

## Case Study – Radiology billing

### Collection flow increases with streamlined process and regular follow-ups

<b>Specialty</b>	<b>Radiology</b>
<b>Service offering</b>	<b>Full service Billing</b>
<b>Practice management software</b>	<b>MISYS PM</b>

Client : **Billing Company based out of Florida**

Account handed over to ecare : **February 2008**

#### Business challenges:

**Huge AR of around \$3.1 million**

**Average charge** : **Around \$800K per month with AR days of 119.**  
**Percentage of aged AR - above 90 days** : **Close to 47% and**  
**Collections per month** : **\$150K.**

This gave us a perfect ground to prove our expertise to turn this around.  
Issues that ecare identified and took up for resolution were:

- (a) **Credentialing:** We found that several claims were on hold for want of provider numbers for Medicaid, Blue Cross Blue Shield and Railroad Medicare and it was well past the normal processing time of the carriers and still provider numbers were not received.
  - a. We followed up with RR Medicare and found that the providers were not enrolled with the group. We filled up the necessary application forms and submitted to the carrier after which we received the RR MCR number. We then submitted the claims and got them all paid.
  - b. With respect to BCBS, two providers did not have provider numbers. We again filled up the necessary forms, submitted them to BCBS and got the provider number. We then resubmitted the claims and got paid.
  - c. Regarding Medicaid, one provider did not have provider number. Upon completing the enrollment form we got the provider number and all claims got paid.

In addition we took up the non-federal carriers and wherever we are non-contracted we filled up the necessary application forms and got the providers contracted with the carriers for prompt payments.

- (b) **Interface:** Since the doctors in this practice were hospital based, they had an interface with the hospital for patient demographic entry into the billing system. In this scenario we identified that for several patients, the insurance information obtained through interface was incorrect. We escalated this issue to the client and obtained access to hospital database and then found that they had the historic insurance information and not the current information sent via the interface. After several discussions with the hospital administration this was corrected and we started receiving correct insurance information through the interface.

- (c) **County Claims:** These claims were never getting paid before we took up this account and all claims were being transferred to patient responsibility. We had the client set up a meeting with the County Administration and after several rounds of talks the county administration agreed to pay for the claims in bulk, periodically. We now regularly receive payments from the County.
- (d) **Effective Follow up:** The major flaw that we found in the earlier billing was inconsistent follow up on accounts receivable. We found that several claims had crossed filing limits with the carriers. But through our appeals departments we appealed all those claims and majority of them got paid. We have a system wherein we set reminders for subsequent follow-ups and ensure that each claim is paid. All denials are appealed to the carriers appropriately. We ensure that we follow up all claims over 30 days and keep transmission rejections below 2%. We also enrolled ourselves with various websites wherever applicable for checking eligibility and claim status.

### **Benefits:**

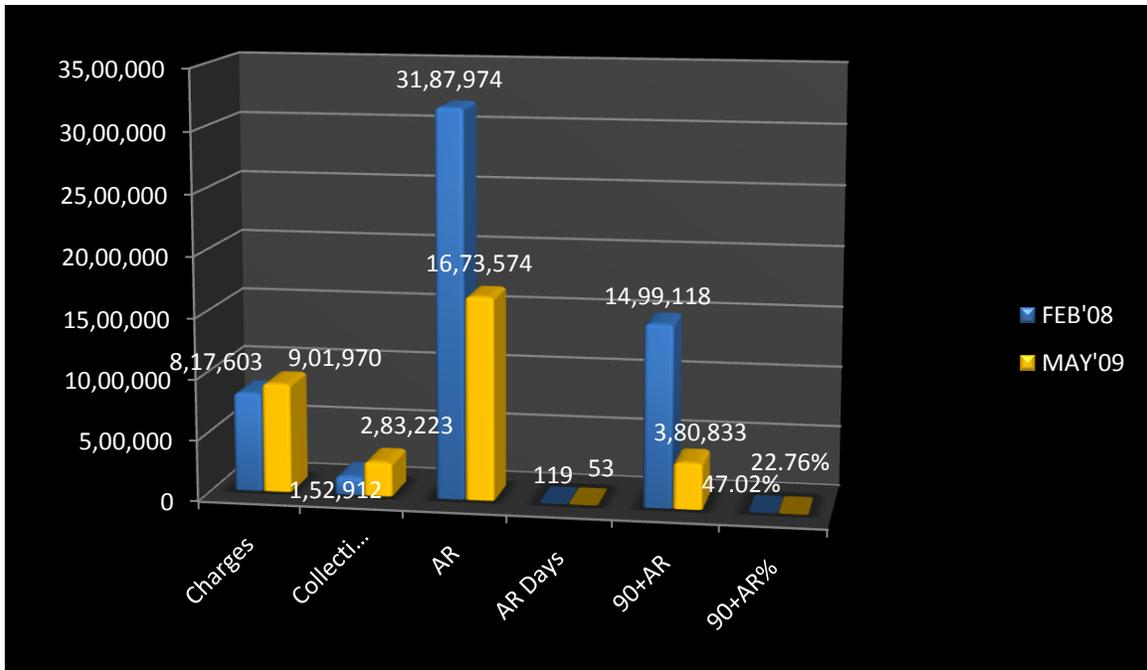
ecare works in close co-ordination with the clients in understanding their current process, identifying areas for improvement and then designs the process flow to achieve the goals. When required, ecare can even deploy additional resources at short notice to work on their client accounts to ensure that the clients cash flows is not affected and the account is performing better than Industry standards.

