



Impact of Communication Management on Reducing Denials A Case Study of a Large Primary Care Facility

Note: Because of the proprietary nature of the data presented in this report, the subject has asked that its anonymity be preserved.

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Challenge of Payer Communications

In 2001, a primary care facility with nearly 900 beds launched an effort to improve the efficiency and productivity of patient access staff. The objective was to reduce the time the staff members spent securing authorizations and pre-certifications, while decreasing insurance denials and improving communication with payers.

This report examines the success of this effort, with particular emphasis on the role of the VoiCert communication management system in reducing denials.

Communication Management Solution

In December 2001, the hospital implemented the VoiCert communication management system developed by The White Stone Group, Knoxville, Tenn. The system serves as a tool to improve efficiency and productivity of patient access staff by automating and tracking routine communication events such as authorizations and pre-certifications required by managed care providers.

The software automates the delivery of telephonic authorization requests, prompting users for the specific demographic information required by each payer and automatically returning the payer's response. The system has been shown to reduce a typical 30-minute call to a three-minute automated transaction, digitally recording and indexing each call by patient ID for later retrieval in a web-based tracking system. As a result, the hospital saves significant revenue through reduced denials and gains efficiency through reduced hold times.

This case examines the hospital's experiences in the five years since it first adopted the VoiCert system including:

- Measurable return on staff time savings
- Measurable return on investment through reduced denials
- Improved management of communication

Implementation

A significant factor in the hospital's decision to purchase VoiCert, according to a System Applications Specialist in Patient Access, was that the product was user friendly and did not require extensive training. From a product use standpoint, the benefit of eliminating call hold times while digitally recording and indexing the calls for later retrieval was invaluable.

The VoiCert server was installed in the hospital's data center with telephone lines connecting it to the hospital's phone system. On-site training from the vendor focused on key users, department managers, and a product administrator at the hospital. Post-training follow-up included an assessment of use patterns, trend analysis of

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periodic utilization reports, verification of appropriate documentation, and recommendations for using data in the appeals process. Vendor support was also provided in determining the appropriate prompts to load into the system for each payer.

Time Savings

Prior to the implementation of VoiCert, staff spent as much as an hour waiting on a payer to provide a precert. Patient Access specialists reported regular hold times of 20 to 45 minutes. Staff members were also limited to conducting transactions during the payer's business hours.

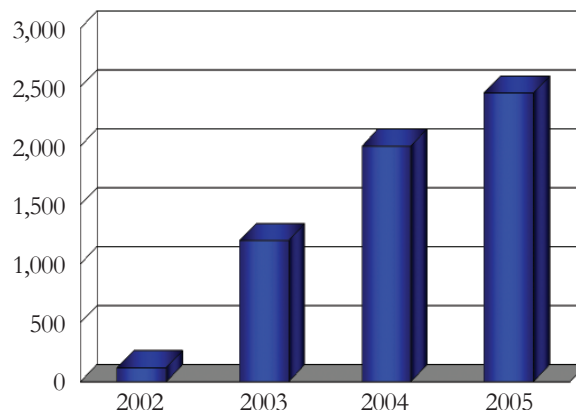
While several payers offered web-based solutions for pre-certifications, these were deemed unmanageable with each site requiring a unique password for every user that must be updated every 90 days. These transactions also often resulted in miscommunication about the payer's notification requirements. As a result, the Patient Access team began to consider a voice-based technology as an alternative.

After implementing VoiCert, users were able to consistently collapse a typical 15-to-30 minute phone-based transaction into a three-to-five minute automated process. By automating and permanently recording payer conversations conducted by telephone, VoiCert eliminated hold times and provided proof of communication without modifying the hospital's existing process for conducting pre-certifications.

Because the system is operable 24/7, staff can complete automated calls during off hours to streamline workflow and avoid bottlenecks after weekends or holidays. VoiCert calls are completed in the morning and late night hours to reduce call volume and allow more time for patient interaction during the day.

Due to the reduction in time spent on phone-based transactions after implementing VoiCert, the hospital was able to rearrange its staff, shifting manpower to other necessary functions. Since December 2001, the hospital has saved nearly 2,600 hours in hold time alone as demonstrated in the chart below.

Cumulative Hours Saved with VoiCert Since Implementation (Dec. 2001)



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Reducing Denials

In addition to time savings, the hospital was also able to shorten the denial resolution process by using archived voice data as evidence of a patient's authorization for care. Prior to documentation of phone conversations, claims were often denied because payers did not have record of a phone call or said that they were notified too late. In a single month, the hospital showed a loss of approximately \$300,000 in potential net revenue due to lack of documentation.

