CASE STUDY

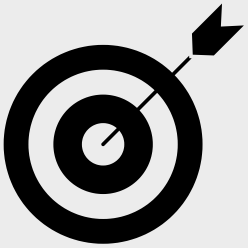
BIS Revenue Reclaimed: 21% Cash Growth

INTRODUCTION

Revenue cycle management (RCM) plays a pivotal role in ensuring financial success in healthcare operations. Business Integrity Services (BIS) took on the challenge of addressing high denial rates and improving collections for key focus locations. The task demanded a comprehensive approach to verification, authorization, coding, and denial analysis, with an emphasis on consistency and efficiency.

PROBLEM

Revenue cycle management (RCM) plays a pivotal role in ensuring financial success in healthcare operations. Business Integrity Services (BIS) took on the challenge of addressing high denial rates and improving collections for key focus locations. The task demanded a comprehensive approach to verification, authorization, coding, and denial analysis, with an emphasis on consistency and efficiency.



CHALLENGE

Reduce denial rates to below 8% and improve overall revenue collections.

TIMEFRAME

Initial goal set for 3 months, later extended to ensure consistency.

RESULT

21%

Increase in Payments

Denial rates reduced from 15% in 2023 to consistently below 8% between April and October 2024. Payments increased by 21%, leading to significant revenue growth.

DIAGNOSIS AND DATA COLLECTION

BIS deployed a data-driven approach to understand denial patterns and payment trends:

VERIFICATION:

Ensured all appointments were thoroughly verified before the service.

REFERRALS FOR CLINIC VISITS:

Handled the complete referral process, including PCP identification, request submission, and follow-ups.

AUTHORIZATION FOR PROCEDURES:

Reviewed payer guidelines to meet medical necessity requirements and coordinated amendments for non-compliant records.

CODING REVIEW:

Conducted in-depth reviews of medical records, ensured correct diagnosis codes, and applied appropriate modifiers.

DENIAL TRENDING:

Added two certified coders to track denial trends, analyze root causes, and implement preventive measures.

INSURANCE AR TEAM:

Deployed two full-time employees (FTEs) dedicated to reviewing AR from 2023 and 2024 to maximize collections.

DOS Month	2023		2024		Charge Difference
	# of Claims	Total Charges	# of Claims	Total Charges	
Qtr1	7240	$11,550,081	7559	$11,673,844	1%
Qtr2	7096	$11,528,304	8070	$13,662,327	19%
Qtr3	6245	$10,973,613	7707	$12,280,513	12%
Oct	2232	$3,599,976	2357	$2,604,702	-28%
Total Charges	22813	$37,651,973	25693	$40,221,385	7%
Average of 3 Qtr	6860	$11,350,666	7779	$12,538,895	10%

ROOT CAUSE ANALYSIS

BIS conducted a thorough review of the client's existing processes and identified key challenges:

1. VERIFICATION AND AUTHORIZATION:
Inadequate pre-service checks led to unnecessary denials.

2. REFERRAL MANAGEMENT:
Clinic visit referrals lacked proactive follow-ups and approval tracking.

3. CODING ERRORS:
Incorrect diagnosis pointers and the absence of required modifiers resulted in payer rejections.

4. DENIAL ANALYSIS:
There was no structured process to analyze trends and prevent repeat denials.

5. INSURANCE AR FOLLOW-UP:
Backlogs in accounts receivable (AR) reduced collection efficiency.

DOS Month	Charge Difference	Payments Collected		Payment Difference
		2023	2024	
Qtr1	1%	$2,424,417	$1,716,014	-29%
Qtr2	19%	$1,804,178	$2,322,035	29%
Qtr3	12%	$1,937,474	$2,383,752	23%
Oct	-28%	$532,890	$720,227	35%
Total Charges	7%	$6,700,983	$7,144,052	7%
Average of 3 Qtr	10%	$2,055,356	$2,140,600	4%

KEY TAKEAWAY

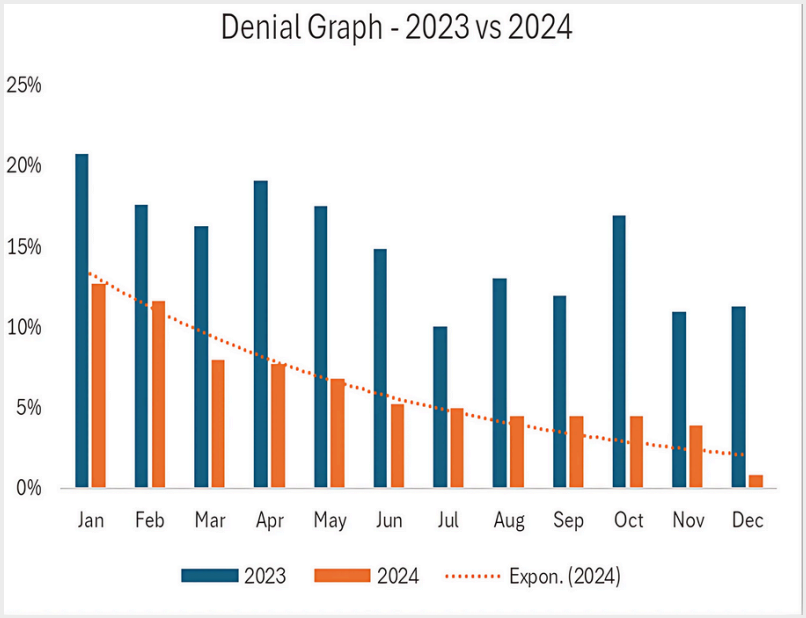
1. COMPREHENSIVE PREVENTION MEASURES:
Robust verification and authorization processes are critical to minimizing denials.

2. REFERRAL AND AUTHORIZATION STREAMLINING:
Proactive referral management and medical necessity reviews improve approval rates.

3. DATA-DRIVEN ANALYSIS:
Denial trending and root cause analysis lead to targeted prevention strategies.

4. CODING PRECISION:
Accurate coding with appropriate modifiers ensures compliance with payer guidelines.

5. FOCUS ON AR MANAGEMENT:
Dedicated resources for AR follow-up drive higher collection rates.



CONCLUSION

BIS's strategic interventions and focus on denial prevention, coding accuracy, and AR management have demonstrated the power of a comprehensive RCM approach. This case study exemplifies how targeted efforts can not only reduce denials but also drive sustainable revenue growth in the healthcare sector.

CONTACT US

Interested in optimizing your healthcare revenue cycle? Reach out to BIS for proven solutions tailored to your needs.

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