

## BILLING AND CODING PROCESS IMPROVEMENT

The improved quality in billing process resulted in dramatic reduction in cycle time and costs and generated savings from reduced internal handling and storage costs.

### Business Problem

The hospital generated over 1.5 million numbers of statements per year. A hospital manager for patient billing and collections put it, "We strive to deliver superior patient care, and that extends beyond the patient care we provide. Our billing process didn't demonstrate that same commitment to quality, so we knew we needed to make a change."

### CGN Approach

- CGN assisted the hospital in understanding the problem, forming a multi disciplinary team
- CGN used lean and six sigma principles to create a new and improved process

### CGN Solution

#### Diagnose

- Collected baseline data on number of statements; analyzed data and identified GAPS and inefficiencies
- Brainstormed for potential solutions; used data to validate and rank causes;
- New process proposed based on Best Practices, Cost Effectiveness, Technology and Staffing
- Training and marketing tools for the new process

#### Operate

- Pilot process was trialed for 3 months; improved cash flow, reduction in cycle time, savings in handling, postal, storage cost, from baseline; improved auditing, customer service, disaster recovery and HIPPA compliance.
- Rolled out the pilot to entire MC with significant results

#### Control

- Metrics for statement cash flow, cycle time, handling, postal and storage cost were added to the hospital wide quality improvement charts; Directors to review trend on monthly basis
- Created training material to roll out the program in other hospitals within the network, new and transferred members of the staff

### Customer Benefit

- Enhanced cash flow from expedited mailing of statements
- 90% reduction in cycle time
- 15% savings in actual postage costs
- Savings from reduced internal handling and storage costs

### SCOPE

*Review and develop an improved process for billing statements*

### BUSINESS DRIVERS

*Billing statements, Cycle Time, Handling costs, Cash Flow*



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