

CASE STUDY - Free Standing Emergency Room



Specialty	Free Standing Emergency Room
Services Provided by RMB	Complete Medical Coding and Billing Services
Medical Billing Software	CollaborateMD

Client's Profile:

A **Free Standing Emergency Room**, located in Texas, provide personalized emergency services 24/7 with board-certified emergency physicians and emergency trained registered nurses.

RMB's Approach:

Free Standing Emergency Room was having coding and collection related issues so a complete analysis was done by RMB's RCM team to line up the critical issues first. Critical issues were then assigned to the concerned Teams for resolution.

Issues and Challenges Identified by RMB:

RMB took over this account and the following critical issues were identified by the RMB's RCM team.

- True (AR) accounts receivable was being adjusted/written-off.
- Collection per encounter was around \$1,200-\$1,600.
- Claims were being submitted with incorrect coding i.e. Incorrect ED Levels & Emergency Diagnosis.
- Out of Network Negotiations were being settled at less than 50% of the charges on average.
- No Follow-up on underpaid claims and pre/post payment negotiations.
- Insurance appeals for underpaid claims were missing.
- Follow-up strategy by payer was missing or it was not being followed.
- ER Physicians were not receiving any feedback to improve their charting.

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Solutions:

i- Coding Review and Chart Auditing

RMB Accounts Receivable Recovery team analyzed the total AR to prioritize the claims that could be resolved within the timely filing limit, but a coding review and chart auditing was the primary thing to be done before AR recovery.

RMB coding team reviewed the charges and charts to highlight the coding errors and chart related issues. Coding review was sent to RCM team to establish a strategy for AR recovery, Denials Management, Out of network Negotiation and Appeals.

ii- Accounts Receivable Recovery

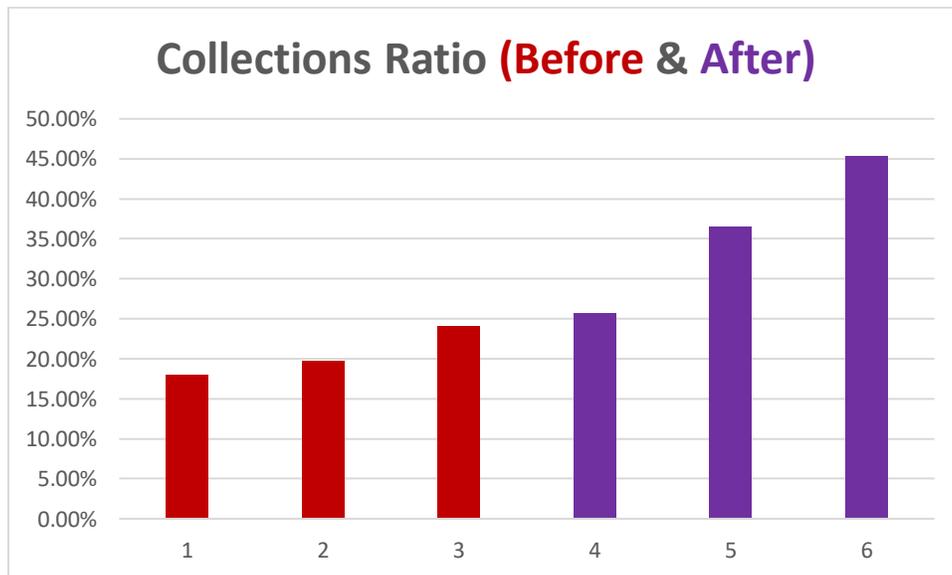
Our RCM follow-up team worked on all unpaid and underpaid claims to get the actual status.

All claims were then distributed to different teams for corrections, pre/post payment negotiation and appeals.

Unpaid claims due to incorrect ED levels, principal and non-emergent diagnosis were sent back for reprocessing.

Claims with incorrect adjustments were identified and sent back for reprocessing and additional payment.

The collections ratio was improved from 18% to 45% within 3 months.



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iii- Out of Network Negotiations

