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HEALTH

Hennepin County Medical Center

HOW THEY SAVED TIME, LABOR, AND NEARLY $11 MILLION

Hennepin County Medical Center

Hennepin County Medical Center (HCMC) is a nationally recognized Level I trauma center based in Minneapolis, Minnesota. HCMC is the largest safety net hospital in Minnesota. Licensed for 894 beds and operating 61 clinics, the primary mission of HCMC is to ensure access to healthcare for all.

SITUATION ANALYSIS AND CUSTOMER CHALLENGE

As the largest safety-net hospital in the state of Minnesota, HCMC faces significant financial challenges. With roughly 80 recent of its patient population uninsured or on government programs, the organization struggles to receive adequate payment for the healthcare services it provides. HCMC has developed numerous programs to assist the uninsured population – some with little to no co-pay requirement. The organization lacked a standard process for point of service or Patient Access Services to identify and collect past due balances, co-pays, and deductibles. In addition, the hospital and the clinics did not follow standardized scheduling, registration, and upfront collection practices, which provided inconsistencies in communication for the patients. HCMC recently integrated with Hennepin Faculty Associates (HFA) which added an additional 14 clinics to the existing 47 clinics at HCMC. The integration further increased the need for standardization and improvement in the cash collection process.
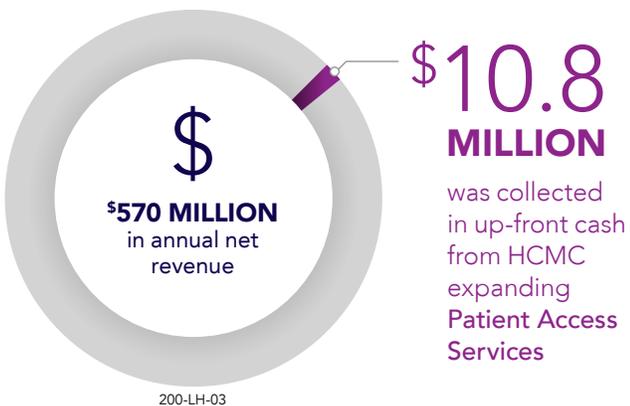
The organization was writing off patient accounts to bad debt that may have been eligible for government programs or charity status. Engaging uninsured patients in the eligibility process prior to service would increase the success of obtaining program eligibility and assigning the accounts to the appropriate financial class. In addition, procedures were performed on patients without reimbursement due to inconsistent eligibility, insurance verification, prior authorization processes and initiation of payment plans. Denials and non-payment of services would decrease by ensuring that the account was financially secured prior to scheduling appointments and procedures.

OUR SOLUTION

HCMC engaged Leidos Health to assist in improving the efficiency and effectiveness of the scheduling and registration process, up-front cash collection, insurance verification, and eligibility pre-screening processes as they apply to the Patient Access Services, Ambulatory Clinics and Hospital Service Departments (HSD's), particularly from the point of view of the services that assist uninsured/underinsured patients. Leidos Health assigned an experienced revenue cycle project lead to work closely with HCMC on this effort.

To begin, Leidos Health partnered with HCMC to complete an initial assessment. The goal of the initial assessment was to incorporate HCMC's guiding principles into the project:

▶ Ensure patient safety is optimized

▶ Improve the patient experience

▶ Implement standard processes, policies and procedures to reflect industry best practice

$ **$570 MILLION** in annual net revenue

$**10.8 MILLION** was collected in up-front cash from HCMC expanding **Patient Access Services**

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- ▶ Consistent and efficient use of tools to ensure data accuracy
- ▶ Develop measures, metrics, and monitoring for continued improvement and accountability
- ▶ Improve employee satisfaction
- ▶ Improve the financial viability of the organization

OUR APPROACH

Following the assessment, Leidos Health and HCMC developed a Revenue Cycle optimization plan. The plan encompassed the following initiatives:

