UPGRADE YOUR EMR OR ENHANCE YOUR CURRENT VERSION?

How RevSpring helped modernize an EMR system, decreasing accounts receivables (AR) and increasing cash flow.

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Morris Hospital & Healthcare Centers has been improving the health of area residents since 1906. The hospital owns and operates primary care physician practices within a 30-mile radius of the hospital and is known for its compassionate and personalized approach to healthcare. The hospital commits significant resources annually to continually enhance its diagnostic and treatment capabilities.

M THEIR MISSION:

To improve the health of area residents.

V THEIR VISION:

Transforming healthcare to support healthier living.

MORRIS
HOSPITAL
& HEALTHCARE CENTERS

The Organization

- Established in 1906
- Located 55 miles southwest of Chicago in Morris, Illinois
- Over 1,100 employee
- 500 Auxilians
- More than 200 physicians
- www.morrishospital.org

RevSpring Solution

RevCycle Assessment & Consulting
The objective of the assessment was to identify under-utilized features and gaps in technologies that were creating workflow inefficiencies.

Results Overview

$16.9 million dollar increase in Total Cash Collections for 2018

Modernization of processes, helping resolve millions of unposted cash receipts

A 40% decrease in aging AR, collecting more money faster

Optimization of the current EMR solution rather than an upgrade or switch in systems

Hospital providers rely heavily on their Electronic Medical Records (EMR) systems to manage operations, streamline workflows, and provide data analytics to support strategic decisions. Maximizing features and functions within your EMR is important when keeping pace with competition, maintaining compliance, and positioning your organization for future growth and financial stability.

Like many MEDITECH hospitals, Morris Hospital, an 89-bed hospital located in Morris, Ill., was at the crossroads with its MEDITECH EMR system and were tasked with deciding whether to convert to MEDITECH 6.16 Expanse or stay with their current version Client/Server (C/S). The hospital also identified the following issues, which impacted their decision to seek outside help:

> "RevSpring explained our options and provided recommendations that made sense."
>
> -Alex Blumenshine, Director of Revenue Cycle at Morris Hospital

RCM CHALLENGES

- Over $7 million in unposted cash receipts

- A spike in aging accounts receivables

- Delays in coding and final abstracting caused spikes with their unbilled receivables

- 16 months of unposted Medicaid payments and adjustments

- No formal denial management program

- A lack of automation and underutilization of their EMR

- Paper claims and remits -- legacy, non-compliant paper claims converted through a claim's clearinghouse and hard-copy Explanation of Benefits (EOBs) for posting payments and adjustments

- Lack of in-house expertise related to MEDITECH

Due to the inherent expense associated with large EMRs, the workload, and the staff commitment of large system conversions, it was important for the team at Morris to understand their current landscape and to scope their existing system utilization before making their final decision. Additionally, they wanted to understand what opportunities were available to fix sub-optimal processes, enhance existing technologies to streamline operations, and reduce denials.

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ENGAGING REVSPRING'S CONSULTING DEPARTMENT

In early 2017, Morris Hospital involved RevSpring's consulting team to perform a system assessment on its MEDITECH C/S system. The objective of the assessment was to identify under-utilized features and gaps in technologies that were creating workflow inefficiencies. The results of the assessment played a role in deciding not to upgrade to MEDITECH 6.16. There were clear opportunities to invest in their existing technologies and staff before considering a complicated and costly system conversion.

RevSpring spent a considerable amount of time onsite at Morris Hospital meeting with key stakeholders throughout the organization. Staff members were interviewed, workflows were observed, and a detailed system assessment was performed on its MEDITECH C/S EMR.

Alex Blumenshine, Director of Revenue Cycle at Morris Hospital, provided support and guidance on a day-to-day basis. He played a major role in convincing Morris's leadership to commit to RevSpring's recommended initiatives. Simply put, Blumenshine said, "a new system isn't going to fix old problems."

RevSpring's assessment findings uncovered Morris's system was lacking in technological upgrades and process changes to meet new requirements for over the past 10 years. If their processes and MEDITECH set-up was broken in their existing C/S system, converting to a new system would only add to the complexities and solutions. The likelihood that their ailing processes would be brought forward to a new system were high

Within three weeks, after the initial contact, RevSpring had created a comprehensive document that outlined the hospitals current state, a proposed future state, ROI, and the value associated with implementing each change.

