Mede/Analytics

case study

# Nebraska Methodist Health System gains revenue cycle efficiencies through MedeAnalytics Business Office, augmenting Cerner

*Organization boosts analytics capabilities and streamlines AR, denials and cost to collect*

METHODIST

## summary

Since 1999, Nebraska Methodist Health System has been using Cerner as a source of truth for its revenue cycle operations. In 2015, the organization implemented MedeAnalytics Business Office, which it uses in conjunction with Cerner, to enhance its analytics capabilities for revenue cycle management. Reduction in denials has been one of the organization's greatest successes.

Pairing Cerner with Business Office was instrumental in helping Nebraska Methodist maximize the value of its patient accounting system in the following ways:

▸ Realize immediate and actionable insights without having to wait for IT to respond to report requests

▸ Increase flexibility to customize analyses to the business need

▸ Increase capabilities to drill down into granular details

▸ Analyze greater volumes of data

## about

▸ Began as Methodist Hospital over 120 years ago

▸ Nebraska Methodist Health System was formed in 1982

▸ Not-for-profit system includes:
  - 4 hospitals
  - 39 clinic locations
  - Nursing and allied health college
  - Medical supply distributorship and central laundry

## challenge

▸ AR days were increasing

▸ No access to claim-level detail

▸ Lack of visibility into staff productivity

▸ Denials were on the rise

## goals

▸ Reduce denials

▸ Improve the cost to collect

▸ Operationalize self-service analyses for their users

▸ Facilitate access, sharing and actionability of data

## solution

Nebraska Methodist uses Business Office to supplement Cerner and enhance the analytics experience for its revenue cycle management users. While Cerner remains the source of truth, Business Office has afforded the hospital system with self-service analytics and real-time insights that increase efficiency and uncover opportunities in the revenue cycle.

"Importantly, if we can write a report in 10 to 15 minutes or create an entire dashboard in 10 or 15 minutes, and the end user can start using the data immediately instead of having IT write code, [which] could take weeks, that's time saved," said Michelle Comeault, Revenue Performance Manager, Nebraska Methodist Health System.

"One of our key focus areas in the denials process is cost to collect. And Business Office positively impacted this indicator. A large volume of work is needed to get payments. So that's probably the biggest benefit we've seen, using Business Office for denials," Comeault said.

Additionally, managers use Business Office to monitor productivity levels of AR staff. "We can see from the reports in Business Office how many accounts are assigned to each employee, how long they have been in the queue, and we can tell what the AR is by who it's assigned to. So, we can use this data to monitor the success and efficiencies of staff," she said.

## results

With Business Office, the organization gained visibility into its AR, drill-down and trending capabilities and capacity to handle large volumes of data. Having these expanded functions and insights has helped Nebraska Methodist address key challenges that couldn't be solved by Cerner alone.

One of the most significant outcomes of using Business Office has been the reduction of denials across the hospital system. Nebraska Methodist set up dashboards in Business Office to track and trend denials.

By examining root causes of denials, it can prevent future denials by implementing process changes and working more collaboratively with payers. The result has been:

▸ **A decrease in denial rate** from **6.5%** in 2016 to **5.8%** in 2019

▸ For gross revenue in 2019, the decrease equated to **$12.9M in avoided denials.**

Another area where Business Office added value beyond Cerner was with staff productivity. Dashboards provide visibility into volume of accounts in staff queues, whether individuals are working the highest value accounts and their level of efficiency. Managers can monitor staff performance and observe unexpected changes to quickly take action and resolve any issues.

MedeAnalytics also shines in its ability to manage large amounts of data. Business Office supplements Cerner's patient accounting system by getting data directly from the 835 file. This lets analysts see more transactions than what are posted into Cerner. Being able to drill down into claim-level detail and trend AR over time lets analysts gain visibility to better focus their attention in the right places to drive AR improvements.

For example, an analyst using Business Office noticed a reason code was being mis-posted by the patient accounting system. This was causing patient balances to be incorrectly written off. Nebraska Methodist was able to immediately go into Business Office to determine the volume and impact and correct the mis-postings. The result was **$180K in underpayment opportunities** that were billed to the patients.

"[Having] additional analytics has been invaluable. Paired with our patient accounting system in being able to access the large amounts of data and having it right at our fingertips, it allows us and all the end users in the revenue cycle to get immediate insights and immediate data without having to wait for IT to build reports for us." said Comeault.

*For more information about MedeAnalytics Business Office Solution, visit our solutions page.*

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