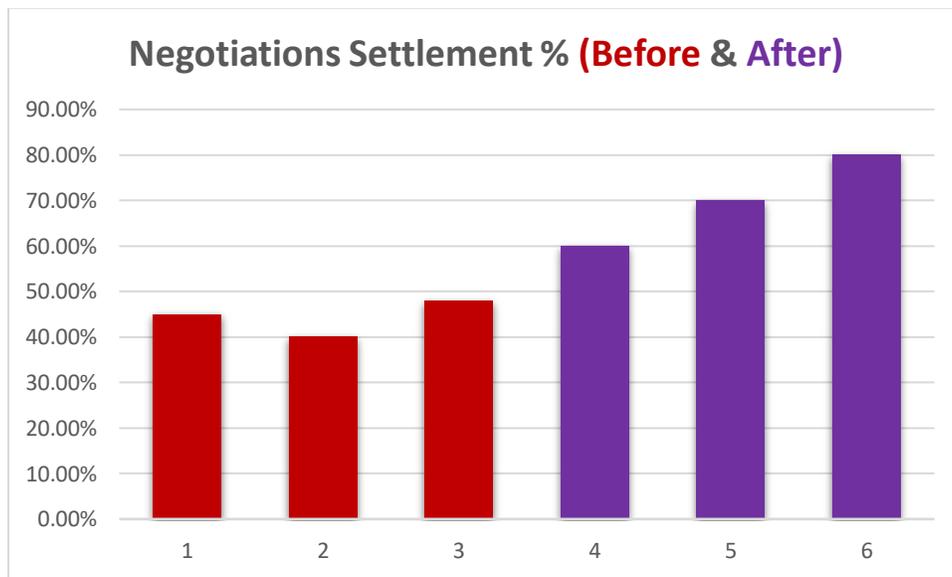
Our negotiation team reviewed all the out of network claims, any agreements with third party negotiation companies i.e. Multiplan, Viant, HRGI, Zelis, GCS etc, previous negotiaton strategy, acceptance & settlement rates and payer mix.

Agreements with third party negotiation companies were renegotiated.

RMB negotiation team utilized RMB database for out of network claims to re-open and send counter offers for under-paid and under-settled claims.

Negotiations were categorized based on the payer types and funding options.

Out of network negotiations settlement avg % was improved from 45% to 70% of the charges.



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iv- Follow-up & Insurance Appeals on Underpaid claims

After reviewing the previous follow-up and out of network negotiation strategy, Our RCM team came with a more robust strategy to collect the maximum amount from ER claims.

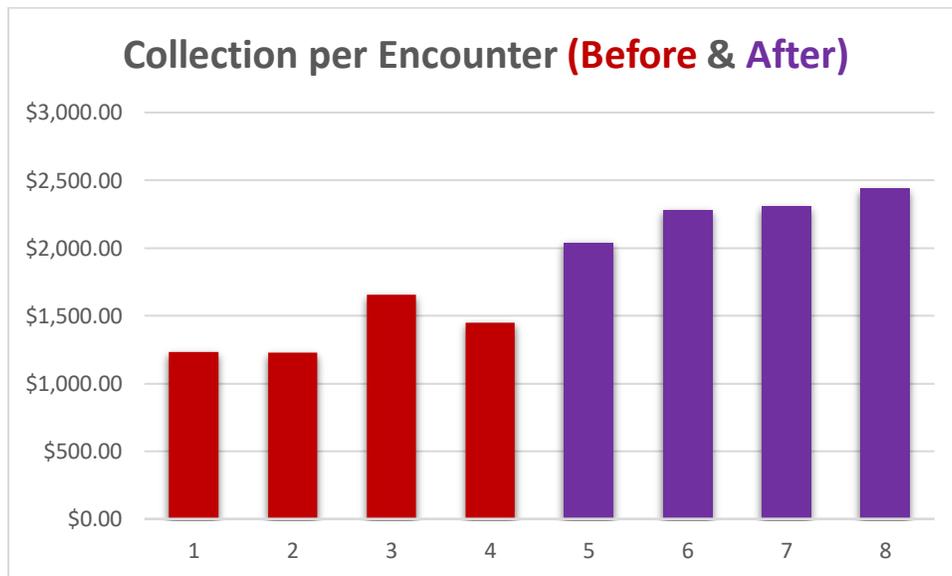
Our RCM team utilized RMB database for out of network claims, to assign a category to each payer based on their reimbursement trends, out of network benefits, funding options, pre & post payment negotiation policies, acceptance & settlement rates.

According to the new strategy, Follow-up team worked aggressively on all the claims and then claims were assigned to the negotiation and appeals team for further settlements.

Negotiation team categorized the payers based on pre & post payment negotiation policies and negotiated the claims accordingly.

All underpaid and denied claims from payers with no negotiation policy were appealed based on the payer category decided by RCM team.

Ultimately, collection per encounter was improved from \$1,200 to \$2,300 on average with more than \$3,000 per encounter for commercial payers.



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v- Denials Management

Apart from underpaid cases, most of the claims were being denied for non-covered services, coordination of benefits, coverage lapse, and subrogation information pending with patient. After complete analysis,

After complete analysis all denials were fixed by RCM and Patient Help Desk after verification from the payers and patients.

Conclusion:

After taking care of the critical issues, RMB's focus was to improve the overall reimbursement and minimize rejections and denials.

The collections ratio was improved from 18% to 45% within 3 months.

Rejections and denials rate came to less than 5%.

Coding has improved and ER Physicians are receiving feedback to improve their charting.

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Collection per encounter was improved from \$1,200 to \$2,300 on average with more than \$3,000 per encounter for commercial payers.

Free Standing Emergency Room is very satisfied with the results and currently a dedicated RMB's RCM team is taking care of this account with ongoing research on healthcare trends i.e. COVID Testing, Vaccination, and changing payer's policies which helps Free Standing Emergency Room's physicians to focus more into the patient care.

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