Why did Morris Hospital choose RevSpring Consulting?

- RevSpring focused experience with MEDITECH

- Did not push the MEDITECH 6.15 conversion, rather suggested optimizing their existing system

- The success RevSpring had with their initial RevCycle Assessment

- RevSpring's Greg Kalivas, Senior Consultant with years of EDI experience, made a great first impression

- RevSpring understood the hospital's culture and was not interested in replacing staff but rather empowering and training their staff on new work-flows and new system features

THE SOLUTION

RevSpring identified 10 scenarios that were affecting the hospitals financial success. RevSpring's consulting team defined the current state and then proposed solutions and the financial impact each solution would have on the hospital's revenue cycle. Leveraging RevSpring's own denials system, the consulting team was able to align the financial impact each scenario would have on the hospital's cash flow and aging AR. This showed Morris's leadership team the impact of each scenario and helped to justify the expenses related to solving their problems.

> **RevSpring's recommendation was to resolve workflow inefficiencies, implement key features in their existing MEDITECH C/S, automate as many functions as possible, and train staff on best practices.**

Based on RevSpring's assessment, the leadership team soon understood there was a high probability that if RevSpring had a chance to enhance their existing system, the financial results would be substantial. The decision was made by Morris leadership to invest in optimizing their existing MEDITECH C/S EMR with the help of RevSpring.

Once the relationship was agreed upon, RevSpring created a project plan and timeline with initiatives broken down into several projects. Some overlapped but others were contingent on one another. The project plan defined timelines, the sequence of tasks, the approach to the solutions, an implementation plan, and the expected results of each initiative. Most of the scenarios required both process and technological enhancements to solve the problem. "RevSpring explained our options and provided recommendations that made sense," Blumenshine said. "They also coordinated systems enhancements with staff training to ensure a sustainable future once they were finished. The outcome speaks for itself, and we are much more efficient in both our revenue cycle processes and are utilizing much more of our existing technologies."

$202,126,740

2017

$219,050,706

2018

$16,923,966
NET CASH GAIN

RevSpring Consulting worked closely with Morris leadership to prioritize the projects by value and their relationship to one another. The 18-month project plan and consulting expense estimate was created, submitted, and approved by Morris leadership in March 2018.

The following section highlights each major project and tasks that were completed during the 18-month period:

