

MARKET TRANSLATED Healthcare systems are often more focused on processing denial transactions than identifying what caused the denial, which would lead to a more comprehensive denial prevention program. That imbalance led to a subset of Medicare medication claims to persistently account for a disproportionate amount denials for one Midwestern health system. Adreima broke the cycle by supporting the health system with a team of experienced clinical and claims specialists that help ensure every clinical interaction results in a financial transaction. The Adreima health system collaboration reduced denial rates and helped recover millions in revenue.

MEASURED ACTION Like most healthcare systems, denials reporting was inconsistent across the organization, which prevented visibility into denials and in turn made it difficult to systematically improve claims approval. Adreima partnered with the health system to provide a structured, clinically integrated approach that produced insight into the root causes of claims denials, and provided the tools and processes needed to realize results and effectively prevent denials.

Identify Persistent Problem Areas

- The first step was to systematically review claims to determine which codes had the highest denial rates. Throughout the engagement, Adreima reviewed more than \$1.5 billion in denied claims. Adreima's trained claims denials specialists found that specialty pharmacy claims to Medicare were producing significant, disproportionate denial volume. The specialists led the health system in conducting a root cause analysis that found medications were usually administered under the right conditions, but using incorrect diagnostic codes.

To solve the problem the denial specialists partnered with the client to modify the EMR system that prevents claims from being submitted without an accurate, verified diagnostic code.

Consistent Reporting Provides Prevention & Improvement

- The second step was to implement an ongoing denial prevention plan that includes extensive, ongoing analysis of denials by procedure, payer and facility. Denials specialists and key members of the revenue cycle team meet monthly to review denials and identify ways to shift focus from denial management to prevention. Working together, the client and Adreima identified and trained physicians that had high denial rates for not securing prior authorization. The communication has brought consistency to the health system and allowed the client to bring claim reviews in house.

Recovery & Operations Support

- Adreima assigned a claims recovery team of experienced clinical and coding specialists that included utilization review nurses to infuse a clinical perspective across the revenue cycle. This clinically integrated team found ample evidence to get many denials overturned by providing more documentation. claims reviews back in house.

RESULTS REALIZED The program has produced sustainable value for the client and still has room to expand. Achievements include:

Improved Accuracy, Improved Revenues

- Over 36 months, 14 facilities were able to reduce monthly denials volume by 40% eliminating significant inefficiencies in the revenue cycle. In addition, denied charges were reduced by more than 85%.

Problem Areas Improved

- Adreima collected nearly \$5 million in previously denied Medicare claims that were overturned for the client through the end of 2015. This resulted in an average of \$130,000 in net revenue improvement for the organization.

ABOUT ADREIMA Adreima provides patient-centered, clinically-integrated revenue cycle services to more than 600 hospitals nationwide. This unique approach combined with a comprehensive revenue cycle perspective ensures clients achieve results by recognizing the full value of services provided.

LARGE HEALTH SYSTEM MIDWEST

This client is a large Midwestern not-for-profit health system with more than a dozen hospitals and ten times as many clinics.



WHAT MATTERS MOST?

Regulatory Readiness
Capturing Cash Flow & Reimbursement
Securing Appropriate Revenue
Ensuring Better Patient Experience
Operational Efficiency

SOLUTIONS



CLINICAL &
REVENUE INTEGRITY

CLINICAL DENIALS