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AnMed Health optimizes workflow and improves revenue cycle performance

AnMed Health is a 695-bed, not-for-profit health system serving eight counties in upstate South Carolina and northeast Georgia. The five-hospital system is anchored by AnMed Health Medical Center, a 461-bed acute care hospital that has earned the prestigious Magnet® designation. AnMed Health's medical staff includes more than 400 physicians and over 3,700 employees.

Background

AnMed Health was seeking a way to gain greater control over its entire revenue cycle. Its legacy computing environment — which included a heavily customized hospital information system (HIS) that was more than 25 years old and a stand-alone billing system — lacked the flexibility, functionality and reporting capabilities needed to meet the changing demands of revenue cycle management. In addition, the HIS workflow tool, which had been implemented five years earlier, was not robust or agile enough to meet the specialized needs of patient accounting.

As a result, the AnMed Health revenue cycle management team identified three key issues that needed to be addressed:

- A large number of "black holes" existed where claims could be lost.
- They lacked the tools and processes to streamline workflow, enable effective communication and enforce accountability.
- Reports and data — including relevant financial information and workflow reports — were difficult to retrieve from their existing systems.

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Highlights

Using the Optum™ eFR® Platform, AnMed Health:

- Streamlined workflow thanks to better data and reporting capabilities

- Identified $12 million in unbilled revenue lost in a black hole

- Reallocated staff based on workload; reduced staff allocated to Medicaid claims by 25 percent

- Reduced net A/R by 3.4 days

- Implemented measurable productivity standards and cash goals

Challenges

AnMed Health revenue cycle leaders needed a way to better understand and improve revenue cycle performance. They hoped to apply automation to optimize workflow, increase productivity, improve cash flow and accounts receivable (A/R) and provide a more effective means to follow up on accounts.

"We struggled to understand what we had," said Julianne Dreon, senior director of revenue cycle at AnMed Health. "We did not have enough information to determine our exact problems but we knew that things were not flowing the way we wanted them to. We also knew we had to identify denials and work them in a logical manner — but that was not our primary motivation. Our driving force was to get an effective workflow solution so that we knew we were touching all the accounts that we needed to touch. Workflow was our first concern. Denials, while important, were secondary."

Solutions

Having conducted a thorough search of potential solutions, the AnMed Health team selected the Optum eFR Platform based on its reputation, flexibility, implementation speed and reporting capabilities. "I had used the eFR Platform at another organization and was confident that it was a good fit for us at AnMed Health," said Dreon. "It had the reporting capabilities that we needed to manage our business and it could be implemented much faster than the other contending products."

The eFR Platform unites patient financial information from disparate systems to provide a complete patient financial record in one application. Its intelligent automated workflows, denial management and targeted analytics enable process improvement by identifying bottlenecks and ineffective procedures.

The AnMed Health team worked closely with Optum360™ to implement the product. According to Dreon, one of the biggest challenges facing her department was the cultural shift it faced going from outdated "green screens" to a web-based product. In fact, it wasn't that long ago that they used paper-based workflow management.

"It was a bit of a challenge to get people to think through what the system could do and ways to better follow up with accounts," said Dreon. "The staff had to adjust their way of thinking and learn to use the system as a tool for managing the process."

Danae Poulos, senior revenue cycle systems analyst at AnMed Health, pointed out that one of the biggest hurdles they faced was getting away from the habit of "that's the way we've always done it." She noted that "the Optum team took the time to understand our entire revenue process. They then helped us build business rules to support our workflow needs in the eFR Platform."

The Optum360 team worked closely with AnMed Health to address the change management concerns and organizational challenges inherent in moving to a new system. AnMed Health successfully met these challenges, and today more than 75 people use the system, including other hospital departments and outside vendor partners.

