

Buffalo Emergency Associates/Exigence Drives Recovery and Growth with McKesson Revenue Management Solutions

At a Glance

Organization

Buffalo Emergency Associates/Exigence
Williamsville, N.Y.

- Serves 11 hospitals
- Operates in 4 states
- Supports nearly 200 physicians
- Processes 300,000 patient visits annually

Solution Spotlight

- McKesson Revenue Management Solutions

Critical Issues

- Timely submission of high-volume, low-dollar-value emergency room claims
- Effective physician documentation and coding
- Denial management

Results

- Increased annual collections by 30% in the first year
- Decreased two-month backlog of unmailed bills
- Benefited from on-site physician training that improved documentation
- Gained detailed management reports that helped the practice grow more efficiently
- Experienced accelerated organizational growth

Buffalo Emergency Associates (BEA) provides outsourced emergency department staffing and services to seven major hospitals in western New York. The company grew quickly from its inception. Unfortunately, BEA's medical billing services vendors failed to keep pace with its growth. Medical coding suffered, claims were lost or delayed, accounts receivable collapsed, and BEA spiraled toward insolvency. But with a dedicated, experienced revenue management partner, BEA regained its financial footing. Today, the company is back on track and expanding operations to five other states.

Challenges

BEA was formed in 2000 by Gregory Daniel, M.D. The company was launched to provide the highest quality emergency medical care by working closely with hospital administrators, nurses and local medical staff to create a patient-oriented, team approach to the delivery of emergency care.

Unlike many other physician staffing firms, BEA's business model offers an equity path for physician employees. As a result, the group has been able to attract high-quality physicians, promote stability and boost retention.

Despite the strength of BEA's model, the company was hamstrung from the start by the

chronically poor service it received from its regional medical billing providers. A series of problems with an initial vendor led BEA to contract with a second company. However, the situation continued to deteriorate.

"The vendor couldn't get the coding and physician documentation right," Dr. Daniel explains. "They couldn't get the claims out. They didn't follow up on denied claims. And because medical coding and billing are really the heartbeat of an organization like ours, we very quickly found ourselves on the verge of bankruptcy."

Unlike other medical specialties, Dr. Daniel says, billing for emergency medical physicians typically involves a large volume of relatively small claims. As a result, revenue streams can dry up fast if systems are not in place to quickly and effectively manage the volume.

Answers

Scrambling to save his company, Dr. Daniel turned to McKesson's Revenue Management Solutions team. Within a week, McKesson had taken control of coding, medical billing and revenue management services and had begun getting claims out the door. In short order, educational sessions were held to assist physicians on improving documentation, while certified medical coders took charge of all coding and claims submission.

Case Study

“Because McKesson operates nationwide, they have been able to grow with us. I don’t have to worry about staffing up from the billing side. Once we get a contract, we just call them and tell them to be ready to go. The ease of service has just been fantastic.”

Gregory Daniel, M.D.
Buffalo Emergency Associates/Exigence

McKesson experts also attacked the company’s significant backlog of denied claims by assembling the necessary documentation required to resubmit them for payment. Other McKesson professionals scrutinized physician enrollment and credentialing documentation to ensure that all of the group’s doctors were meeting payors’ contractual and documentation requirements.

“McKesson really marshaled their forces to get us back on our feet in very short order,” Dr. Daniel states. “When I think about how close we came to disaster and how McKesson really brought us back from the brink, I realize that I owe them a lot. I don’t think we would be here today if not for their efforts.”

Along with delivering the expertise necessary to efficiently manage medical claims, McKesson also provides BEA with a wide range of management reporting tools that allow executives to quickly assess patient volume, revenue, service provided and other variables either by physician, hospital or across the organization. The company also has provided assistance in several payor contract negotiations, Dr. Daniel says.

Results

Within months of McKesson’s arrival, BEA regained profitability, and after one year, collections increased by 30%. BEA consequently was able to focus on expansion. Operating under the name Exigence, the group today has grown to provide contracted emergency services and staffing to a total of 11 hospitals in New York, Tennessee, Arizona and Pennsylvania. The group employs almost 200 physicians and is on track to handle about 300,000 patient visits this year.

“Because McKesson operates nationwide, they have been able to grow with us,” Dr. Daniel says. “I don’t have to worry about staffing up from the billing side. Once we get a contract, we just call them and tell them to be ready to go. The ease of service has just been fantastic.”

Dr. Daniel adds that he frequently recommends McKesson to other physician groups. “They’re really a great company. I’ve enjoyed working with them, and I value them as an important partner in our organization. They are a significant reason for our success.”

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