

Leveraging a Culture of Responsibility to Improve Patient Collections

Bad debt from patient responsibility accounts and a continued shift from payers to shift costs to patients meant that Ochsner Health System needed a new approach. Partnering with Huron, Ochsner leveraged a cross-functional advisory team to implement new policies and increase accountability. This led to \$11.7 million in recurring annual improvements in total patient collections.

Challenge

Ochsner Health System had previously improved its patient payment processes and its metrics for preservice and point of service collections were in the top quartile nationally.

“Huron’s expertise helped us significantly improve our already-strong patient payment process. Their approach allowed us to reduce our financial risk and increase collections, while improving the patient experience and increasing physician satisfaction through clear, consistent communication.”

STEPHANIE WELLS, VICE PRESIDENT OF REVENUE CYCLE AND HIM, OCHSNER HEALTH SYSTEM

Results

36% increase in preservice and point of service collections compared to previous year

90% financial clearance success rate with less than **1%** of services deferred

Scheduled account lead days increased to more than **7** days

Despite this, they experienced bad debt increases from patient responsibility accounts. With payers continuing to shift costs onto patients, leadership at Ochsner concluded that a new approach was needed.

Approach

Huron partnered with Ochsner to enhance patient liability collections and reduce bad debt by tailoring patient interactions to align with financial risk and created more effective patient counseling about financial options. The engagement helped Ochsner expand a culture of responsibility and make significant improvements in collections, beyond its already above-average performance in patient liability collections.

LEVERAGING A CULTURE OF RESPONSIBILITY TO IMPROVE PATIENT COLLECTIONS

As a result, Ochsner achieved \$11.7 million in recurring annual improvement in total patient collections.

Implementing new policies: Huron worked closely with Ochsner to design and implement a new, systemwide, financial clearance policy. The policy included minimum payment thresholds for scheduled services with high financial risk and allowed for a deferment of services if minimum requirements were not met, giving patients more time to make financial arrangements. Exceptions were allowed for medically urgent services. Ultimately, less than 1% of services were deferred.

Engaging stakeholders: The Huron team worked closely with clinical and operational stakeholders to ensure success and sustainability. A crossfunctional advisory team including key physicians and operational stakeholders was formed to gain business and increase communication between revenue cycle, medical and clinical operations staff.

Increasing accountability: The engagement fostered an accountable, proactive environment by providing summary reports on key performance metrics including lead days, at-risk volumes, financial clearance rates, patient liability collections and write-offs. Huron developed a workflow integrated within the health information system (HIS) to track outcomes and identify at-risk accounts.

Improving processes and training: The engagement improved the insurance verification processes, allowing preservice collections teams sufficient time to engage with patients. Eligibility counseling and financial assistance processes were incorporated into the new approach for patients who truly could not pay. Huron also provided scripting and training for hospital and physician office staff regarding patient liability and financial vounseling.

Ochsner Health System is Louisiana's largest non-profit, academic healthcare system with 13 owned, managed and affiliated hospitals and more than 50 health centers. The system includes approximately 1,000 physicians in the Ochsner Group practice, representing over 90 medical specialties and subspecialties. It also works with 1,500 affiliated physicians and has more than 15,000 employees.



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