
HEALTHCARE SYSTEM REDUCES WRITE OFFS BY 18% IN 12 MONTHS



The Challenge

A healthcare system on the East Coast set out to improve its inpatient revenue cycle. The organization knew it had to address its increasing rate of denials and find a way to capture revenue tied up in bill holds and write-offs. They suspected that inefficient coding and billing processes were causing errors in claims and knew that problems with medical necessity review were triggering extensive rework and write-offs. The setbacks impacted cash flow drastically, resulting in uncollected and/or unrecoverable A/R. They had an increase in their days in A/R and there was an obvious impact on revenue. In need of assistance, the healthcare system partnered with 3Gen to help reduce days in A/R, improve cost efficiency and accelerate cash flow.

The Solution

3Gen analyzed the existing claims process and examined each functional step of the revenue cycle to uncover duplication, non-value-added steps and system bottlenecks. Once the problem areas were identified, we assisted the healthcare system in expediting billing and reducing A/R days by designing a new, streamlined workflow process for them.

Our dedicated transition team identified trends in denials and common mistakes in the billing and posting processes. Then a team, along with an account manager, was assigned to the project to carry out the improved billing process. We successfully helped the client meet their goals of achieving sustainable A/R levels and improving cash flow. The client has decided to make the team's niche role – as hybrid commercial collections and billing analysts – a dedicated payment review department within their organization. As the partnership evolves, 3Gen offers dedicated and committed service to help the healthcare system's leadership identify cost savings while improving patient care.

The Results

- 24 to 48 hour turnaround time
- Over 95% accuracy
- An increase of gross cash recovery of 20%
- An increase of net cash recovery of 25%
- An increase in collection of aged accounts over 180 days by 12%
- A reduction in write-offs by 18% in 12 months
- 30% overall cost savings