

# Performance Innovation Projects

## RemitDATA® GET WHAT'S COMING TO YOU

MedAxium conducted a Performance Innovation Project (PIP) to test RemitDATA's product, Reimbursement PRO™, at North Ohio Heart Center. The overall results indicate staff and manager satisfaction were very high. Since implementing the RemitDATA® product, North Ohio Heart Center has experienced:

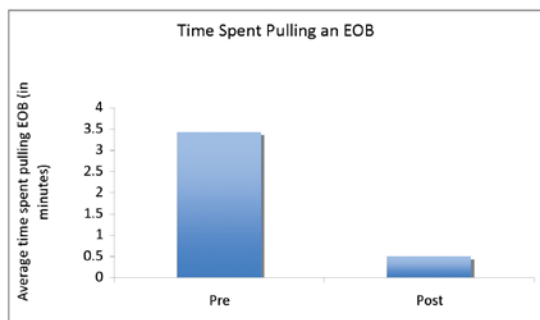
- Reduced Days of Sales Outstanding (DSO)
- Reduced denial rate
- Enhanced staff productivity
- Streamlined workflow of collections

### Summary of Results

MedAxium collected data 60 and 30 days before product implementation and 30 and 60 days after product implementation in the areas of satisfaction, workflow, and data from the RemitDATA product in order to evaluate the impact of the Reimbursement PRO in these areas of the practice.

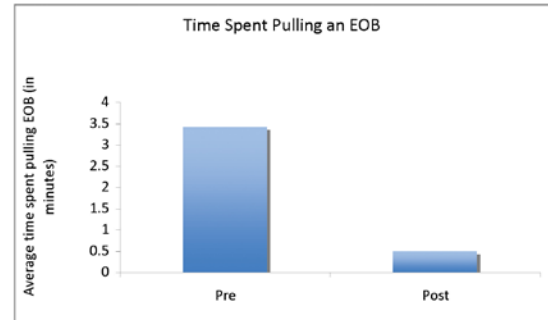
### Benefits

- Overall, management and staff at NOHC were extremely pleased with the product and found it improved efficiency and was easy to learn
- Average time spent per denial was cut in half when using RemitDATA, from 18.69 minutes per denial to 9.16 minutes per denial

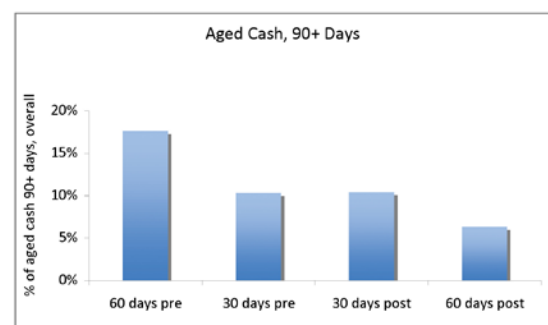


- Productivity increased from 54 denials worked per week per employee to 264 denials worked per week per employee, based on pre-implementation data provided by the practice
- Number of steps required to pull an EOB decreased from 6 to 1

- Time it takes to pull an EOB decreased from an average of 3.43 minutes to less than 30 seconds



- Time spent on forms reduced from 5.2 minutes to 3.3 minutes, on average
- Dramatic increase in the quality and amount of reports available for reimbursement and productivity management
- Time spent creating reports decreased from 103 minutes to 6 minutes, with number of reports used increasing from 3 to 6 (with hundreds available)
- Denial rate by payer, and overall, decreased from 5.72% to 5.31% (approximately 7% decrease, which amounts to approximately 140 less denials per month for this practice that would take approximately 2.6 days for one FTE to process, based on the current productivity rate at this practice)
- Average overall days of sales outstanding (DSO), shows a decrease from an average of 66.4 days before implementation to 46.2 days when data was collected 60 days after implementation
- Percent of aged cash that is 90+ days decreased from 17.6% 60 days prior to implementation to 6.3% 60 days after implementation



- Follow-up process built in to workflow (no follow-up process present prior to using RemitDATA)
- New possibilities for organizing and structuring work that provides added efficiencies for processing denials (e.g., working through more than one charge line at the same time)
- Eliminates lag created by posting delay

### Areas for Improvement

- Only accommodates electronic remits, therefore, many original processes must be maintained for paper remits
- More in-depth, staged training approach is needed in order to maximize benefits gained from product
- Currently, productivity data only available by check date, not by date that workers actually processed, therefore making it difficult to track true performance of workers
- Currently, no method for eliminating PQRI codes from employees' assigned work without eliminating all "expected" denials
- OnDemand forms improve efficiency, but could do so even more if more information were automatically populated
- Contract Manager not able to automatically load and update fee schedules to provide most accurate calculations of underpayments

RemitDATA has been informed of these suggestions for improvement and is currently working on product enhancements based on these suggestions. Please note that by the time you are reading this, many of these problems could already be solved or mitigated. Please check with RemitDATA and feel free to inquire about these items during your free evaluation of the RemitDATA product.

### Return on Investment

An initial Return on Investment (ROI) calculation was completed to show the value created by the RemitDATA product. This calculation is based on the data collected during the 60 days prior to implementation and 60 days after implementation. It is likely the ROI figures will change as the product creates more of an impact over time at the client site. Measures taken at 180 days post-implementation will be used to update this analysis when they become available.

The ROI calculation contains two major sections: 1) Cash acceleration and 2) Hard Savings. Two primary benefits created by the RemitDATA product are a reduction in Days of Sales Outstanding (DSO) and a reduction in denials, which both result in cash acceleration.

The cash acceleration realized for just the CV physicians in this practice was \$838,789.52. The cash acceleration realized for all physicians at the practice was \$1,077,534.43.

The hard savings realized by this practice, through efficiencies and productivity gains as a result of the OnDemand EOB and review/appeal forms features, working through denials faster, and working through less denials are \$125,864.96 annually.

The hard savings realized by this practice from a decrease in write-offs and untimely filings (codes CO29, PR29 and OA29) are \$11,160.84 annually. Thus, the total hard savings for this practice, annually, is \$137,026.

### Conclusion

Overall, the RemitDATA product provides many efficiencies and time savings that will likely result in a long-term return on investment. Data will continue to be monitored with this practice in order to obtain the final return on investment numbers. The data collected during this PIP, paired with the customer evaluation of the product, allow us to conclude that the RemitDATA product is a great asset to practices that would like to improve their billing department's productivity and efficiency. The current economic state is making it tougher and tougher for practices to find additional sources of revenue or reduce existing expenses. The RemitDATA product provides a means for both by providing the tools and information needed to recover revenue from payers, as well as reduce expenses by facilitating a faster, easier, and more efficient process for working through denials.

*For a complete review of the results from this project, please download the full report from MedXpert.*

### North Ohio Heart Center Staff Responses

**"10 out of 10! Very good! No problems!"**

**"Faster. Able to track claims and follow-up on denials."**

**"You work your denials faster, before they are posted."**

