

Case Study: Mercy Medical Center



Mercy Medical Center, located in Baltimore, Maryland, is a Catholic healthcare facility, sponsored by the Sisters of Mercy, and a teaching hospital for the University of Maryland School of Medicine. Mercy is part of Mercy Health Services, Inc., which includes Stella Maris, Central Maryland's largest long-term, geriatric care facility located in Timonium, as well as a network of community health centers.

Mercy chose Healthfuse to help develop a new vendor strategy to increase performance visibility, reduce costs, and maximize reimbursement.

CHALLENGE

Mercy Medical Center worked with several outsourcing vendors including collections agencies and Medicaid eligibility companies, but suspected they were not receiving an optimal return on investment from those relationships. Without reliable data, Mercy was unable to perform a thorough, objective analysis. In addition, each vendor reported outcomes based on different criteria, some claiming an eligibility rate as high as 95%, which Mercy believed to be improbable. The company also found its own internal self-pay procedures were inefficient and underperforming.

SOLUTION

Mercy engaged Healthfuse to develop a new vendor management strategy based on uniform performance visibility. An initial revenue cycle assessment found Mercy's suspicions to be true; each vendor measured success using different calculations, some very broad and ambiguous. Using its consolidated reporting solution, Healthfuse developed a vendor scorecard based on standardized calculation methodologies.

IMPACT

With Healthfuse, Mercy gained objective and clear visibility into vendor performance and established new performance goals based on established benchmarks. Vendors that had over-stated outcomes were replaced by new, top-performing vendors. Healthfuse managed the selection and contract negotiation to ensure the highest ROI possible. Healthfuse also sourced two new self-pay vendors, and managed the selection and implementation of five new technologies. Additional achievements include:

23%
improvement in
vendor performance

\$2M
million annual
yield in self-pay
collections

7.5:1
return on
investment
to date

60%
improvement
in self-pay
performance

They've achieved everything they promised. Since our partnership began, we've gained over \$21 million in cost savings and net collections improvements.

Justin Deibel
Chief Financial Officer
Mercy Medical Center

“

“The Healthfuse partnership has yielded more than \$21 million for Mercy Medical Center!”