Case Study

ST. JOSEPH HEALTHCARE

Organization
A 112-bed non-profit community hospital in Bangor, Maine

Challenge
Improving charge capture and ensuring correct billing and reimbursement

Solution
Craneware’s Chargemaster Toolkit®, to automate chargemaster management, and Bill Analyzer for advanced claims analysis and benchmarking

Results
$153,000 of additional net revenue identified on the first day Bill Analyzer was used, from a single CPT® code; clinical staff empowered to improve charge capture performance; increased reimbursement levels

Craneware helps a small hospital quickly generate and submit claims that are clean and compliant the first time they are submitted, with the assurance that all charges are captured.

“As a small hospital, everyone asked me how we could justify acquiring sophisticated chargemaster software. Our results have allowed me to answer: How can we afford not to?”

Charge Capture Processes in Need of Improvement
In 2004, Bangor, Maine-based St. Joseph Healthcare began the search for software solutions to some of its most pressing revenue cycle challenges: generating cleaner claims and capturing all charges. Management was concerned that as coding became increasingly complex, it was ever more challenging for clinical departments to code accurately and capture all charges. St. Joseph wanted to make its claims cleaner prior to submission, which would alleviate time-consuming rebilling and minimize lost revenue.

St. Joseph identified the chargemaster as crucial to meeting its revenue cycle goals. “I maintain the chargemaster for the entire hospital, but as the volume of coding changes and compliance requirements grew, I found that I didn’t have the time to monitor chargemaster performance to ensure that the hospital was capturing charges correctly,” says Lisa Killam, reimbursement charge supervisor.

More Features and Value
Killam and her colleagues evaluated numerous chargemaster management software applications. As a small hospital, range of functionality and value were uppermost in St. Joseph’s deliberations. In October 2006, St. Joseph acquired Craneware’s Chargemaster Toolkit suite of financial improvement applications, which fully automate chargemaster management. “Chargemaster Toolkit had so many features in one package, from transmittals to CCI edits to APC rates. We could see that Chargemaster Toolkit would eliminate time-consuming manual chargemaster updating,” recalls Killam.

“Many hospitals wonder if the revenue is really there to be recovered. Our experience at St. Joseph proves that it is.”

Lisa Killam
Reimbursement Charge Supervisor
St. Joseph Healthcare
In November 2006, installation was completed in two days, requiring only minimal involvement from St. Joseph’s IT department. Craneware led on-site training following installation, and Killam and her team worked closely with Craneware’s training staff over the next few months as the hospital acclimated to the new system and updated its chargemaster.

In April 2007, St. Joseph implemented Craneware's Bill Analyzer module, which provides advanced claims analysis and benchmarking. St. Joseph has continued to add to its suite of Craneware tools by deploying Patient Charge Estimator™, part of Craneware’s Strategic Pricing suite, which provides estimates for inpatient and outpatient services. The hospital also purchased Craneware’s newest product, Pharmacy ChargeLink™, part of Craneware’s Supply Management suite, which enables hospitals to ensure that dispensed medications are accurately priced, billed and reimbursed at an optimal level.

Full Functionality
With Chargemaster Toolkit, Killam no longer has to review the chargemaster, line item by line item using CPT and other reference books. The software enables her to identify line-item problems and correct them immediately.

Bill Analyzer has been instrumental in helping St. Joseph identify coding errors and omissions, variations in clinical practices and chargemaster issues. Using Bill Analyzer’s proprietary intelligence, St. Joseph can now benchmark its actual claims to uncover potential revenue opportunities. The hospital has found Bill Analyzer to be essential to ensuring that outgoing bills are correctly coded and complete.

Small Hospital, Big Results
On the first day Bill Analyzer was installed, St. Joseph identified, and ultimately recouped, $153,000 in uncaptured charges related to an upgrade in software in their radiology department. A CPT code/charge was inadvertently missed over an eight-month period of time. In the year after installation, Killam and clinical department managers have relied on Bill Analyzer to monitor claims coding and investigate potential missed charges.

Using Bill Analyzer, Killam generates weekly reports that highlight potential coding issues. “Bill Analyzer indicates the probability of missing charges in claims, which allows me to focus my efforts on claims that are most in need of attention. I don’t have to go through pages and pages of reports anymore, looking for potential errors. Craneware helps me identify potential problem areas much more quickly. As a result, I now have time to focus on other core areas of financial management.”

Killam describes St. Joseph’s return on investment in Craneware applications as “priceless,” and believes that it is vital for small hospitals to focus on clean claims and capturing charges: “Many hospitals wonder if the revenue is really there to be recovered. Our experience at St. Joseph proves that it is.”

Call 1-877-624-2792 or email sales@craneware.com to learn more about how Craneware can help you optimize reimbursement, increase operational efficiency and minimize compliance risk within your organization.

Email: sales@craneware.com
Toll-free: 1-877-624-2792
craneware.com

CPT® is a registered trademark of the American Medical Association