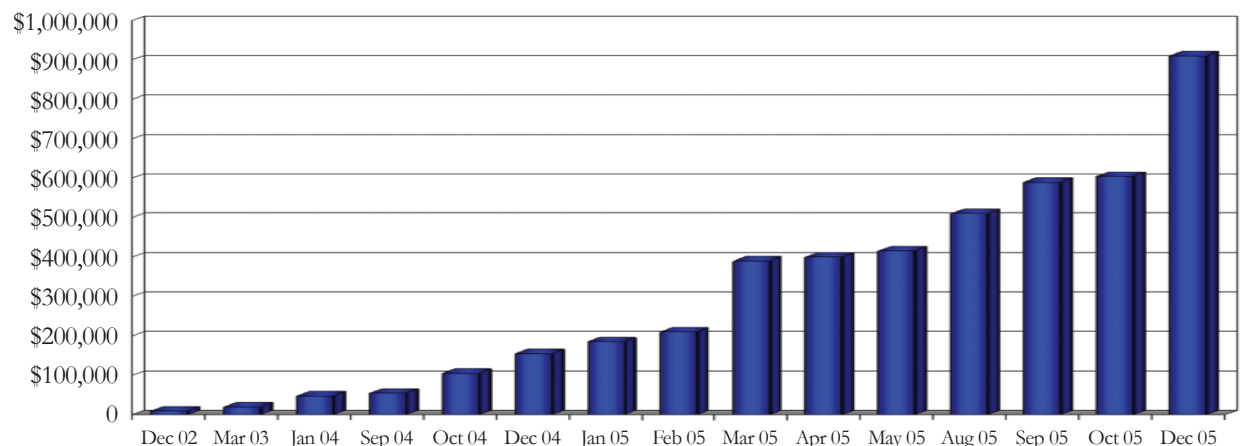
VoiCert captures voice data from each transaction and stores it on a secure server, indexing it to a patient ID. Using the Tracker function, the data can be easily searched and retrieved to resolve denied claims disputes, accelerate revenue recovery and simplify denials management. In many cases, the hospital played the recorded conversation for the payer's appeals manager to provide evidence of the call's accuracy, eliminating a lengthy documentation process and expediting payment of the denied claim.

"The web-based VoiCert Tracker helps to simplify the process of resolving billing disputes by allowing the user quick access to digital voice files," said a Systems Applications Specialist. "Without VoiCert, we would probably have missed a significant number of the critical, high dollar cases."

Tracker helps resolve payment disputes by providing an accurate, indisputable record of each transaction. In addition, notes and index numbers (patient ID or account number) can be added to transaction records for quick retrieval.

Since December 2001, the hospital has used the VoiCert system to overturn more than \$958,080 in denied claims. Based on the hospital's investment of approximately \$287,000 in the system, they've experienced a 334 percent return on investment to date. See chart below.

Cumulative Denials Overturned with VoiCert Since Implementation (Dec. 2001)



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Improving Communication

Beyond the reduction in staff time and the overturning of denied claims, VoiCert has also provided a credible source of information to help resolve payment disputes more quickly, significantly improving the relationship between providers and payers. The system reduces administrative inefficiencies for both parties by delivering demographic information in the order and format payers have requested and making it easy to enter and replay phone calls when needed.

In addition to the automated call application, the hospital has also implemented a monitored call feature that records live outbound calls to any payer for any type of transaction. As with the VoiCert automated call function, the call is recorded with a date and time stamp for retrieval and verification of the conversation. PC Call, another VoiCert feature, is also used to connect the telephone and PC, providing a graphical PC-based interface to index any inbound or outbound call.

In addition to provider/payer calls, the hospital can use VoiCert to record, index and retrieve any phone call – inbound or outbound – for accountability and quality control in financial and service commitments such as collections, scheduling or customer service.

Future Implications

The hospital has seen a clear savings in time, efficiency and overturned denials using VoiCert, proving that automating the process of securing and tracking authorization data can generate substantial financial benefits for hospitals in recovering lost revenue. As a result, the solution is now being rolled out at other hospitals within the health system.

Under the direction of the hospital's denials manager, the denials department now produces reports demonstrating revenue recovered through VoiCert and the potential to recover additional revenue by increasing use of VoiCert to overturn denied claims.

As a result, Access Management has mandated the use of VoiCert for any participating payer, significantly increasing usage. Weekly reports allow management to conduct usage and quality checks of VoiCert calls, and each staff member now conducts an average of 40 precerts a day.

“If a process change needs to be made to reduce denials, it will be done – period,” said the hospital's denials manager. “We use this solution because it is a win-win situation for us.”

In 2007, the hospital will install a new denials database that will automatically flag accounts that have been resolved as a result of VoiCert. The new system will demonstrate with even greater accuracy the revenue recovered by the hospital through the implementation of VoiCert.



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The hospital is also evaluating FaxCert and PixCert, two additional products in The White Stone Group's suite of communication management solutions that capture and index transactions conducted by fax, web or electronic means. These applications address the new and existing communication methods that increasingly expose hospitals to varying procedural requirements and thusly claim and reimbursement denial.

They can also assist in discharge planning, scheduling and management of physician orders.