- ▶ **Expand** Patient Access Services to include scheduling and registration of 33 Ambulatory Clinics, 14 HFA Clinics, and 14 Hospital Service Department patients.
- ▶ **Implement** Financial Counseling hubs strategically throughout the campus to provide easy access for Clinic and HSD patients. Develop a scheduling policy which would be based on the Admission and Treatment policy and Clinical Senior Leadership recommendations.
- ▶ **Designed** a staffing and coverage model for Financial Counseling and Access to adequately provide service during peak times and to high volume areas.
- ▶ **Coordinate** the implementation of the self-serve check-in kiosks and registration kiosks.
- ▶ **Implemented** phase one of the FHS patient financial obligation tools in the Patient Financial Care Department to identify procedure fees, co-pays, deductibles and self-pay fees.
- ▶ **Developed** a pre-screening process for uninsured/underinsured patients to identify eligibility prior to scheduling their service in adherence with the Admission and Treatment policy.
- ▶ **Develop** a standardized process to ensure that all events are financially secured at each POS and the Patient Access Services prior to the scheduling of an appointment.
- ▶ **Develop** training models for all Patient Access Services, Ambulatory Clinics, and HSD employees related to registration and scheduling.
- ▶ **Incorporate** propensity to pay, federal poverty limit screening, address verification, past due balances, upfront collection payments and benefit tools.

> "It was my pleasure to have had the opportunity to work closely with Leidos Health on the Revenue Cycle Optimization project at HCMC. Collaborating with Leidos Health allowed us to expand the scope of work in centralized scheduling and registration across all of our clinics and find opportunities to optimize our workflows and maximize the use of our technology."
>
> — **LOUANN THORNBERG**
> Manager, Patient Access Services
> Hennepin County Medical Center

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By moving the traditional model of revenue cycle "back-end" focus to the "front-end" of the revenue cycle, the integrity of account data would increase and the self-inflicted denial rates would decrease. In addition up-front financial obligation collection of current and past due balances would decrease "back-end" patient account collection efforts. Completing eligibility prior to arrival decreased bad debt and timely filing and increased billing throughput lag time.

Leidos Health was confident that by implementing this initiative, HCMC would achieve standardization in the patient experience and optimization of the revenue cycle, benefiting the organization by:

- ▶ Eliminating redundancies across the system
- ▶ Reducing costs associated with billing and labor
- ▶ Increase up-front payment collection and point of service collection
- ▶ Standardizing the scheduling and registration processes

Providing patients with a consistent experience and message at each point of service would provide them with "a no surprise event". With those objectives, Leidos Health and HCMC completed this 14-month effort.

OUTCOME AND RESULTS

Through this initiative, HCMC was able to expand Patient Access Services and collect a minimum of 2% of the $570 million in annual net revenue which was an estimated $10.8 million in up-front cash collections annually – a substantial increase from the current collections. As a result, the organization realized a cost savings in time, money and labor. Furthermore, by partnering with the patient at the front end of the revenue cycle, customer satisfaction improved, resulting in an increase of non-subsidized business being referred to HCMC by word-of-mouth marketing. This effort resulted in aiding the organization in meeting the goal of an additional 20,000 patient events within five years.

ABOUT LEIDOS HEALTH

Leidos Health helps healthcare organizations achieve their goals of meeting regulatory requirements, improving quality of care, reducing costs and enhancing the patient experience. Our services include implementation and optimization of EHRs for all major vendors, as well as solutions for critical initiatives such as IT strategy, revenue cycle, clinical optimization, Meaningful Use, and ICD-10, technology infrastructure, and cybersecurity. Leidos Health (a subsidiary of Leidos, formerly known as SAIC, and including the businesses formerly known as maxIT Healthcare and Vitalize Consulting Solutions) is a new company with unique capabilities and a 25-year legacy of success.

For more information, visit **leidoshealth.com**.

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