UPMC

CASE STUDY

Automation Solutions Prevents Denials, Reduces FTE's, Improves A/R Days, and Creates a Centralized Business Office

ABOUT UPMC

A world-renowned health care provider and insurer, Pittsburgh, Pennsylvania based UPMC is inventing new models of accountable, cost-effective, patient-centered care. As Pennsylvania's largest nongovernmental employer, with more than 87,000 employees, UPMC is comprised of: more than 30 hospitals, more than 700 doctors' offices and outpatient sites, an international division, and an enterprises division. A passion for innovation lies at the heart of UPMC's success. UPMC's unique strategy of combining clinical and research excellence with business-like discipline translates into high-quality patient care for Pennsylvanians and the global community.

The University of Pittsburgh Medical Center (UPMC) has a revenue cycle success story that speaks of strong effort and results to match. In the early 2000's, UPMC was looking for a vendor with flexibility and customization as well as a partner whose strategy was in line with UPMC's strategic objective to re-engineer their entire billing operation.

THE PROBLEM

UPMC was struggling to produce clean claims. This resulted in high A/R days, a high rejection and denial rate, and ultimately unpaid claims. UPMC was also struggling to get through daily workflow – claims were backlogged and deadlines for claims submissions to payers were being missed. Another problem was that UPMC did not have a central billing office or CBO. Being a large 30+ hospital system, it was imperative to the long-term financial success of the organization to create one centralized billing office (CBO). This would lead to more focus on revenue cycle performance and employee accountability than ever before.

SOLUTION

UPMC created a strategic plan, identifying revenue cycle goals to improve the first pass acceptance rate, decrease denial rate, reduce manual workload, reduce A/R days, and create a centralized billing office. Their biggest target was to produce perfectly clean claims before submitting to payers with no denials or re-bills. With these goals in mind, *Cirius Prebill Manager™* and *Cirius Remit Manager™* were recommended and implemented in November 2003 and May 2007; along with *Cirius Direct EDI Claim Submission Service*, UPMC was able to bypass clearinghouses to submit claims directly to payers such as Medicare, Medicaid, Cigna, and many more.

GOAL 1	Improve First Pass Acceptance Rate & Denial Rate
GOAL 2	Reduce Manual Workload
GOAL 3	Reduce A/R Days
GOAL 4	Create Centralized Billing Office

UPMC's biggest goal was to have perfectly clean claims before submission to payer with no denials or rebills.

RESULTS

With *Cirius Prebill Manager™,* comprehensive automated corrective edits were applied to their claim production. The clean claim percentage skyrocketed as the need for manual intervention from billing staff dropped dramatically. Significant results were seen in collections; UPMC's unbilled claims and backlogged receivables went from over $29 million, down to $3.7 million - collecting over $25 million in 3 months post implementation!

GOAL 1: Improve Acceptance Rate & Denial Rate

Above a 99% first pass acceptance rate
Clean Claim Rate of over 90% with no human intervention required
Less than a 1% claim denial rate for UB04 institutional claims across all payers

GOAL 2: Reduce Manual Workload

31% of staff was re-allocated
92% Increase in monthly claim volume per FTE

GOAL 3: Reduce A/R Days

Before Implementation - 65 days in A/R
Averaging as of 2020 - 39 Days in A/R

GOAL 4: Create Centralized Billing Office

Closed 5 billing offices and created one centralized billing office. Needing only 12 FTE's to manage 4-4.5 million claims per year! Now with expansion to new states, they manage 6 million institutional UB04 claims per year as of 2020.

ADDITIONAL RESULTS

- Cost to Collect reduced by 25%
- Final-billed aged over 90 days less than 6%
- Collects 99.9% of billable charges from payers
- Bills and collects invoices within 25 days

KEY TAKEAWAYS

6 MILLION UB04 CLAIMS/YEAR

DENIAL RATE LESS THAN 1%

39 DAYS IN A/R

Staff Productivity nearly DOUBLED

THE VALUE

Ranked #15 largest health systems in the nation by net patient revenue of an estimated $8.6B in 2020, UPMC has been able to manage a large and growing claim volume during our long business relationship of 18 years. Leveraging the power of Cirius' automation, edits, and high productivty work queues and workflow, UPMC has benefited greatly from the economies of scale. Keeping costs low and reimbursement high has allowed the organization to grow and expand into new territories as well as build new hospitals in their region while remaining focused on providing high quality care to the communities they serve. Today, UPMC attests that Cirius' automation and the unique customization capabilities that prevent denials and rejections is key to attaining revenue cycle excellence.

"Cirius is our favorite vendor!"

-Director of Revenue Cycle, UPMC

Providers see millions more in cash collections both immediately and consistently after using our solutions; giving revenue cycle leaders stability, predictability, and peace of mind.

Providers minimize costs through economies of scale. As claim volumes grow or when adding, merging, and acquiring new facilities– little to no additional staff is needed due to our powerful automation.

Cirius Support and Customer Service Team is U.S based and never off-shored or outsourced. Expert consultants and our installment team support our providers throughout our partnership.

TO LEARN MORE ABOUT THE CIRIUS GROUP OR OUR REVENUE CYCLE SOLUTIONS, VISIT OUR WEBSITE OR EMAIL:

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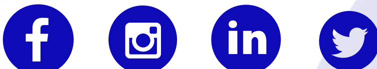

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