Our team worked diligently and we brought down the AR of this Radiology account from \$3.1 million to \$1.6 million and collections increased from \$150K per month to \$280K per month with the charges still remaining at an average of \$800K per month. The 90 plus AR percentage reduced drastically from 47% to 22%.

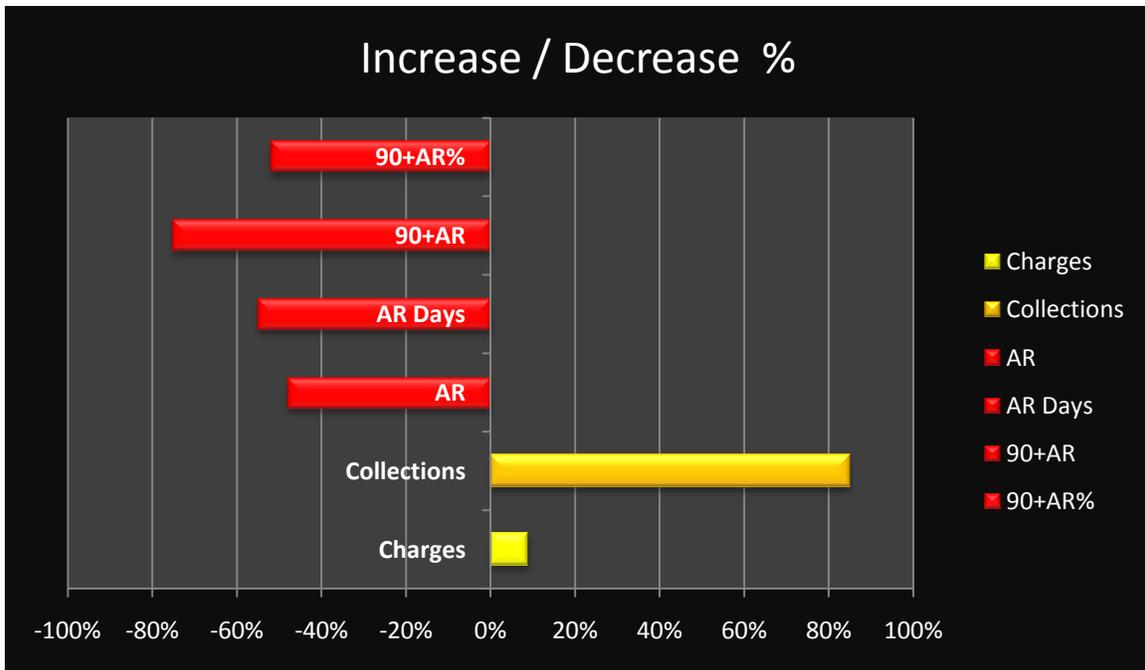
Above all, of the \$13 million worth of charges that were entered in 16 months, we wrote off only around \$8000 for claims denied for late filing.

The below table explains the progress that ecare India made to client's account:

Month	Charges	Collections	AR	AR Days	90+AR	90+AR%
<b>Feb'08</b>	<b>817,603</b>	<b>152,912</b>	<b>3,187,974</b>	<b>119</b>	<b>1,499,118</b>	<b>47.02%</b>
<b>May'09</b>	<b>901,970</b>	<b>283,223</b>	<b>1,673,574</b>	<b>53</b>	<b>380,833</b>	<b>22.76%</b>
<b>Increase / Decrease %</b>	<b>9%</b>	<b>85%</b>	<b>-48%</b>	<b>-55%</b>	<b>-75%</b>	<b>-52%</b>



Graph 1.0 shows clear positive response for all the parameters.



Graph 1.1 shows the increase/decrease in percentage for various parameters in 15 months, since the function had been outsourced to ecare India.