Ochsner Health System New Orleans, LA

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.

THE CHALLENGE

Ochsner Health System had previously improved its patient payment processes, and its metrics for pre-service and point of service collections were in the top quartile nationally. Despite this, they were experiencing increasing bad debt from patient responsibility accounts. With payers continuing to shift costs onto patients, leadership at Ochsner concluded that a new approach was needed.

OUR APPROACH

Huron Healthcare partnered with Ochsner to enhance patient liability collections and reduce bad debt by tailoring patient interactions to align with financial risk, and by creating 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. 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, system-wide financial clearance policy. The policy included minimum payment thresholds for scheduled services with high financial risk and allowed for services to be deferred 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 percent of services were deferred.

Engaging stakeholders: The Huron team worked closely with clinical and operational stakeholders to ensure success and sustainability. A cross-functional advisory team including key physicians and operational stakeholders was formed to gain buy-in 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 HIS to track outcomes and identify at-risk accounts.

Improving processes and training: The engagement improved the insurance verification processes, allowing pre-service 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 counseling.

RESULTS & BENEFITS

36% increase in pre-service 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

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