LEADING PEDIATRIC HOSPITAL
OPTIMIZES ITS REVENUE CYCLE & CASH ACCELERATION

Leveraging technology and leading practice adoption to drive improvements

SUMMARY
Accenture helped a leading pediatric hospital transform its revenue cycle operations. Three months into the project, the hospital had its most profitable month in history. After the twelve-month project, the client surpassed its cash collection target by more than $11M, reduced unbilled claim backlogs by 45 percent, reduced outstanding denials by 24 percent and decreased total Accounts Receivable (AR) by roughly 20 percent.

CLIENT PROFILE
A premier pediatric hospital on the west coast had earned accolades for leveraging its electronic health record (EHR) to improve patient outcomes, customer satisfaction and financial stability. However, a new revenue cycle framework complicated accounts receivable and cash flow management. The hospital engaged Accenture to transform the hospital revenue cycle, with goals of providing stability and funding further improvements to patient care.

OPPORTUNITY
Unbilled claim backlogs were growing and AR were at an all-time high. Uncollectable and bad-debt write-offs were becoming more frequent, staffing levels had not grown with patient volume and EHR technical issues were delaying collections. Policies and procedures for staff were outdated and not uniformly followed, and coordination between Revenue Cycle divisions was often missing.

SOLUTION
The engagement began with a comprehensive assessment of the Revenue Cycle across Scheduling, Patient Access, Financial Counseling, Billing, Collections and IT. The team found unfinished tasks, unclear documentation and unrealistic productivity expectations across the areas. Staff had difficulty completing their daily work due to technical configurations that created unnecessary steps and workarounds.

The team created a roadmap for the hospital’s Revenue Cycle transformation that centered on the following elements:

Quick Wins
- Prioritized accounts with large balances and low complexity
- Appealed high dollar denials
- Created management reports highlighting accounts requiring attention
- Plugged black holes to ensure all accounts reached a work queue for review
**Staffing Analysis and Organizational Structure**
- Conducted volume-based staffing analyses
- Realigned manager to staff ratios, which had surpassed 20 in all areas
- Redefined policies, processes and job descriptions

**Leading Practice Adoption and EHR Workflow Redesign**
- Deployed EHR automations, including interm billing, coverage management and charity evaluation
- Refined billing and claim edits, reducing staff workload and unbilled AR
- Optimized authorization workflows, emphasizing rapid payer communication

**IT Governance**
- Created Issues Management process to expedite technical build
- Clarified requirements for new ticket entries
- Increased ticket status transparency

**RESULTS**
Three months into the project, the hospital had its most profitable month in history, surpassing its cash collection target by 30 percent. Staff expressed enthusiasm about clear, documented priorities and expectations. Managers were grateful about increased communication with and understanding of other areas. Tickets completion increased by more than 50 percent. The project’s financial success continued through project completion, resulting in the outcomes below. The hospital continues to work with Accenture to help improve other processes and areas.

| Surpassed cash collection goal by more than $11M |
| Reduced unbilled claim backlogs by 45 percent |
| Reduced outstanding denials by 24 percent |
| Reduced total AR by roughly 20 percent |

The team focused on quickly reducing unbilled claims to inject cash into the organization. The efforts resulted in a 45 percent reduction of unbilled claims in the first four months of the project.

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