



Medical Billing Services



CASE STUDY

The Confidence to Change

How A Retro Review of Past Accounts Receivable Claims and a New Approach to Medical Billing Saved One HealthCare System Over \$2 Million

A large *Health System* with an integrated healthcare delivery system providing a full continuum of healthcare services, ranging from acute-care hospitals to a broad spectrum of outpatient and wellness programs.

BUSINESS CHALLENGE

When one of the outpatient program directors within the *Health System* was informed that their program was losing money and in danger of being scaled back or even shutdown the director began a fact finding quest to prove or disprove the financial concerns raised.

Like many other health systems across the country, they struggled with a large volume of aging claims and high accounts receivable. At the root of the problem, was an outdated practice management system, which included manual processes prone to errors and administrative lag. With the *Health System* staff already busy working current receivables, the cash potential of these older accounts remained untapped.

Committed to forging a new path, the director became impatient with the explanations given by the in-house medical billing staff as to why collections were not up to the same standards as similar programs in the area and frustrated with the process because she was spending more time trying to figure out the problems with billing, insurance regulations, contracts and collections than she was able to spend with patients.

Health System Profile:

- 4073 employees
- 900 Physicians
- 3 Hospitals, 621 beds locations throughout Northeast US

The Challenges:

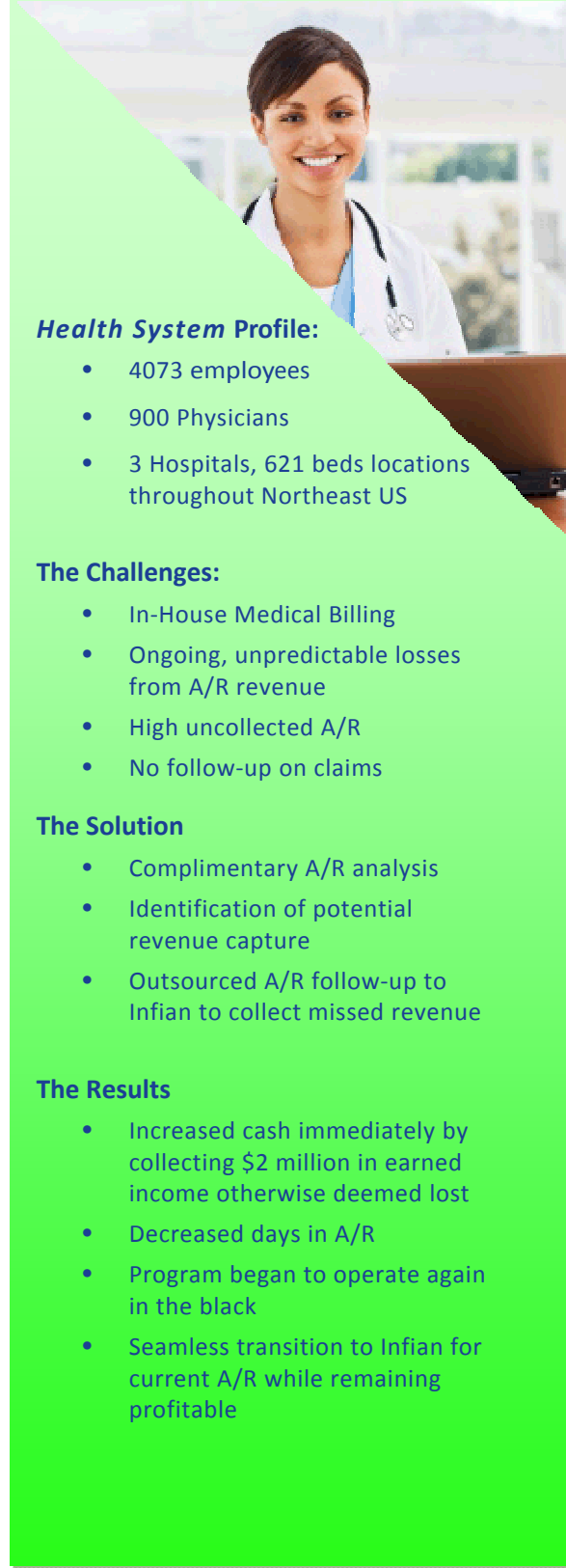
- In-House Medical Billing
- Ongoing, unpredictable losses from A/R revenue
- High uncollected A/R
- No follow-up on claims

The Solution

- Complimentary A/R analysis
- Identification of potential revenue capture
- Outsourced A/R follow-up to Infian to collect missed revenue

The Results

- Increased cash immediately by collecting \$2 million in earned income otherwise deemed lost
- Decreased days in A/R
- Program began to operate again in the black
- Seamless transition to Infian for current A/R while remaining profitable



SOLUTION

Eager to strengthen her position that based on the services rendered in the outpatient setting that there was additional money to be collected, she went to the top and got approval for an external claim audit. The outpatient program director turned to Infian for help. Infian has more than two decades of demonstrated success helping healthcare organizations improve their cash flow.

The first step – Infian provided a full claims audit of eighteen months’ of outpatient claims including some of which had already been paid, some that were denied or rejected and some that were left unpaid. The full claims audit consisted of auditing the healthcare claims using the clinical documentation, reviewing claim payments, and providing a high-level executive summary of the findings back to her and the *Health System* revenue cycle management team.

RESULTS

The audit results proved that there was an estimated \$2+ million dollars in potentially lost revenue. A decision was made to transition the eighteen months of old accounts receivables to Infian. Within six months Infian had collected the majority of the \$2 million with a plan in place to collect the remaining revenue.

Another key element of this was a decision made to transition all of the outpatient medical billing for this program to Infian going forward.

Results from Infian Outsourced Billing Services

Infian Collections	Health System Collections	Increase in Collections	Health System Payment per Treatment	Infian Payment per Treatment
\$13,461,639	\$11,000,370	22.37% ↑	\$293.78	\$323.72

Infian Monthly Collections	Health System Monthly Collections	Month	Health System Payment per Treatment	Infian Payment per Treatment
\$1,495,725.30	\$51,176.06	1	\$187.91	\$332.17
\$1,500,181.74	\$1,391,030.40	2	\$315.95	\$321.37
\$1,525,615.14	\$1,462,637.55	3	\$302.79	\$337.02
\$1,470,418.06	\$1,418,235.85	4	\$317.55	\$310.86
\$1,505,396.72	\$1,484,530.71	5	\$292.18	\$310.03
\$1,469,966.42	\$1,432,781.81	6	\$292.27	\$314.16
\$1,521,872.83	\$1,390,668.50	7	\$297.17	\$343.79
\$1,528,159.46	\$1,271,335.75	8	\$326.92	\$327.96
\$1,444,302.94	\$1,097,973.56	9	\$311.32	\$316.10

Not only was the company able to recoup over \$2,000,000... they saw an immediate improvement in the management of their cash flow.

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