

At a Glance

Organizations

Mississippi Baptist Health Systems
Jackson, Miss.

- 633 beds
- 3,000+ employees

Solution Spotlight

- STAR Optimization Services

Critical Issues

- End users not fully utilizing STAR
- Point-of-service cash collections
- Denied and failed claims
- Claims on hold
- Unbilled accounts

Results

- Average user competency score increased from 59% to 87%
- \$9.6 million improvement in cash collections
- \$813,000 reduction in denied claims
- \$406,000 decrease in failed claims
- \$1.16 million reduction in claims on hold
- \$825,000 reduction in unbilled accounts

Mississippi Baptist Health Systems Enhances Revenue Management with Optimization Service

Mississippi Baptist Health Systems implemented McKesson's STAR 2000™ patient accounting system in 1997. Fast forward to 2009: Mississippi leaders were focused on a new initiative, specifically the development of clinical systems that would enable the health system to qualify for electronic health record incentive funds from the federal government. At the same time, however, they realized that they could not ignore the fact that their revenue management system was feeling its age. As a result, Mississippi Baptist engaged McKesson's STAR optimization services team. After a one-year engagement, the organization realized significant results in a variety of performance areas including reductions in denied claims, unbilled accounts and claims on hold.

Challenges

Although the health system was focused on implementing clinical systems to improve care and meet the stipulations emanating from the American Recovery and Reinvestment Act (ARRA), leaders realized that such initiatives would come to a screeching halt if the hospital could not enhance its bottom line through revenue cycle improvements. While implementing a new revenue cycle system was simply out of the question, leaders acknowledged another alternative: The chance to make the most of what they already had.

"We were zeroing in on our clinical systems but to help our organization move forward, we had to quickly bring our revenue management processes in line as well," says Angie Buckley, business operations director at Mississippi Baptist Health Systems.

The problem was that many of the functions of the STAR 2000 system simply laid dormant at Mississippi Baptist. Users, who had grown accustomed to leveraging the solution in a certain way, did not tap into the system's full potential.

"It's similar to using any computer program. For example, once people get comfortable using Microsoft® Word® in a certain way, they just carry on. They don't bother to explore additional features or functionalities," Buckley explains. "In addition, some of the patient accounting system's components and updates were not yet implemented."

What's more, many of the staff members who were originally trained on the system had left the organization. "There were several key people who maintained the system who actually moved out of the hospital. And, we lost all of their knowledge," Buckley says.

Answers

Mississippi Baptist turned to McKesson to identify how to better leverage its existing technology to improve revenue cycle performance.

Case Study

"The optimization initiative presented a huge opportunity to do a complete checkup and start training everyone from ground zero. Basically, we used the opportunity to ensure that we were fully optimizing the system, instead of merely relying on the information that had been passed down through various generations of employees."

Angie Buckley

*Business Operations Director
Mississippi Baptist Health
Systems*

By working with McKesson, leaders sought to improve operations through staff education, workflow and process enhancements, and the implementation of more sophisticated tools available in the STAR system.

The optimization team first updated all of the tables in the STAR system to bring them in line with best practices. Then, a host of new functions including electronic remittance advice processing, pre-bill edit and price estimation were put into play. The team also worked to improve processes in various areas such as point-of-service collections, emergency department patient throughput, denial prevention and charge reconciliation.

Perhaps most importantly, though, the optimization team worked with staff to provide additional education in a variety of areas such as patient processing, patient accounting and contract management functionality.

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Results

Optimization of the STAR 2000 system brought significant results from the get-go — with quantifiable results documented in month one. To keep the momentum going and leadership engaged, the optimization team displayed these results monthly in an executive overview report. Receiving these monthly quantifications of the results enabled Mississippi Baptist leaders to monitor the overall progress of the initiative.

By the end of the 12-month optimization engagement, the health system tallied some significant results. Perhaps most importantly, the education initiative led to improvements in user competency scores, from an average of just 59% to 87%.

In addition, the optimization brought a number of bottom-line improvements. Over a 12-month period, the system experienced a \$9.6 million improvement in cash collections. In addition, the provider reduced the volume of denied claims and failed claims to the tune of \$813,000 and \$406,000 per year respectively. The optimization also led to the reduction of unbilled accounts from \$11.4 million to about \$10.5 million, while claims on hold were reduced from \$2.5 million to just \$1.4 million.

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