

## CASE STUDY:

# Mercy Health

Unifies Agency Management for **\$7M collection improvement**

### CHALLENGE

- **Improve collections**
- **Mitigate reconciliation errors**
- **Improve staff productivity**
- **Streamline collection agency management and performance tracking across 23 hospitals**

### SOLUTION

- **Agency Manager**

### RESULTS

- **\$7 million in financial value achieved over 12 months**
- **Increased agency collections by 10 to 15%**
- **Reduced invoice errors by 3 to 7%**
- **Increased productivity by .5-1 FTE per business office**
- **Reduced reconciliation errors to less than 3%, down from 25%**
- **Improved reporting and process control**

### The challenge

Mercy Health (Mercy), the largest health system in Ohio and Kentucky, has more than 600 care facilities within its system. Because of its growth strategy, the faith-based health system has made several acquisitions throughout the years to remain competitive in the Midwest market. These acquisitions have brought a wide variety of legacy systems that the various hospitals use. From a revenue cycle perspective, Mercy wanted to provide a holistic view to manage all its collection agency vendors across 23 hospitals that are all on disparate Patient Accounting Systems (PASs). Currently, Mercy manages six outsourced collection agencies: 2 Early Out, 2 Primary Bad Debt and 2 Secondary Bad Debt.

From an end user perspective, the disparate PASs were an even bigger challenge because staff members had to log into each individual system to view patient accounts and agency progress. All data needed from a reporting and communication perspective between Mercy and its outsourced agencies was never in one place and was being transported across multiple systems. An audit trail of past accounts' activity was nearly impossible to reconcile since one source of truth did not exist.

Additionally, because of the disparate systems and the number of outsourced agencies, reconciliation of accounts was a big issue. Without having a single source of truth of the account record, errors would occur and lead to patient frustration because one agency would not know that an account had been resolved by another agency. This lack of transparency across all agencies was causing a decrease in patient satisfaction.

"We knew that we were not only failing ourselves but also our patients. The management of our vendors was extremely cumbersome and sometimes fraught with errors which eventually ends up in causing frustration for the patient," said Patrick Flynn, vice president revenue cycle and support services, Mercy Health.

**"Lacking the proper resources to effectively communicate with the patient during this process was a true challenge."**

**Patrick Flynn, Vice President Revenue Cycle and Support Services, Mercy Health**

## CASE STUDY: MERCY HEALTH

### Waystar solutions

Mercy sought an innovative partner that could not only provide a single source of truth for the management of its agency vendors, but also enable analytics to effectively measure the activity and performance of these vendors.

Mercy selected Waystar to implement its Agency Manager solution. Agency Manager provides visibility and control into agency activity and performance, enables invoice verification that ensures commission accuracy and utilizes reconciliation tools to ensure that the correct accounts are being worked and that no accounts go unnoticed.

“Agency Manager seamlessly augments all our PASs without disruption to core business office processes and provides a single source of truth for all vendor management. It’s a very user-friendly solution that creates efficiencies for our staff by only requiring a single sign-on to view all vendor activity, performance and communication.”

**Patrick Flynn, Vice President Revenue Cycle and Support Services, Mercy Health**

### Results

**Mercy has experienced \$7 million in financial improvement with Agency Manager over a 12-month period.**

Mercy Health saw immediate results from using a single platform to view all vendor performance and have comparable reporting between the collection agency vendors. Leadership has accurate reporting and clear visibility into all vendor performance. Agency Manager enables Mercy Health to have a more informed and actionable dialogue with the agencies, empowering agency performance. The organization can view and compare each agency’s activity and can better determine where resourceful coaching is needed to improve performance. For example, Waystar’s reporting includes waterfall reports, ability to slice and dice by balance, etc. which provides more understanding into what is happening beyond just the activity.

“Waystar’s Agency Manager has provided my department the opportunity to improve productivity because it’s a straightforward and less cumbersome solution that keeps all our data and communications between multiple parties in one place,” said Patrick. “Waystar guided the significant shift our operations needed and helped us have a holistic view into how our agencies needed to be managed in a way that not only benefits Mercy Health but in the end, serves our patients.”

By having a single platform to manage all agency activity and progress, patient satisfaction has drastically improved. Outreach efforts are no longer duplicative because Agency Manager ensures that accounts are only placed with one vendor at a time. This alone has improved the ability and timeliness of communication with the patient which has boosted overall patient satisfaction. Additionally, Mercy Health has enabled better payment plan monitoring and enforces their vendors to submit all payment plan information through Agency Manager to better track compliance.

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### Impact

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**Patrick Flynn, Vice President Revenue Cycle and Support Services, Mercy Health**

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### **ABOUT MERCY HEALTH**

*At more than 600 points of care across Ohio and Kentucky, nearly 35,000 employees deliver high-quality, compassionate care with one united purpose: to help patients, be well in mind, body and spirit..*

### **ABOUT WAYSTAR**

*Waystar simplifies and unifies the healthcare revenue cycle with innovative, cloud-based technology. Together, our technology, data and client support streamline workflows and improve financials for our clients, so they can focus on their patients.*