



Case Study: Nebraska Methodist Hospital

CHALLENGE

Nebraska Methodist Hospital used the same early-out vendor for many years. Even with the valued and trusted relationship, the health system experienced increasing complaints from patients who were unsure as to why they were being sent to bad debt. They also discovered that there was an influx in bad debt collections, specifically within the first three weeks after agency placement, driving up the cost to collect. Michaela Thomsen, Director of Patient Financial Services at Nebraska Methodist Health System, needed a way to analyze the vendor's processes to identify areas for improvement.

SOLUTION

Nebraska Methodist Hospital chose Healthfuse to perform a process audit and to help improve transparency between the health system and the vendor. The proprietary automated rules-based auditing tool, AutoAudit—runs throughout a client's system, scrubbing activity files produced by the vendor, or dialer files if for early out, bad debt, or patient financing. AutoAudit identifies and flags potential issues on an account, and then segments those issues based on the various rules violated. Healthfuse analysts then work with vendors, participating in call audio auditing to ensure customer service best practices are being met and providing remediation and improvement counseling, assisting Nebraska Methodist and their vendors in fixing process and programming issues.

IMPACT

Healthfuse, Nebraska Methodist, and the vendor worked collaboratively to address gaps in procedures and to implement improvements across all collection and bad-debt processes. The vendor appreciated the opportunity to work through the issues and was quick to make changes, which helped bring greater value and accountability to the relationship. With Healthfuse, the Nebraska Methodist partnership to date has delivered:

45%
improvement in outsourcers
productivity

\$131K
in invoicing
errors recovered
to-date

\$10.9M
in incremental cash
improvement to-date due to
increased vendor liquidation

\$333K
in contract
savings to-date

The increased transparency Healthfuse was able to deliver helped not only us but our long-standing vendor as well. We appreciate the collaborative process. Together, we've been able to significantly improve self-pay collections and reduce bad-debt in a relatively short amount of time.

Michaela Thomsen
Director of Patient Financial Services
Nebraska Methodist Health System

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Nebraska Methodist Health System maximized patient collections with its early-out self-pay agency, reducing accelerated payments in bad debt from 12% to less than 3% in two months while improving patient satisfaction.