salud
revenue partners

Communication, clean claims help cash turnaround

THE CLIENT
A 3-hospital urban safety net health system in the Midwest

THE CHALLENGE
The system had had an established vendor for AR outsourcing, which had been successful in an earlier portion of an eight-year engagement. As the vendor grew and was acquired, its level of service diminished, and staff dedicated to the health system were replaced by offshore workers. When the VP of finance who had overseen the project for the system left, the hospital's revenue cycle divisions did not coordinate on data and processes.

WHAT SALUD DID
Salud provided an outsourced VP of revenue cycle to run patient financial services, the chargemaster and payment posting. One of the major areas of success was connecting upstream revenue cycle divisions. The Salud team established regular meetings with patient access, utilization review and coding. From registration to billing, effort was made to ensure every inpatient account got out the door in a timely fashion.

RESULTS
During Salud's involvement, improved billing practices led to across-the-board improvement in financial results. The key was establishing a shared sense of responsibility for clean claims across the revenue cycle operation.

82%
CLEAN CLAIMS RATE, UP FROM 46%

75%
IMPROVEMENT IN BAD DEBT WRITE-OFFS

$18M
CASH DIFFERENTIAL FROM TOP FIVE KPIS

A full financial services outsource fixes a raft of AR complexities

THE CLIENT
An inner-city safety net community hospital with 200 beds

THE CHALLENGE
What started out as small balance outsource and zero balance payment recovery program overnight became a full financial services outsource. The hospital's revenue cycle director had quit and taken key staff with him to a keen competitor, leaving Salud and hospital leadership with few business office staff, a lack of institutional history and a huge billing backlog.

The hospital had recently changed its claims processing system and its name, which forced a Tax ID change that had to be linked to all claims. The engagement, which involved Salud hiring hospital staff and its own local staff, started in March 2020, just before COVID struck. Within a week staff had to be transitioned to remote work. Meanwhile, the hospital's self-pay vendor in India simply stopped providing services.

WHAT SALUD DID
Leveraging its complete array of boutique services, and bringing in its payer collaboration leader, self-pay operations leader and data science team, Salud was able to pare $6 million from AR, or a 22% decrease. Collections increased despite reduced volume from loss of inpatient utilization amid COVID.

RESULTS
Salud's nimble, flexible approach, processes and dedication ensured that the client survived a series of events that might have had a disastrous impact on an important community hospital in a disadvantaged area.

22%
DECREASE IN AR

56%
REDUCTION IN BAD DEBT

45%
INCREASE IN
CHARITY CARE

A total coding outsource improves employee engagement and financial performance

THE CLIENT
A 250-bed general medical and surgical teaching facility in the Midwest with roughly $1 billion in annual revenue

THE CHALLENGE
The hospital's in-house coding team had fallen behind on accounts for a variety of reasons, so leaders decided to outsource the function. Because the staff was unionized, they had to be given 30 days' notice that their positions were being outsourced. Not surprisingly, little work was accomplished following that notice, making the transition to Salud more challenging. By the time Salud gained access to the hospital's systems in November 2020, there was a backlog of 34,324 accounts. Making the situation still more complex was the fact that the inpatient coding staff had generated all of their work lists and status of work in a computer-assisted coding system that had been mothballed.

WHAT SALUD DID
Salud put in place its usual written processes, including regular coding updates and alerts on specific problematic coding areas, which replaced what had been word-of-mouth information-sharing among staff. Four of the coders who had been let go by the hospital were hired by Salud, where they got regular training, feedback on performance and positive reinforcement in the form of recognition passed along by Salud to the team. Salud stopped the highly ineffectual practice of coding for physician and hospital services on the same bill.

RESULTS
By having the staff rowing in the same direction, financial results have improved across the board, even as facility utilization dropped significantly due to COVID fears.

