



University of Alabama Health Services Foundation

“With Experian Health, our practice has been able to streamline administrative processes and improve workflow while maximizing reimbursement opportunities.”

— Tannis McCombs, Manager of Pre-Arrival Services, University of Alabama Health Services Foundation

Client. Birmingham, Ala.-based multi-specialty academic practice with more than 800 physicians.

Challenge/Objective. Automating patient insurance and benefits verification to increase time-of-service collections; reducing claim rejections and denials; and streamlining contract management and analysis processes.

Resolution. Experian Health Passport Eligibility electronically gathers patient co-pay, benefit and deductible information while also facilitating the matching of self-pay patients against Medicare and Medicaid databases to identify additional reimbursement opportunities; Experian Health Contract Manager and Analysis verify payer compliance with contract terms, values claims, audits remittance and assesses the financial implications of new and proposed contracts based on the latest payment rules and adjudication logic.

Results. Over time have realized a 30 percent increase in registration accuracy; 40 percent increase in front-end, co-pay collections; and 30 percent decrease in referral and precertification rejections. Average \$1 million in recovered underpayments annually and earned a one-time, \$5 million bulk settlement.

University of Alabama Health Services Foundation automates insurance verification and contract management processes with Experian Health

“With Experian Health, we have been able to dramatically increase staff productivity.”

Client

In 2003, University of Alabama Health Services Foundation realized that its method of verifying eligibility was becoming increasingly time-consuming and was no longer able to keep up with the needs of the

expanding practice. In addition, since the practice was only verifying eligibility and not benefits information, it was missing out on potential revenue opportunities and was more susceptible to denials and claim rejections.

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“We had developed a homegrown eligibility verification solution, which served us well initially but was labor intensive and didn’t integrate with our practice management system,” says Tannis McCombs, Manager of Pre-Arrival Services at University of Alabama Health Services Foundation. While meeting the staff’s basic needs, the solution limited insurance and benefits verification efforts to three of the practice’s largest payers. “We knew we could collect more revenue at the time of service and that we had only scratched the tip of the iceberg in regard to self-pay patients.”

The practice’s approach to managing its payer contracts was equally time-consuming, making it a challenge to identify potential payment variances or evaluate how proposed contracts terms could influence reimbursement.

“While we were utilizing a module within our practice management system to assist our contract management efforts, the process was still very manual,” says Nicole Halbrooks, Senior Manager of Reimbursement and Compliance at University of Alabama Health Services Foundation. “We knew there had to be a simpler method.”

Challenge/Objective

To streamline these processes, University of Alabama Health Services Foundation first began searching for an automated eligibility solution. Because the practice wanted the ability to perform real-time verification, it was important that the product selected integrate with the group’s practice management system. They also wanted a solution that would enable them to increase up-front collections and improve cash flow.

“Our goal was to have every account verified well in advance of the patient’s arrival at our facility,” says McCombs. “We knew this was integral to achieving our primary goals of increasing collections and reducing rejected claims.”

From a contract management perspective, the practice sought a system with the functionality needed to effectively value claims for services provided both in physician offices and at ambulatory surgical centers.

Resolution

After evaluating several options, University of Alabama Health Services Foundation selected Passport Eligibility. The ability to customize the system and verify data via both batch and real-time processing were key factors in the practice’s decision.

“When a patient makes an appointment, our staff can perform real-time insurance verification while the patient is on the phone,” says McCombs. “By the time the patient arrives for his appointment, our pre-arrival team has already entered all demographic and insurance information.” In the case of established patients who haven’t had changes in insurance, records are submitted electronically for batch verification.

For University of Alabama Health Services Foundation, the biggest improvement has been the ability to identify ineligible patients prior to the time of service. “In years past, we wouldn’t realize someone was ineligible until we received a claims rejection,” says McCombs. “Since utilizing the eligibility product, we know right away a patient’s eligibility status, which allows us to contact

the patient directly to discuss options well in advance of the appointment date.”

In 2008, the practice further streamlined revenue cycle processes with Contract Manager. “As soon as we saw the demo, we knew it was the right system for us,” says Halbrooks. With the practice’s payer contracts loaded into the system, staff can now easily validate the accuracy of its reimbursement for services rendered and identify any payment variances.

“Prior to the implementation, we focused our appeals on targeted reviews rather than working all of the claims data,” explains Halbrooks. “Now that Contract Manager is in place, we no longer face these limitations and are able to know the status of all of our appeals with the push of a button.”

Once the practice was comfortable with the automated contract management process, it expanded its use of the system to include Contract Analysis in 2010. By using the analytical data to assess how new and proposed contract terms would affect payment, University of Alabama Health Services was able to identify a site-of-service reduction with one payer that would mean a significant financial loss. After compiling the necessary data and sharing it with the payer, the practice was able to secure a one-time bulk payment of \$5 million.

“Without Contract Analysis, it would not have been easy for us to uncover this payment issue, and it would have taken months to pull all of the data,” says Halbrooks. “Having this tool enabled us to quantify exactly how much this change would impact the bottom line.”

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Experian Health increases front-end, co-pay collections by 40 percent with Passport Eligibility and adds \$1 million annually with Contract Manager

University of Alabama Health Services Foundation:

June 2008–January 2012

Recoveries from successful appeals:

\$3,654,246

Annual underallowance variance rate:

3.6 percent

Results

University of Alabama Health Services Foundation sees Passport Eligibility and Contract Manager and Analysis as valuable tools for improving efficiency and streamlining workflow. “Our staff is able to verify eligibility and validate reimbursement for thousands of transactions, which translates to improved financial performance as well as increased productivity,” adds McCombs.

“Patients are more prepared as they are made aware of their financial responsibilities,” states McCombs. “This directly contributed to a 40 percent increase in up-front collections. We also realized, as a by-product, an increase in patient and employee satisfaction. Patients were more informed and the pre-arrival staff was empowered by having the right information literally at their fingertips.”

In addition, referral and precertification related rejections decreased by 30 percent. University of Alabama Health Services Foundation has also identified additional reimbursement opportunities by matching its self-pay patients against Medicaid and Medicare databases. As a result of these efforts, the practice found coverage for 14 percent of its self-pay patients through Medicare and Medicaid.

Contract Manager and Analysis further strengthen the bottom line by enabling staff to identify contractual underpayments, facilitate the appeals process and negotiate more favorable contract terms. “There’s more value in Contract Manager and Analysis than you can show in dollars,” says Halbrooks. “Knowing what proposed terms will mean for your reimbursement has been incredibly beneficial.”