

Emergency Physicians of Saint Clare's Improves Collections, Reporting

At a Glance

Organization

Emergency Physicians of Saint Clare's LLC
Denville, N.J.

- 3 hospitals
- 21 physicians,
8 physician-assistants

Solution Spotlight

- McKesson Revenue Management Solutions

Critical Issues

- Accelerating cash flow
- Reducing A/R days
- Improving reporting
- Better physician documentation

Results

- Reduced days in A/R from more than 90 to 68
- Increased average monthly patient collections 34%
- Instituted easy-to-read management reports
- Implemented physician education

Emergency Physicians of Saint Clare's LLC is a 21-physician group, serving three hospitals in the Saint Clare's Health System located in Denville, Dover and Sussex, N.J. The physician group averages 82,000 emergency department (ED) visits per year. Patient volume is increasing systemwide between 3% and 4% annually, and with a new medical billing service provider on the job collections are increasing, too.

Challenges

Saint Clare's previously was served by a national [medical billing service](#). Although major problems were not readily apparent, the practice was interested in taking their billing operations to a higher level. Among the objectives to be targeted were improved collections, a more aggressive denial management process and more effective management reports.

Answers

After surveying potential providers, Saint Clare's chose McKesson on the strength of the company's reputation and the positive referrals provided by existing customers. Before signing with McKesson, representatives of the physician group visited McKesson's ED medical billing service center in Grand Rapids, Mich., to better assess the company's processes and capabilities.

One major plus in McKesson's favor, according to Rohan Somar, M.D., president and chief executive officer of Emergency Physicians of Saint Clare's, was the company's ability to interface electronically with the group's hospitals to more expeditiously and accurately collect patient demographic information.

In addition, McKesson demonstrated from the outset a pro-active commitment to working denials and outstanding accounts receivable (A/R). This positive attitude, combined with the company's extensive [revenue cycle management](#) capabilities, created new momentum to improve cash flow in the group.

Results

After McKesson began handling the group's billing, cash collections increased dramatically and far exceeded even McKesson's initial projections. "The first year cash collections blew our expectations away, and the subsequent year also significantly exceeded expectations," Dr. Somar says.

Just as important, A/R days fell from more than 90 to a recent six-month average of 68. Dr. Somar says the improvements reflect the comprehensive nature of McKesson's billing processes.

Case Study

"They've been extremely responsive to just about everything we've asked of them, especially our account manager. Combine that with the excellent job they do, both with billing and A/R management and it's definitely a partnership we've grown to depend on."

Rohan Somar, M.D.

President and

Chief Executive Officer

Emergency Physicians

of Saint Clare's

"They are extremely thorough in making sure that the appropriate things are done on the front-end to pick off the low-lying fruit," he says. "At the same time, they take a very aggressive and systematic approach in working denials on the back-end."

Another major benefit has been the new management reports. Unlike the voluminous and difficult-to-interpret reports generated by the previous vendor, the new reports are succinct, easy to grasp and focused on critical aspects of the business. They also allow physician executives to drill down to gather additional details, from A/R by vendor to denial trends.

McKesson's customer service likewise has exceeded expectations, Dr. Somar says. One example: McKesson coding experts conduct in-services on a quarterly basis to help physicians improve clinical documentation. The company also provides physicians with monthly feedback reports aimed at correcting any documentation deficiencies.

Separately, Dr. Somar says McKesson recently played a key role in mitigating challenges surrounding the group's decision to opt out of a major managed care network in New Jersey. Thanks to a communications plan implemented by McKesson, consumer complaints have dropped from several hundred a month to virtually zero.

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McKesson Provider Technologies

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