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— Julianne Dreon
Senior Director of Revenue Cycle
AnMed Health

Results

AnMed Health has achieved significant positive results from its use of the Optum eFR Platform. These include:

Streamlined workflow. The eFR Platform has dramatically improved processing and eliminated unnecessary work on accounts that don't need intervention. "Before we implemented the eFR Platform, our staff often touched an account four or five times before they really needed to," said Dreon. "Now the system's automated workflow sends the right account to the right person at the right time. It also provides us the tools we need to work accounts strategically."

Work queues also helped identify both system and process issues impacting revenue capture. "Our 'coded but not billed' work queue helped us find a huge issue last year in our patient accounts system," said Poulos. "The eFR Platform alerted us that there was $12 million in unbilled revenue that was stuck in our legacy system. Upon investigation, we were able to make adjustments in that system and drop the bills. Without the eFR Platform, it would have taken us a long time to figure out that there were unbilled claims sitting somewhere and fix the problem."

Increased productivity. The eFR Platform has created an ownership environment within the business office from both a managerial and a staffing perspective. The solution provides metrics that show exactly what is going on with claims activity and A/R, and delivers the tools to manage both processes. Before the system was implemented, AnMed Health had newly developed, but difficult to report, productivity standards. They now have standards for the number of accounts each staff member must touch in a day and can accurately report each user's productivity. "Accountability within the department is the greatest benefit that the eFR Platform has delivered," said Dreon.

Smarter staffing. The increased visibility delivered by the eFR Platform has enabled AnMed Health to staff smarter. "With the eFR Platform, we know exactly what our staff is working on, so if someone is out, we can promptly get someone else on his or her accounts," said Poulos. "We can also move people from team to team based on the volume in the work queues. For example, we cut the number of people working on Medicaid claims by 25 percent based on system data."

Eliminated black holes. Before implementing the eFR Platform, black holes (or lost claims) were a major problem. By bringing patient accounting data from the organization's HIS and billing systems into a unified view and creating intelligent work queues, the eFR Platform exposes black holes. "It's a huge benefit because every account now has a home and can't get lost," said Dreon.

Better denial and delay management. The system has helped patient accounting improve its denial management processes. As part of this effort, AnMed Health is using the eFR Platform to work its delayed claims — those that require additional information before the payer will process them. "We separate delays from denials and put them in priority work queues, which leads to faster claim payments," said Poulos. "The eFR Platform automatically identifies a delayed claim and routes it to the correct person's work queue for resolution without requiring human intervention or manual processes."

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  AnMed Health

Simplified Medicaid eligibility processing. At AnMed Health, financial counselors work with the uninsured population to help them get qualified for Medicaid. This is a complex process with demanding time frames. The eFR Platform workflow has automated this process and improved efficiency and performance. In addition, it has allowed financial counselors to work more seamlessly with outside vendor partners. Instead of creating an electronic file or sending hard copy documents, AnMed Health provides the vendor partner access to a specified eFR Platform work queue where they can view EOBs and other data needed to efficiently assist with Medicaid eligibility.

Improved accounts receivable. Increased efficiency, workflow and visibility have helped AnMed Health speed reimbursement, and the organization has seen a drop of 3.4 net A/R days since implementing the eFR Platform. In addition, aged A/R over 90 days (as a percentage of billed A/R) has decreased by 1.9 percent.

Actionable data. The eFR Platform's power and flexibility help make up for deficiencies in the organization's aging legacy systems. Previously, the team was unable to get the kind of reports they needed to efficiently manage the revenue cycle process. "We use the eFR Platform to extract information from our HIS and billing systems and normalize it by using the platform's agile rules structure," said Dreon. "As a result, we are able to get actionable information that's presented through a work queue precisely when we need it."

The Optum eFR Platform brought AnMed Health the automated workflow, reporting and visibility the organization needed in order to gain greater control over its revenue cycle. By working closely with Optum360 experts, AnMed Health leaders successfully deployed the system using best practice recommendations to streamline processes, eliminate black holes, and increase overall revenue cycle performance.

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