



Implementing Enterprise Billing

Background

Back in 2013, Peter Mac had five separate billing systems, with the main system over 25 years old. The systems did not communicate effectively with each other, resulting in labour-intensive and unsustainable manual data transcriptions. Peter Mac was losing an estimated \$1.4M annually due to rejected claims and uncollected payments.

Challenge

Peter Mac wanted to stop revenue leakage and improve performance. When external consultants recommended an enterprise billing system, Peter Mac decided on the PowerHealth Solutions (PHS) PowerBilling & Revenue Collection (PBRC) system, based on a similar hospital's experience of ROI within the first year.

Solution

1. Assemble the Project Team

Peter Mac engaged an excellent Project Manager who recruited the rest of the project team for their skills in IT, finance, change control, business processes, integration, and testing. They worked closely with PHS and this contributed significantly to the project success.

2. Get Executive Support

Peter Mac Executives were actively involved in the project from the beginning and worked throughout to ensure cooperation from the operational areas.

3. Redesign Business Processes

The project team worked to create departmental organisation change and redesigned their business processes ranging from service data capture to revenue collection. It was crucial to ensure business processes were functioning correctly prior to automation.

4. Define System Requirements

The project team worked closely with the operational areas to understand their business rules and requirements, and put together detailed system requirements. In practice, each hospital has specific business rules that vary from the complex generic industry rules, and these need to be well documented early for the system vendor.



The Peter MacCallum Cancer Centre is Australia's only public hospital solely dedicated to cancer treatment, research and education. Peter Mac treats more cancer patients each year than any other Australian hospital.



"PBRC is an incredible product. One of the most impressive features of the product is the work-lists, which helps to reduce rejections, improve business process workflow and increase revenue."

Remona Lee
Peter Mac Project Manager

"PowerHealth Solutions are an exceptional and responsive vendor. For example, they went well beyond the call of duty to integrate PBRC to our iPM system."

Dennis O'Keefe
Peter Mac Chief Finance Officer

"A major contributor to the success of this project was the excellent collaboration between the Peter Mac and PHS project teams."

Stuart Mead
PHS Project Manager



5. Automate Billing

Peter Mac began implementing the PBRC enterprise billing system in 2014 and Phase 1 of the project went live in March 2015. Services included Accommodation, Medical Services, Outpatients, Online Claims, Radiotherapy, Receipting, Allied Health, Online Eligibility, and Simplified Billing.

Result

Prompt Billing

Peter Mac now bill for services promptly on receipt of real-time patient and service data from their source systems, reducing the inpatient submission-to-recovery period from seven weeks to one.

Improved Revenue Collection

Peter Mac now collect more revenue as a result of significantly fewer claim rejections and less corrective re-work required due to reduced data capture errors, automatic edit checks and smarter prior-to-billing. Peter Mac is expecting to recoup an estimated \$1.4 million annually on rejected claims and uncollected payments.

Improved Cash Flow

Peter Mac have experienced improved cash flow with shortened revenue cycles resulting from submitting electronic claims to Medicare and private health funds. 84% of their claims are now submitted electronically, with an average turnaround of three days for outpatients.

Simplified Administration

Peter Mac can now generate accurate invoices automatically without manual analysis of data from multiple systems, as all required information resides in the enterprise billing system to provide centralised control and management.

Highly Automated

Peter Mac have now achieved significantly improved billing efficiency, by eliminating 75% of manual tasks — as a direct result of automating their billing processes and eliminating manual data transcriptions between systems.

Compliance and Integration

Peter Mac now have a system with billing and coning rules that are fully compliant with all relevant entities — 24 private health funds, federal health agency (Medicare), and State government (Victorian Department of Health). Peter Mac is a pioneer in fully integrating their billing to iPM and submitting e-claims to so many health funds.

Improved Data Analysis

As a result of capturing comprehensive service activity data, Peter Mac now have the capability to reconcile clinical activity and revenue, as well as develop strategies for improved billing outcomes.

Financial Benefits

- Single support fee
- Single accounts receivable
- Centralised control for Revenue, Debt Management, General Ledger and Reporting.

Operational Benefits

- Customisable business rules to allow for local variations in different operational areas
- Reduction in rework due to incorrect data
- All billing staff trained on a single system
- Improved management information for planning

IT Benefits

- Single infrastructure
- Single version-of-the-truth for billing data
- Fully integrated with PAS and service systems
- One-time data capture through seamless connectivity
- Web-based with no installation required on user PCs.
- Improved Patient Experience
- Reduced number of invoices
- Simplified billing.

Peter Mac is expecting to recoup an estimated \$1.4 million annually on rejected claims and uncollected payments

Peter Mac Statistics

Size

- 1 public hospital
- 5 radiotherapy campuses
- 2,500 staff
- Budget \$300M

Clinical Activity 2013/2014

- 30,000 patients
- 260,000 episodes of care
- 48,000 bed days

Billing Activity

- 7000 incoming messages/day
- 700 invoices/day
- 119 receipts/day*
- (88% electronic remittances)

* Australian public hospitals rarely bill patients; they generally bill health funds and other institutions, and are paid in bulk with remittance advice.



Quality
ISO 9001

Find out more

For further information about PowerHealth Solutions and our range of products go to: www.powerhealthsolutions.com or call +618 8410 6404



Driving Healthcare Efficiency