

Indiana University (IU) Medical Group



“MPV Eligibility has helped our practice streamline front-end revenue cycle workflow and improve productivity.”

*– Barbara Bills,
Assistant Director
of Development,
Information Systems,
Indiana University
Medical Group
Specialty Care*

THE ORGANIZATION: Indianapolis, Ind.-based multi-specialty academic practice with more than 950 physicians

THE CHALLENGE: Implement an automated insurance verification process to confirm eligibility and benefits prior to patient arrival; perform self-pay verification to identify additional reimbursement opportunities; minimize claims rejections and denials

THE SOLUTION: MPV Eligibility allows practices to electronically access patient co-pay, benefit and deductible information prior to a patient’s appointment while also facilitating the matching of self-pay patients against Medicaid databases to maximize revenue collection

THE RESULTS: Recovered \$350,000 in self-pay revenue in first sweep of Medicaid databases; significant reduction in denials; and less staff time spent on rebilling and collection activities

IU Medical Group optimizes eligibility and benefits management with MPV

‘We consistently identify and recover self-pay revenue that might have slipped through our fingers, and we have reduced the number of claims resubmissions’

Situation

Since IU Medical Group did not have an established system in place to verify a patient’s insurance eligibility prior to the time-of-service, the practice was frequently sending claims to the wrong payers. Although the group, which includes 22 departments, had made two previous attempts to automate eligibility management, staff had found the software difficult to use and maintain. In addition, because the practice is highly decentralized, each department was employing its own eligibility and insurance verification processes, which varied considerably.

“While some of our departments were making phone calls or using the Internet to verify eligibility, some departments had no established verification process in place, resulting in inefficiencies and potential loss of revenue,” said Barbara Bills, assistant director of development and information systems, IU Medical Group Specialty Care. “In addition, the decentralized nature of the organization and lack of a standard method for confirming eligibility made it difficult to measure the number of denials and claim rejections.”

The practice also realized it needed a better way to identify self-pay patients covered by Medicaid. “We knew that a percentage of our self-pay patients had insurance coverage, but we didn’t have an efficient way of gathering that information on a consistent basis,” said Bills.



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Challenge

In 2002, IU Medical Group decided to take another look at automated solutions in an effort to more effectively manage the eligibility and insurance verification process. To ensure maximum benefit from the chosen solution, the practice realized it was important that the software integrate with the group's practice management system. "It was also key that we be able to perform real-time benefits verification in order to facilitate the collection of patient co-pays, deductibles and co-insurance," said Bills.

The practice looked to its payer contracts as another way to maximize revenue. "We wanted the ability to electronically apply proposed contract terms to the mix of services we provide to help us identify costly reimbursement rules and negotiate better-performing contracts," said Tom Carson, director of managed care for IU Medical Group.

Solution

After investigating the available options, IU Medical Group selected MPV Eligibility. "Our objective was to choose a solution that would not only be easy to use, simple to maintain and cost-effective but that would also help us streamline eligibility processes and improve cash flow," said Bills. "In addition to meeting those criteria, MPV Eligibility seamlessly integrates with our practice management system, which we saw as a strong benefit."

IU Medical Group employs a multi-pronged approach to eligibility and benefits management. Staff members typically work edits created as a result of automated batch verification of patient coverage two to three days in advance of the patient's visit. "If there has been a change in insurance, we can enter the new plan information and determine whether there's a need for a referral," said Bills. On a monthly basis, the group compares invoices ready to be sent to collections against Medicaid databases to determine potential revenue opportunities. The practice also performs a quarterly sweep of all self-pay patients to check for Medicaid coverage.

In addition, the practice implemented MPV Contract Analysis so it could more accurately determine the impact of its payer contracts on revenues. "The ability to model the financial implications of existing and proposed contracts and eliminate underperforming contracts has positively affected our bottom line," said Carson. "We are able to come to the negotiating table well-informed, which strengthens our position and results in better contracts."

Results and Return on Investment

IU Medical Group has achieved significant efficiency gains since implementing MPV Eligibility. "We are now able to work by exception, so we only have to handle records where there has been an edit," said Bills. "Workflow has improved and staff is no longer burdened with labor-intensive manual verification processes."

Additional benefits include:

- Reduction in claims rejections and denials
- Increased up-front collections from patients
- Improved identification of self-pay patients covered by Medicaid
- Fewer accounts sent to collections

MPV Eligibility has been instrumental in helping IU Medical Group improve its cash flow. "We're experiencing fewer denials and are getting cash in the door faster," said Bills.

IU Medical Group collected \$350,000 in self-pay revenue with the first quarterly batch

About MPV

MPV helps medical groups to maximize practice revenue and meet the demands of healthcare consumers by combining technology and consultative services to fully automate eligibility and insurance verification; reduce patient write-offs; monitor payer contract compliance; recover underpayments; and negotiate better contracts.