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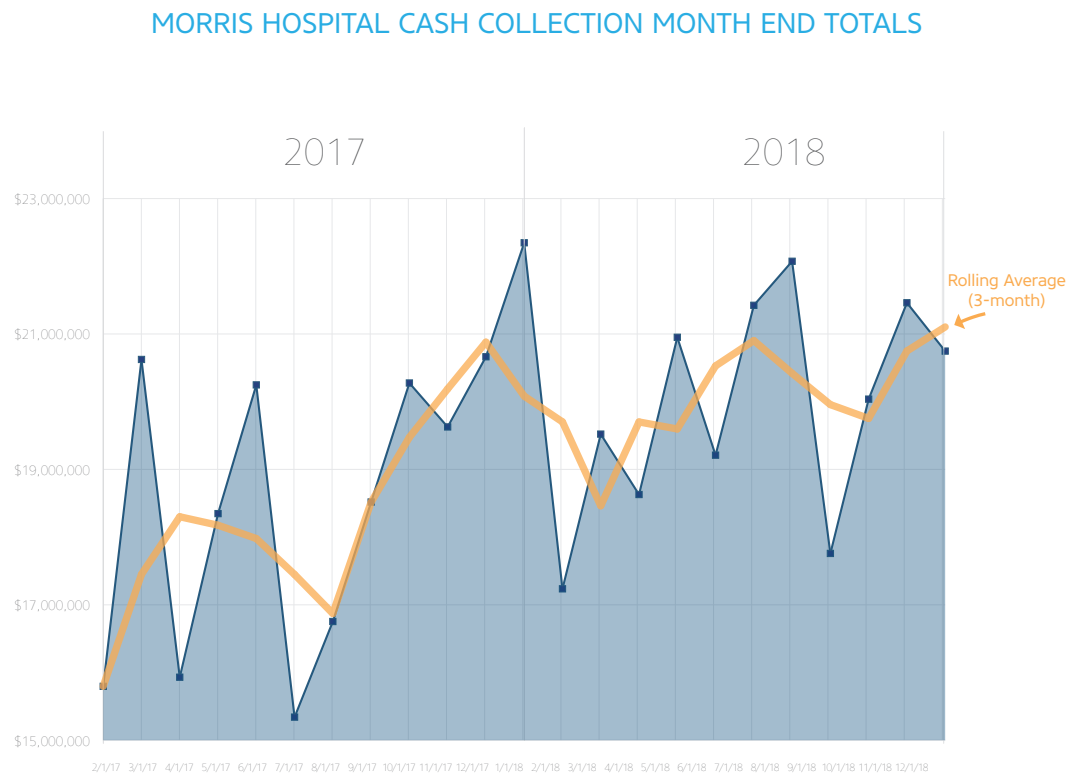| PROJECT DESCRIPTION	TASKS
Revenue Cycle Assessment	Staff interviews, process observations, and revenue cycle systems analysis
Electronic Remittance Implemenations (835)	Auto posting of payments and adjustment, build a denial follow-up team, and implement a "two-pronged" denial management program
Electronic Claims Implemenation (837)	Print image to 837 that includes a large data validation implementation and follow-up workflow changes
General Ledger (GL) Output Project	Set up and implement GL application
General Ledger Extension - Output Project	GL analysis and monthly process
Revenue Cycle Applications	Dictionary training, process training, system automation implementation
Material Management Program	Perpetual inventory implementation
AR Reduction Project/RevCycle Improvements	RevSpring's billing team (director consultant and five experienced billers) led a large aging AR and denied claims collections project, trained staff and implemented new processes for in-house billing and collections staff
Materials Management Project Addendum	Operating Room (OR) inventory set up and integration processes to support physician preference cards and timing related to OR related implants and materials
Revenue Cycle Support	Continue to provide as-needed revenue cycle operation and technical support to Morris leadership, analysts, and IT Department

FINANCIAL RESULTS AND IMPROVED EFFIECIENCES

RevSpring's revenue cycle initiatives at Morris lasted 18 months. During that time period, RevSpring helped to transform their revenue cycle from a downward spiral to a high performing, efficient model for future projects. In late 2017, Morris' AR stood around $105 million, but after RevSpring's engagement and the completion of the project, their AR was reduced by 44% (just under $58 million). Additionally, their cashflow increased by almost $17 million (2017 totals were $202 million and March 2019 totals showed $219 million).
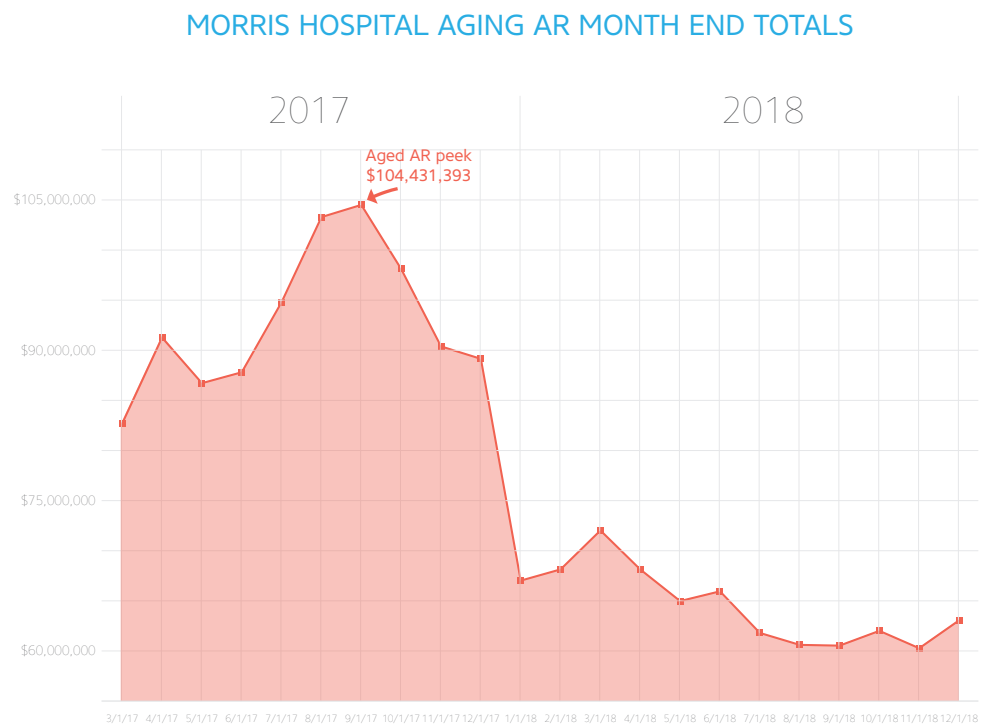
Below are some key financial indicators used to measure the success of the project:

