



New Hampshire Hospital Billing and Reimbursement

Department of Health & Human Services

Summary

When patient costs for services provided are incurred and billed for, the current process does not monitor or detect all opportunities to optimize reimbursement.

Using Lean principles, the staff at New Hampshire Hospital (NHH) were able to streamline the entire process. Careful examination of the actual working being done combined with a wide range of **innovative** solutions yielded results.

Accomplishments

- Increased Revenue due to NHH
- Reduced Insurance Payment Denials
- Barriers to payment were resolved
- Standardized Process
- More Accountability

Team

The commitment of the NHH employees and their willingness to innovate is the reason for success.

- Lean Core Team
- NHH Staff
- NHH CEO

Contact

John MacPhee 271-9248

The Service

New Hampshire Hospital (NHH) provides comprehensive compassionate inpatient psychiatric care. NHH is a state operated hospital providing a range of specialized psychiatric services. NHH advocates for and provides services for children, adolescents and adults with severe mental illness.

The Problem

Opportunities for increased reimbursement from Federal and Private Payer insurance are being missed. Visibility of the process, communication between the entities involved and the current operating procedures are inadequate.

Streamlining the process and modernizing the operation will benefit the hospitals' finances, which will help to insure continued access to high levels of patient care.

The Goals

- The Billing & Reimbursement process will be transparent
- The Billing & Reimbursement process will be more effective at collecting funds due to NHH
- Increase revenue to NHH
- Modernize the process
- Shorten the processing time
- Increase employee satisfaction
- Standardize the process

The Lean Process

The **Current State Assessment** included following the patients from admission, throughout the days of care, to discharge. The services provided to patients were collected, coded and billed to insurance. The follow-up work of collections and appeals for insurance denials were documented and mapped along with the forms used.

NHH Participating Departments:
Admissions Office Health Information
Billing Department Quality & Utilization
Office of Reimbursements

The **Brainstorming Sessions** included hundreds of individual experiences and suggestions for improvement.

Next, the team identified many innovative solutions to drive process improvement. Consensus was reached on the required action items and the recommendations became the basis for building The **Future State Process**.

A Master Project Plan was created and resourced to accomplish the project goals.

Innovations included the following areas:
Technology Process Standardization
Policy & Rules Training
Customer Service Resources/Staffing

The Results

- Significantly increased Reimbursement dollars from private payor insurances:
 - ✓ Reduced requirements for State/Public Funds
- Reduced the number of Insurance payment denials
- Reduced Processing Times:
 - ✓ Cycle times from Discharge to Billing were reduced by 50%
 - ✓ Timelines for Administrative and Clinical Insurance payment appeals were improved
- Barriers to payment are communicated and resolved more quickly
 - ✓ Increased use of AVATAR
 - ✓ Procured software for patient/ insurance lookups
- Designed Management Reports:
 - ✓ Scorecard to measure reimbursement rates by payor
 - ✓ Measure elapsed time from discharge to billing claim date

"The Lean project enabled NHH to get a clear understanding of our workflow. Reimbursements have increased and the process is more efficient because of the teams' efforts"

- Jamie L. Dall
CFO New Hampshire Hospital