



University Physicians – University of Missouri, Columbia

“Everything is much easier to access with Experian Health. We no longer have to dig through pages of contracts, and we can quickly determine what our payments should be.”

— Herb Stanley, Associate Director, Financial Services, University Physicians

Client. Academic faculty practice plan for the University of Missouri School of Medicine with 545 physicians.

Challenge/Objective. Manual, labor-intensive process for identifying payment variances made it difficult to recover revenue lost to contractual underpayments; lack of historical claims data hindered contract negotiations with payers; and time-consuming insurance and benefits verification methods prevented staff from checking patient eligibility status for primary care locations.

Resolution. Experian Health’s revenue cycle technologies and consultative services streamlined payer contract management and insurance eligibility and benefits verification processes, resulting in increased efficiency and revenue.

Results. Added \$3.2 million to the bottom line over 7 years; achieved 82 percent recovery rate for underpaid claims; and reduced eligibility-related denials.

Academic medical group enhances payer compliance monitoring and accelerates reimbursement with Experian Health

“We can quickly verify patient eligibility and benefits prior to the time of service and then validate if the reimbursement we receive complies with contract terms.”

Client

When University Physicians took a close look at its reimbursement, the multi-specialty group discovered that payers were not always abiding by contract terms. Staff members did their best to uncover payment errors and enforce compliance, but the group’s administration felt they could recover more revenue with the help of automation. “We had to sort through boxes full of reports sorted by CPT code,”

says Herb Stanley, Associate Director of Financial Services at University Physicians. “It was extremely labor intensive and we did not have the information we needed about each contract.”

In addition, the practice struggled with its time-consuming approach to eligibility and benefits verification. While University Physicians did utilize some automation to help streamline the process, staff

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still had to make phone calls or search payer websites on a regular basis. With an extremely high volume of patient appointments to manage, practice staff was only able to preverify eligibility and benefits coverage for patient visits at the organization's specialty clinics.

Challenge/Objective

University Physicians quickly took action. Its executive director spearheaded the search for a solution, and representatives from patient accounts managed care fee analysis and information systems began investigating possible options. From the outset, the committee's main criteria for a contract management system were ease of use and maintenance, compatibility with the group's practice management system, proven success with identifying claim underpayments and the capability to produce data needed during contract negotiations.

On the eligibility side, University Physicians sought a tool that would allow staff to work by exception so the practice could expand its centralized preverification efforts to include primary care without having to increase headcount.

Resolution

After conducting its due diligence, University Physicians reviewed three vendors and ultimately selected Experian Health. "For us, having to model our contracts was the overwhelming factor," says Stanley. "We liked the fact that Experian Health would handle the contract definition and loading process for multiple contracts in a short timeframe and maintain the information on an ongoing basis."

When University Physicians went live with Experian Health Contract Manager and Analysis in March 2004, the practice was able to broaden the scope of its existing efforts. "We can accomplish a lot more with Experian Health — it makes everyone's job easier," says Stanley. "We can even identify registration and posting errors. By working with the respective managers, we were able to better train staff about these issues."

Today, University Physicians has 22 contracts loaded and being monitored in Contract Manager, representing about 85 percent of the group's total claims volume. Experian Health's contract analysts regularly update fee schedules and payment policies stored in the application, enabling University Physicians to better track payer performance and monitor the accuracy of its reimbursement. "If we renegotiate a contract and the payer does not load the fee schedule properly, we can catch and correct that more quickly with Experian Health," says Stanley. "When underpayments are identified, the application provides contract-based explanations for each variance, resulting in streamlined communications with payers."

In addition to using the product for comparing payments received against contract terms, University Physicians taps data stored in Contract Manager and Analysis to rate modeling and fee settings. It also utilizes the undercharge report feature to determine when charges fall below the contract maximum and quickly corrects the issue. The combination of these tools has resulted in improved revenue cycle management across the organization.

"Everything is much easier to access with Experian Health," Stanley says. "By looking at payment trends, we can easily discern which contracts to renew and which to renegotiate. With this data in hand, we finally have the peace of mind that we're getting paid what we're owed — a key benefit for administrators and clinicians alike."

In 2010, University Physicians took another important step toward optimizing its financial performance with the addition of Experian Health Passport Eligibility. With the tool in place, the practice is able to preverify patients' insurance eligibility and gather the latest co-pay, benefit and deductible information for both specialty and primary care locations.

"We've gained a tremendous amount of efficiency with Passport Eligibility," says Deborah Harvey, Assistant Director for University Physicians Patient Access and Registration Services. "Aside from expanding our preverification efforts to include primary care clinics, we've also been able to conduct eligibility checks for our cancer center without hiring any additional staff."

The reporting capabilities available in Passport Eligibility have proven to be a valuable asset as well. When a specific area of the practice requests information about how claims are performing, staff can easily generate a snapshot of various key performance indicators for that particular line of business, benchmark it against historical data or compare it to how things are trending across the entire organization.

**Experian Health adds more than
\$3.2 million over 7 years**

University Physicians:

March 2004–December 2011

Recoveries from successful
appeals:

\$3,292,931

Annual underallowance variance
rate:

2 percent

Results

Since implementing Contract Manager and Analysis, University Physicians has:

- Appealed and recovered more than \$3.2 million
- Achieved an 82 percent recovery rate for underpaid claims
- Minimized registration and posting errors
- Analyzed overall payer performance and identified payment trends
- Negotiated better contracts based on historical mix of services

Passport Eligibility further enhances revenue cycle processes by decreasing denials, eliminating costly rework and expediting payment. After one year of use, University Physicians reduced its eligibility-related denial rate by 3 percent, from 8.2 percent down to 5.2 percent. A short while later, the percentage of claims denied on first submission reached 3.25 percent, an achievement the practice views with a feeling of pride. "When you are able to effectively verify insurance eligibility and benefits data, the end result is so much cleaner," says Harvey.