CASE STUDY:

Avera Health

Health system automates claim status queries to insurers' web portals and improves cash flow by millions while reducing AR days.

LOCATION
Sioux Falls, South Dakota

ORGANIZATION TYPE
Regional health system

GOALS

- Streamline claim status checks
- Strengthen revenue streams
- Improve AR management

SOLUTIONS
Claim Monitoring

RESULTS

- Created $20.6M in accelerated cash flow
- $1.1M net impact in timely filing improvement
- $260,000 in FTE annual savings

The challenge

As one of the leading integrated health systems in the upper Midwest, Avera Health cares for hundreds of thousands of patients across dozens of hospitals in South Dakota and significant areas of Minnesota, Iowa and Nebraska. Due to rapid growth, outstanding claims had steadily increased, creating a persistent backlog for staff to wade through.

As of 2016, staff were individually tasked with closing 13,452 claims per year. To do so, they relied on phone calls with payers or visiting websites to hunt down a claim's status. With either approach, staff had to manually log the status into their workflow system. In response, Avera's Vice President of Central Business Office Services Mary Wickersham decided to reinvent how her department verifies claim approval.

> "My staff were living in backlogs of work, and unpaid accounts could remain unresolved up to 82 days or even 120 days in some facilities."

Mary Wickersham, Vice President of Central Business Office Services, Avera Health

The Waystar solution

Wickersham determined that automation could alleviate the backlog, but she had several important requirements. The solution also had to:

- Automate the process of finding the status on their entire claims inventory at a fraction of the time it takes to do so manually
- Leverage automation to ensure staff is addressing only claims that need intervention
- Integrate automated claim status verification with the health system's MEDITECH environment

Wickersham connected with Waystar, whose Claim Monitoring solution turns a hospital's revenue cycle department into a revenue generator. Offering the ability to integrate actionable payer intelligence with health information systems ensured the organization was well equipped to help Avera meet their challenges head on.

WAYSTAR

"Waystar really stuck its neck out for us to do what no vendor had previously done. I was very impressed by that," says Wickersham. Following a quick implementation period, Waystar successfully integrated Claim Monitoring into Avera's MEDITECH system, giving Wickersham's business office newfound capabilities.

The impact

During the first year with Waystar's Claim Monitoring solution, cash flow increased $20.6M while aged accounts were significantly reduced, enabling Wickersham's department to close tens of thousands more claims at a more advanced speed and scale, reducing cost to collect without having to hire more staff.

"Waystar's solution promised to alleviate the burden on my staff. This was important. We do get some turnover, which is expensive. For Avera, the cash improvements and cost savings have been very apparent—it's much less expensive to automate claim status verification with Waystar than add new staff."

Mary Wickersham, Vice President of Central Business Office Services, Avera Health

In two high volume payer examples, Medicare aged accounts over 90 days dropped from 10% to 6%, while Blue Cross dropped from 20% to 7%. The solution also led to:

- **$20.6M in accelerated cash flow**

- **Improved staff productivity**

- **Average AR days reduced by 7**

- **Average AR aged over 90 days reduced 8%**

- **Timely filing write-offs to net revenue down .9%**

With built-in RPA technology that uses web bots to source data directly from payer websites, Waystar's Claim Monitoring solution automatically removed over 80% of claims not requiring human intervention from workqueues. As a result, annual claims worked per staff member has increased from 13,452 to 15,001, with staff taking significantly less time to close. Improving the critical areas of AR management while securing crucial savings and helping staff become more productive—all key areas of improvement that have laid the critical foundation for Avera Health to improve operations and free up resources to help them focus on remediating denied claims faster.

Ready to transform your performance?
Contact Waystar: 1-844-6Waystar or visit us at waystar.com

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.

WAYSTAR