

And then there were four: how to simplify the patient collections game

Client success story



The most important thing for me is that Collections Optimization Manager takes my agency strategy and my collection methodology and provides the automation and reporting that I need.

— Peter Troia, Collections Manager, Advocate Aurora Healthcare

Problem

Self-pay portions of healthcare bills now amount to approximately 30 percent of the total healthcare bill, compelling providers to focus more heavily on patient collections. Furthermore, it's estimated that providers collect only one-third of patient balances greater than \$200, with the balance being sent to collections or written off as bad debt. Advocate Aurora Healthcare realized it needed a patient collections strategy that would not only streamline its approach to patient collections, but also optimize collections from account creation to zero balance.

Solution

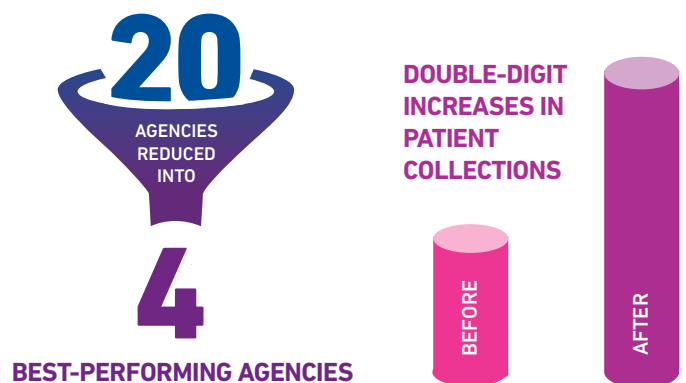
The Patient Collections team at Advocate Aurora Healthcare was overwhelmed. The team realized they were trying to manage the performance of 20 collections agencies and wanted to reduce that number. They implemented Collections Optimization Manager to get an apples-to-apples comparison of agency performance so they could identify their top-performing agencies. They also needed a tool that would allow them to use segmentation and propensity-to-pay models on all accounts to get them to the right team at the right time.

Collections Optimization Manager is an end-to-end, data analytics-driven, self-pay receivables management service that determines a patient's propensity to pay, scrubs accounts to remove uncollectable accounts, determines possible charity accounts, and monitors for changes in a patient's ability to pay. The product also provides access to in-depth reporting, benchmarking tools, and agency management that deliver actionable insights into how to optimize processes, forecast future performance and improve financial outcomes.

Results

Collections Optimization Manager enabled Advocate Aurora Healthcare to compare internal collections performance with the performance of outside agencies. The Collections team could now **reduce 20 agencies to only four agencies that had the best performance.**

Collections Optimization Manager also helped them with account movement, from active accounts receivable status to bad-debt status, and provided insights on when to move an account from one agency to a secondary placement agency. Lastly, the tool ensured that the right agencies were working accounts thoroughly. Each year, Advocate Aurora Healthcare has achieved **double-digit increases in patient collections by using Collections Optimization Manager.**



About Advocate Aurora Healthcare

- Top 10 not-for-profit health system
- 3,300+ employed physicians
- 4,800+ aligned physician partners
- 27 hospitals
- 500 outpatient locations
- 70,000 employees
- 2.7 million unique patients
- Nearly \$2 billion community benefits in 2016