

CONCUITY™

A Healthcare Division of Trintech



RIVERSIDE MEDICAL CENTER CASE STUDY

ORGANIZATION

- Kankakee, Illinois
- Total Beds: 336

BUSINESS ISSUES

- Revenue Leakage
- Contract Volume and Complexity
- Inability to identify and quantify contractual non-compliance trends

CONCUITY SOLUTION MIX

- ClearContracts Product Suite: Calculation Engine, Recovery, Reports, Intelligence and Modeling
- ClearContracts Revenue Recovery Services

RESULTS

- \$1.3 million in underpayments
- Ability to identify the source of underpayments and correct the issues
- Ability to effectively document underpayment issues for payers
- Ability to automatically identify underpayment trends and proactively remedy the source(s) of revenue leakage

Client Profile

Riverside Medical Center of Kankakee, Illinois is a nationally-recognized hospital known for its specialty areas in heart care, obstetrics, trauma, oncology, rehabilitation, total joint replacements, occupational health, treatment of alcohol and chemical dependency and psychiatric services. It serves Kankakee, Ford, Grundy, Iroquois, Livingston and Will counties as a not-for-profit health system. The facility has grown since it's founding in 1964 to comprise 500,000 square feet, 336 beds, more than 200 physicians and offers a full range of inpatient and outpatient care. Riverside Medical Center is affiliated with the Rehabilitation Institute of Chicago and is a member of the Rush System for Health.

Business Challenge

Bill Douglas, Riverside's CFO and Patient Financial Services Director Kay Senesac, knew they had a serious underpayment and denials issue with several of their payers. But, since they couldn't pinpoint the cause of the underpayments, or even identify the payers where specific problems were occurring, they couldn't correct the issue. "Intuitively, we knew we were not collecting all we were owed, but didn't have our arms around the problem," Mr. Douglas noted. "Our accounting staff is extremely dedicated and hard working, but is overwhelmed by the complexity of our payer contracts and the volume of work involved in determining what we should be paid and tracking whether we are paid accurately," Ms. Senesac added.

Identify—Recover—Correct

After a complete analysis of the available solutions on the market, they selected

Concuity's ClearContracts™ in combination with Revenue Recovery Services to assist their staff in reimbursement recovery. Concuity's Revenue Recovery experts immediately identified three main issues that were causing significant underpayment problems.

Corrected - DRG carve-out provisions: Concuity identified that a payer had not instructed the clearinghouse to include the DRG code as a required field, which was necessary for the payer to apply the correct carve-out reimbursement. Hence, the payer's systems compensated Riverside at the per diem rate, much lower than the DRG rate. Using the ClearContracts Intelligence module, Concuity's recovery staff created a rule that identified all underpaid claims related to this issue, and then recovered reimbursement for the underpaid claims. Riverside then worked with the clearinghouse to resolve the issue permanently.

Corrected - Billing Reconciliation Issue: Riverside's billing system was unable to reconcile reimbursement from one of their major payers. Riverside invoices its payers on a per patient basis, but one particular payer pre-pays Riverside in a single, large, lump-sum payment. Not until several months later is patient-specific reimbursement detail provided on a reconciliation report to the hospital. Concuity corrected this by integrating the reconciliation reports into ClearContracts, then identifying and collecting the accounts which were underpaid.

Corrected – Stop-Loss Filing Requirements Compliance:

A certain payer required Riverside to submit the patient's claim with a stop-loss identifier when the patient's charges exceeded a certain level. They also required claim submission in 30-day increments. Concuity's staff learned that these contractual terms weren't communicated to the current billing staff. The oversights were corrected, the payer began reimbursing Riverside per the contractual terms, and Riverside's billing staff bills according to the payer's requirements.

Using the ClearContracts' Reporting module, they received both standard and user-defined reports on compliance, contracts, payer, denials and collections. ClearContracts Modeling provided valuable historical patient data, allowing them to see the impact on their bottom line if modifications to volume, cost, rate or charges are made. This tremendously strengthened their negotiating position, since they had a complete understanding of the potential value of a contract prior to execution.

Results - \$1.3MM in Additional Revenue Recovered

"So far, addressing the issues mentioned has enabled Riverside to collect in excess of \$1.3 million dollars in revenue," stated Edward Gallo, Concuity's EVP. In 2005, Riverside extended their contract due to the positive impact Concuity has had on their bottom line. "Concuity's delivery model continues to be flexible, evolving with our changing needs while enabling us to meet aggressive revenue targets. We've avoided the need to increase resources or go through an extensive IT implementation," said Bill Douglas, Riverside CFO and Treasurer.

About Concuity

Concuity increases healthcare provider revenue by identifying and correcting payer non-compliance issues in the contract revenue cycle. Founded in 2000, Concuity delivers technology and services to create and negotiate better contracts, ensure accurate implementation and compliance, and proactively collect what's owed. Clients include The Cleveland Clinic, Perot Systems, HealthSouth, Cape Cod Healthcare and Providence Health System. Concuity is headquartered in Vernon Hills, Illinois with offices throughout the U.S. Concuity is a healthcare division of Trintech, Inc.

To learn more about Concuity's healthcare solutions, or to discuss your specific requirements, contact us at 866-342-4636 or email us at sales@concuity.com.

“We found Concuity's delivery model to be extremely flexible, allowing us to meet our aggressive revenue objectives without having to increase resources or go through an extensive IT implementation.”

***Bill Douglas
Chief Financial Officer
Riverside Medical
Center***