIS Health both faced increasing pressure to collect payments to avoid bad debt and sluggish cash flow. This was placing a growing burden on staff to collect outstanding patient payments in a timely manner.

Solution. Experian Health Collections Optimization Manager uses proven analytics to predict post-service payment trends and patterns based on each patient’s likeliness to pay, while also directing patient accounts to the most appropriate collections team at the right time.

Results. Proactively capture outstanding patient balances more efficiently to increase overall timely collections and reduce bad debt.

- Retroactively identifying patients who were qualified to receive charity care or government assistance improved collections for Altru Health System with the identification of more than 4,000 patients representing nearly $2.7 million in revenue.

- INTEGRIS Health experienced an average increase of $400,000 per month in patient balance collections.

Collections Optimization Manager helps hospitals and health systems assess a patient’s unique financial situation and tailor collections strategies accordingly. By segmenting patient accounts, staff can easily direct them to the appropriate team — whether in-house or agency collections. Further, Collections Optimization Manager monitors patient accounts for changes in their ability to pay and provides collections staff with targeted, timely updates enhancing recovery time and improving staff productivity.

The following demonstrates how two different healthcare organizations are leveraging Collections Optimization Manager to streamline staff processes, improve collections and reduce bad debt.

“By leveraging Collections Optimization Manager paired with other Experian Health patient access solutions, we’ve improved our ability to respond to the rise in self-pay.”

— Stan Salwei, Patient Financial Services Manager
Altru Health System
Altru Health System

Altru Health System in Grand Forks, North Dakota, an integrated not-for-profit community health system that includes a 262-bed acute care hospital and 20 outpatient clinics.

“Self-pay volume just kept increasing for true self-pay and self-pay after insurance and started coming dangerously close to growing out of control,” says Stan Salwei, Patient Financial Services Manager at Altru Health System.

Altru Health System selected Collections Optimization Manager to better manage self-pay accounts through data-enriched segmentation. Using financial background and behavioral data, Collections Optimization Manager utilizes algorithms to create weighted scores that illustrate patient payment ability and probability. Those scores can then be segmented into categories, ranging from high to low, that determine which patients are most in need of custom payment arrangements. In addition, this highlights the appropriate priority level related to an account so that staff can more effectively manage and work each one.

Altru Health System’s financial services staff then use this detailed segmentation strategy, which was built by analyzing a number of custom variables unique to the health system. With this approach, that is backed by data and analytics, the health system secures the business intelligence needed to predict a patient’s likelihood to pay a balance.

In addition, Altru Health System was able to revamp its internal collections strategy to more effectively provide financial solutions for its patients in an ethical and compassionate manner. Through a more focused approach that better leverages the health system’s limited resources, Altru Health System realized a 114 percent increase in collections. Most of this increase came from the higher propensity to pay segments that Experian Health identified.

When paired with other aspects of the solution, like Medicaid screening, Altru Health System was able to properly identify accounts eligible for Medicaid. This ensured patients who were Medicaid eligible were not forwarded for collection activity, and that their insurance was billed in a timely manner to avoid past due claim filing denials.

Within 10 months of implementing this process, the health system identified more than 4,000 accounts representing nearly $2.7 million for assistance — helping reduce days in accounts receivable, obtain Medicaid reimbursement for the insurance filings and reduce bad debt write offs.

“Partnering with Experian Health has allowed us to be an advocate for our patients while also protecting the bottom line,” Salwei says.

INTEGRIS Health

INTEGRIS Health, Oklahoma’s largest health system, operates 16 hospitals and has 2,500 affiliated physicians statewide. Recently, a steady rise in patient payment responsibility began taking its toll on the organization.

“Growing patient responsibility has posed a significant challenge for our billing and collections staff,” says Greg Meyers, System Vice President of Revenue Integrity at INTEGRIS Health. “Our initial attempt to use another vendor’s software to improve collections on self-pay balances returned only lackluster results.”

INTEGRIS Health selected Collections Optimization Manager to help address these needs.

With Collections Optimization Manager, INTEGRIS Health has discovered how to more effectively align collections strategies to unique patient situations. Before, many patient accounts were sent to collections, driving up bad debt-related expenses. Now, based on the analytics provided by Collections Optimization Manager, the tone and timing of client letters and scripts have been altered to generate better results for the organization’s collections campaigns.

The analytical segmentation models within Collections Optimization Manager use precise algorithms that reveal, for example, those patients who likely are eligible for charity services, those who might prefer to pay in full at a discount, or those who might benefit from structured installment payments.

Based upon the adoption of these detailed analytics, INTEGRIS Health has experienced an average increase of $400,000 per month in patient balance collections. In addition, more than 99 percent of patient accounts currently are managed in-house, and collection agency fees have been reduced on average by $80,000 to $100,000 per month.

“The financial benefits to the health system are matched by the benefits to our patients. We no longer have to lose revenue potentially earmarked for patient care, and patients can more easily receive financial options tailored to their needs.”

— Greg Meyers, System Vice President of Revenue Integrity

INTEGRIS Health