

Medical College of Wisconsin



“MPV does a great job of explaining the reasons why an underpayment exists and why it is a variance.”

*– Marion Livingstone,
Executive Director of
Clinical Practices Services,
Medical College of
Wisconsin*

THE ORGANIZATION: Milwaukee-based multi-specialty academic practice plan with more than 1,100 physicians/allied health professionals

THE CHALLENGES: Expediting the collection of patient payments and payer reimbursement

THE SOLUTIONS: MPV Eligibility electronically verifies patient eligibility and benefits coverage prior to service while MPV Contract Management validates reimbursement accuracy at the line-item level for increased revenue cycle efficiency

THE RESULTS: Improved cash flow, better performing payer contracts and an addition of \$6.36 million to the bottom line in five years

Medical College of Wisconsin teams with MPV for improved financial performance

‘We definitely achieved our objectives; our group has a great partnership with MPV.’

Situation

When it came to determining accurate reimbursement for medical claims, Medical College of Wisconsin (MCW) had little confidence it was being paid exactly what it was owed. “We didn’t know if we were getting paid appropriately because of the complexity of the payer payment policies in conjunction with contract terms,” said Marion Livingstone, executive director of clinical practice services, Medical College of Wisconsin. In 2000, the group began exploring possible ways to tackle this challenge, and first turned to an in-house solution for tracking payer contract compliance.

While this method did help MCW to flag some potential payment variances, it did not provide the functionality the group needed to achieve the level of financial performance it desired. In particular, the program — which relied on fee schedules loaded by the practice — lacked the sophistication required to value a claim based on the numerous variables and payment policies stipulated in a payer contract and could not monitor the overall performance of each contract. “There wasn’t any logic based on things like modifiers or specialty-specific rates,” Livingstone said.

The process was also inefficient and often caused staff members to research more claims than necessary. Manual processes for eligibility and benefits verification were a drain on staff resources as well, requiring lengthy phone calls to payers and numerous visits to individual payer Web sites.

Challenges

In 2003, MCW began looking for a new solution that would not only streamline workflow and further automate the process of monitoring payer contract performance, but would also provide a more efficient means to file appeals and track the group’s success. It also wanted to partner with a vendor that had experience in the physician group practice market, specifically one with a track record of success with other academic practice plans. One of MCW’s main criteria was finding a system that would provide intuitive and easy-to-use reporting tools for all staff members. “We wanted something comprehensive that would not create a lot of unnecessary work for our staff,” Livingstone said.



Medical Present Value

1-866-930-1230

www.mpv.com

5000 Plaza on the Lake

Suite 265

Austin, TX

78746

tel 512.795.0015

fax 512.795.9529

www.mpv.com

©Medical Present Value, Inc.
2010. All rights reserved.

Solutions

After a thorough search, MCW selected MPV because “it became clear that MPV had the unique combination of technology and services that could get things accomplished in the time frame desired with the bulk of our business,” Livingstone said. In particular, MCW wanted to take advantage of MPV’s expert contract definition and modeling services, which would allow the group’s billing and contracting staff to determine accurate payment for medical claims based on a complex mix of payment variables, fee schedules and policies. MCW also liked the fact that MPV Contract Management is delivered as a Web-based application, which minimizes the time and expense associated with implementing and maintaining the system.

As a result of this automation, staff members are able to monitor many more payments than it could in the past. “It is a much better process,” Livingstone said. “The majority of payments flow through MPV Contract Management.”

While MCW’s main focus is on identifying contractual underpayments and tracking appeals, it also uses the reporting capabilities and contract analysis tools to run what-if scenarios to assess the financial impact of alternative contracts proposed by payers. MCW regularly applies proposed contract terms to the precise mix of services that it provides to determine the bottom line impact of each contract. “The contract analysis tools have helped us spot unfavorable contract terms and focus our negotiation efforts based on our actual service mix and payment policy impact,” Livingstone said.

After successfully utilizing MPV Contract Management for many years, MCW expanded its use of MPV solutions to include MPV Eligibility. Automating eligibility and benefits verification has allowed staff to quickly and easily verify the accuracy of patient co-insurance and deductible information, resulting in improved productivity, fewer denials and faster payment. Plus, the most current eligibility information is automatically updated to its practice management system eliminating the need for human intervention.

Results

By partnering with MPV, MCW has streamlined eligibility verification processes and maximized the value of its payer contracts. Additional benefits include:

- Recovery of \$6.36 million in nearly 5 years
- Increased productivity for billing and contracting staff
- Fewer claim denials
- Enhanced payer contract negotiations based on historical mix of service data and what-if analyses

In addition, more accurate eligibility information helps to ensure claims are sent to the proper payer, eliminating time-consuming rework. The practice has also strengthened its relationships with payers because appeals now point to specific payment methodology. “MPV does a great job of explaining the reasons why an underpayment exists and why it is a variance. When we tell our payers we’ve been underpaid, we are confident,” Livingstone said.

MPV adds \$6.36 million in nearly 5 years

Medical College of Wisconsin, July 2005 – May 2010

Recoveries from successful appeals \$6,368,611 million

About MPV

MPV helps healthcare providers collect accurate payments from both payers and patients by verifying insurance eligibility and benefits, estimating patient financial responsibility, validating reimbursement accuracy and monitoring payer contract performance.