86%
REDUCTION IN DISCHARGED NOT FINAL BILLED IN 7 MONTHS

22%
REDUCTION IN AR

$2.5M
> IN COLLECTIONS DESPITE FALLOFF IN UTILIZATION

Digging deep into process change overcomes claims denials

THE CLIENT
An urban public safety-net academic medical center

THE CHALLENGE
The client's accounts receivable had been backlogged across the board. Salud's AR placements have varied over time in scale and size of accounts, and the initial budget for Salud's share of account placements was limited. Over time, Salud has been paired with a shifting array of other vendors. The health system had been billing physician work in the same account as the hospital. Salud was assigned hospital billing; it began by examining claims that went out (837s), each one of which might have two hospital claims plus a physician claim. The medical center is in a state with complex Medicaid billing rules, making each account a potential landmine.

WHAT SALUD DID
Salud has worked consistently with medical center leaders and shared opportunities for improving claim edits, rejections, coding backlogs and denials. It brought in its data science team to pull in more accurate data. By over delivering on goals, the amount of AR assigned grew from starting balance of $52 million to $83 million.

RESULTS
Despite facing placements with a complex claims and a challenging payer mix, Salud has been able to align staff skills with assignments, monitoring quality to ensure staff take appropriate actions.

25-74%
REDUCTION IN AR

MORE THAN
$227M
COLLECTED

60K
BACKLOGGED
REJECTIONS RESOLVED

Understanding of payer issues drives expansion of zero balance reviews

THE CLIENT
A four-system purchasing consortium across a Midwest state

THE CHALLENGE
What started as a modest review of settled claims within a 10-hospital health system gained traction quickly, and other members of the consortium were interested and came on board. One impetus: Salud recovered more than $10 million for the initial client in less than a year.

WHAT SALUD DID
Salud's payments models include reimbursement calculators designed to ensure complete account payment for services performed, not just what was billed. As each system hospital was added, a review of coding, billing and write-offs found a host of broken processes, many leading to big-ticket claims not being resolved properly. As just one example, coding errors baked into the chargemaster generated ambulatory surgery center outpatient claims of a few hundred dollars instead of $100,000 under the proper inpatient surgery code. As is the case across its customer base, when process issues are found, Salud goes beyond recouping of expense to ensure the solutions are applied across its client base where appropriate.

Another routine service Salud has provided for this and all of its clients is keeping up with payers, who are always sending new rules and updates on billing, many retroactive to six months earlier. The task is to not only change things going forward but reach back to past billing and rebill them or appeal for payment of the differential.

RESULTS
Put together, this engagement has added many millions of dollars to each system's bottom line.

$43M
UNDERPAYMENTS
IDENTIFIED

$26M
APPEALED

$21M
RECOVERED

A self-pay project pays off with Salud's PayVow solution

THE CLIENT

A 116-bed regional referral center serving a multistate area from the plains to the Mountain West

THE CHALLENGE

A patient accounting system conversion at this hospital left self-pay statements going out long after final service, with patients getting billed prior to insurers. Patient complaints had risen, requiring higher staffing levels to field those calls. Aged AR and bad debt reserves were increasing. For its final few months under contract, the prior early-out vendor had a 3.8% collection rate, then stopped working a month prior to termination date. Client wanted to get 50% of all self-pay patients onto a payment plan within Salud's first year under contract.

WHAT SALUD DID

PayVow, Salud's proprietary software, uses social psychology to get people to commit to paying their bills. It involves a live person and an interactive voice response system designed to get patients on the record to confirm their intention to pay or not pay their unpaid medical balance. Having patients state their intention to pay knowing the call is being recorded is associated with a much higher rate of follow through than continuing to hector them for payment.

RESULTS

Salud's collection calls are handled professionally in a friendly, non-confrontational manner. Patients are referred to a financial aid program and offered a payment plan; 59.2% of self-pay patients are on such a plan. The client experienced a sevenfold increase in the collection rate of placements and more than a threefold increase in monthly collections.

29%
COLECTION RATE ON PLACEMENTS

58%
OF ACCOUNTS PAID IN FULL

$916K
IN MONTHLY COLLECTIONS