

Simi Valley Hospital Reaches 135 Percent of Point-of-Service Cash Collections Goal with MedeAnalytics' Patient Access Intelligence



Notwithstanding decreased reimbursement rates and rising patient responsibilities, Simi Valley Hospital has increased point-of-service cash collections while improving patient satisfaction, thanks to MedeAnalytics' Patient Access Intelligence solution.

About Simi Valley Hospital

Founded in 1965, Simi Valley Hospital is a faith-based medical center founded on the health and wellness principles of the Seventh-Day Adventist Church. Today, with 201 beds, 5,800 admissions and 75,000 outpatient visits annually, Simi Valley Hospital provides care to Simi Valley and surrounding Southern California communities. Despite its humble beginnings 40 years ago, Simi Valley Hospital now sets a standard for technology adoption to further its vision of progress and growth while providing compassionate care.

MEDEANALYTICS[®]

MEASURE. MANAGE. LEAD.

Management turned to MedeAnalytics because of its consultative methods and sincere business partner approach that offers complete customization.

Challenge

Historically, registrars at Simi Valley Hospital relied on a manual, unsystematic process to determine a patient's financial responsibility. After reviewing a patient's records and calling insurance companies to determine copays and deductibles, registrars would offer an inexact estimate that left both patient and registrar feeling apprehensive.

As a result, the hospital had difficulty meeting its goals for point-of-service cash collection. Yet management recognized that the chances of collecting the patient's responsibility plummet by as much as 40 percent once the patient leaves the facility.

And with no systematic process in place, patient registrars found themselves at the whim of phone calls with insurance companies and manual processes that affected their efficiency and productivity. In fact, research shows that the average patient access staff member uses as many as 10 different systems, and the process of registering and financially clearing a patient can take more than five hours.¹

Simi Valley Hospital realized that it could overcome these challenges with a software solution that drives front-end process improvements. Rejecting vendors that offered little more than "cookie-cutter" software, management turned to MedeAnalytics because of its consultative methods and sincere business partner approach that offers complete customization.

Solution

In July 2010, Simi Valley Hospital implemented MedeAnalytics' Patient Access Intelligence (PAI) as an integrated, comprehensive solution to improve efficiency, accuracy, cash collections and patient satisfaction at the front end of the revenue cycle.

Credible patient estimates increase cash flow

Recognizing that inexact patient estimates were at the heart of its challenges, Simi Valley Hospital uses MedeAnalytics' PAI as an easy, systematic approach to generating credible, comprehensive estimates of what its services will cost.

"Now, after our registrars put in a code, the system pings the insurance company in real time and shoots out an estimate that includes copays, how much of the deductible has been met and the total charge for the procedure," said Jon Giese, chief financial officer of the hospital.

Such detailed estimates eliminate much of the apprehension patients might have and make them much more likely to pay their financial responsibility before they even enter the doors of the hospital. And while a reliable patient estimate is the first step in improving front-end cash flow, it also goes a long way toward improving the overall patient experience.

Point-of-service workflow drives process improvements

In addition to increasing cash flow, Simi Valley Hospital sought to improve efficiency and productivity in the patient access process. Now registrars are able to create patient estimates with a few clicks and significantly reduce the volume of phone calls with insurance companies.

"Our registrars were excited and thanked us for providing a solution that makes them feel confident in their interactions with patients," said Giese.

Registrars also use PAI to verify demographic information, such as the patient's address and Social Security number. This improves processing and any payment collection that happens on the back end of the revenue cycle.

What's more, Giese appreciates the speed at which the system was implemented. "I was surprised by how easy it was," he said. "We trained the staff and had them up and running in a matter of days."

While a reliable patient estimate is the first step in improving front-end cash flow, it goes a long way toward improving the overall patient experience.

1. MedeAnalytics market research, Oct. 2009.

“We collect approximately 15 to 20 percent more per month [on the front end] than in previous years.”

Jon Giese
CFO, Simi Valley Hospital

Patient satisfaction improves business

With a significant portion of the hospital's affluent population seeking elective procedures, Giese recognizes that healthcare is a business. As a result of the process improvements PAI provides, Simi Valley Hospital sees the potential for an increase in business.

“PAI will prove to be an advantage from a business perspective,” said Giese. “When patients are shopping around, we can give them an accurate estimate within minutes.”

And with an efficient front-end process that boosts patient satisfaction, Giese sees value from an image and patient relations standpoint. “We are the face of the hospital,” he said. “We can make or break our relationship with patients.”

Comprehensive solution touches every point of the revenue cycle

While its implementation of PAI was relatively recent, Simi Valley Hospital has used MedeAnalytics on the back end for many years. Revenue Cycle Intelligence enables management to determine which self-pay patients have a higher propensity to pay, so the hospital can collect on the accounts in-house rather than pay collection agency fees.

“We use the system to monitor accounts and payers, receive alerts and generate reports to respond to inquiries from corporate,” said Bob Ondrizek, patient financial services director, Simi Valley Hospital. “Rather than relying on complex Excel® spreadsheets, we get the information we need with a few clicks. It's very easy to generate and share reports.”

Providing such transparency on both ends of the revenue cycle, MedeAnalytics offers an end-to-end solution that gives management better control over the hospital's financial position.

Results

Since it implemented MedeAnalytics, Simi Valley Hospital has achieved “hard-dollar” improvements at several points in the revenue cycle.

On the front end, patients are more likely to pay, thanks to detailed patient estimates that give them confidence in their financial responsibility. “Since we implemented PAI, we've seen a nice increase in cash flow,” said Giese. “We collect approximately 15 to 20 percent more per month than in previous years.”

In fact, for the month of January 2011, the hospital reached more than 135 percent of its goal of collecting 1.5 percent of net revenue on the front end.

And thanks to the efficiencies gained, Simi Valley Hospital now preregisters 100 percent of its patients.

With Revenue Cycle Intelligence on the back end, Simi Valley Hospital has cut its collection agency expenses in half. “By collecting on certain accounts ourselves, we not only have better control over our accounts, but we improve patient satisfaction and save on collection agency fees,” said Ondrizek.

Just as important as the dollar savings the hospital has achieved is the customer service that MedeAnalytics offers. “The customer service we receive is just superb. They aren't just selling a solution. They are selling a solution with service,” said Giese.

“It inspires confidence to know that we are working with a company that cares so much that they would develop new ways of doing business in a changing market,” said Giese. “Rather than selling us a canned product, MedeAnalytics helps us find new and innovative ways to achieve our goals. I feel like I have a consulting firm at my disposal. They are a real partner in this with us.”

About MedeAnalytics

Founded in 1994, MedeAnalytics delivers performance management solutions across the healthcare system—including hospitals, physician practices and payers—to ensure accountability and improve financial, operational and clinical outcomes. For more information about MedeAnalytics' Patient Access Intelligence solution, visit www.medeanalytics.com/pai.