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Graph 1: Shows Cash Trends Aligned with RevSpring's Engagement

MORRIS HOSPITAL CASH COLLECTION MONTH END TOTALS

2017   2018

Rolling Average (3-month)

$23,000,000

$21,000,000

$19,000,000

$17,000,000

$15,000,000

2/1/17 3/1/17 4/1/17 5/1/17 6/1/17 7/1/17 8/1/17 9/1/17 10/1/17 11/1/17 12/1/17 1/1/18 2/1/18 3/1/18 4/1/18 5/1/18 6/1/18 7/1/18 8/1/18 9/1/18 10/1/18 11/1/18 12/1/18

Graph 2: AR Trends Aligned with RevSpring's Engagement

MORRIS HOSPITAL AGING AR MONTH END TOTALS

2017   2018

Aged AR peek $104,431,393

$105,000,000

$90,000,000

$75,000,000

$60,000,000

3/1/17 4/1/17 5/1/17 6/1/17 7/1/17 8/1/17 9/1/17 10/1/17 11/1/17 12/1/17 1/1/18 2/1/18 3/1/18 4/1/18 5/1/18 6/1/18 7/1/18 8/1/18 9/1/18 10/1/18 11/1/18 12/1/18

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CONCLUSION

Positive results as the result of the RevSpring partnership continue to impact the hospital. As of February 2019, the ending AR was reported at $58,521,115, which was significantly lower than the numbers they had reported in Q3 2017 (which averaged around $104,431,392.65). **The hospital is seeing about a 44% reduction in their AR since they started this journey.**

Because of the partnership with RevSpring, the hospital has also been empowered to focus on other priorities that further improve efficiencies and patient experience.

The Morris team is currently working to streamline processes by converting to a single clearinghouse vendor. Current processes include a different clearinghouse vendor for their professional billing operations. Morris is also working through the selection of a loan company to boost patient payment options and trying to integrate credit card payment processing to enhance patient engagement.

"Our partnership with RevSpring has been outstanding. They are experts in hospital revenue cycle, and our financials are the proof."

Alex Bloomshine
Director of Revenue Cycle
Morris Hospital

"Morris Hospital made the right strategic decision to optimize their existing technologies rather than investing in a large system conversion project. After we performed the initial assessment, it was clear that they had several major opportunities to leverage the system they already own, which could solve most of their workflow and data validation problems, as well as reduce their denials. At the end of the project, they realized a substantial amount of cash collections, enhanced processes, and a cultural transformation that will help sustain their financials and prepare the team for a system conversion in the future. They are a great group of people, and it was a pleasure working with Morris leadership throughout the engagement. I am also very proud of our consultants for exceeding everyone's expectations."

Tim Bavosi

VP Consulting, RevSpring

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RevSpring is a leader in patient communication and payment systems that tailor engagement touch points to maximize revenue opportunities in acute and ambulatory settings. Since 1981, RevSpring has built the industry's most comprehensive and impactful suite of patient engagement, communications, and payment pathways backed by behavior analysis, propensity-to-pay scoring, intelligent design, and user experience best practices.

RevSpring leverages "Best in KLAS" software and services to deliver over 1 billion smart medical communications each year that drive increased patient engagement and payment rates. To learn more, visit www.revspringinc.com.

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