



## Software Solution Case Study

# West Florida Medical Center Clinic Reduces Claims Denial Rates by 70 Percent and Increases Cash Influx by More Than \$1 Million Monthly

The West Florida Medical Center Clinic (WFMCC) has 145 physicians and 13 satellite facilities in Florida and Alabama. By implementing ClaimsEditor® Professional from Context<sup>4</sup> Healthcare Inc., WFMCC was able to significantly reduce their claims denials, resulting in a substantial cost savings.

## Healthcare

When West Florida Medical Center Clinic first implemented ClaimsEditor® Professional, the clinic achieved a 65 percent to 70 percent reduction in claims denials the very first month.

West Florida  
Medical Center

## The Challenge

With almost 50 percent of its patients covered by Medicare, ongoing denial of claims by Medicare created a serious cash flow problem for WFMCC. With the Clinic generating between \$13 million and \$15 million in charges every month, the 10 percent of claims consistently denied by carriers for coding issues amounted to more than \$1 million each month. Denials were caused by diagnostic errors, procedure code incompatibility, unbundling or inclusive denials.

“As we got further into lower reimbursements, insurance companies and the federal government created more hoops for us to jump through to get paid for services. One of our challenges was to identify covered diagnosis-and carrier-specific rules related to coding so we could prevent claims denials,” says Lin Dworshak, Associate Administrator for Business Services at WFMCC.

The correction process itself was also steadily depleting the medical center’s resources. The process of correcting coding errors after the fact—after a physician determined a diagnosis code, after the claim was submitted and denied, after the WFMCC staff had to investigate, correct the codes and resubmit the claims—kept five full-time employees overwhelmingly busy and incredibly frustrated.

The Clinic needed a solution that would increase accountability with physician offices and integrate the interface of the product with the Clinic’s own practice management system while concurrently lowering overhead costs and reducing the amount of manual labor and full-time staff required to execute the job at hand.

## The Solution

WFMCC knew it needed to move the entire process back to the point of service, in order to correct potential denials before they traveled through the entire system. The organization chose ClaimsEditor® Professional from Context<sup>4</sup> Healthcare Inc.

ClaimsEditor® Professional is the most advanced and comprehensive clinical editing technology available to healthcare providers. It helps ensure that claims are properly coded and in accordance with applicable state Medicare and other third-party payor rules and regulations. ClaimsEditor® Professional examines the whole claim and identifies procedure-to-diagnosis mismatches, unbundling occurrences, use of nonspecific diagnosis codes, global service violations, potential unbilled revenue, and many other problem areas that can adversely affect not just claims processing, but a provider’s overall practice.

ClaimsEditor® Professional is client-server technology, which affords WFMCC more flexibility in customizing the product to the needs of the practice management system. Instead of keying into the accounts receivable system, they key directly into the software. Claims are “cleaned” and reviewed for errors before being submitted to accounts receivable, ensuring they will be accepted the first time.

The Clinic made its purchasing decision soon after they saw the proof: Context<sup>4</sup> Healthcare Inc. ran a batch of claims that had already been filed through the editing product and proved that the edits would have stopped these claims prior to submission. In each case, the solution offered by Context<sup>4</sup> Healthcare Inc. would have fixed the incorrect data and sent the claim through as clean—allowing the Clinic to be paid after the first submission. ClaimsEditor® Professional was one of the few products that could take charges at the point of service, transaction by transaction, online and in a paperless process while also determining, on the front-end, whether the charges would be paid.

## The Results

ClaimsEditor® Professional was a perfect fit for WFMCC’s needs because of its front-end functionality at point of service and its ability to upload carrier rules appropriately into the software. Medicare, workers compensation and the other carriers are constantly changing their rules, and with ClaimsEditor® Professional WFMCC’s office staff doesn’t have to search for a book every time they have a question. The information is built into the software so errors can be fixed immediately.

When WFMCC first implemented ClaimsEditor® Professional, the clinic achieved a 65 percent to 70 percent reduction in claims denials the very first month. The results were so astounding that WFMCC didn’t believe their own eyes. But then they saw that the second and third months had the same results, and the consistency held, and they went from not believing what they saw to being thrilled with what they saw, which was improved efficiencies, increased accuracies and tremendous time and cost-savings by eliminating the processing delays that were leaving \$1 million a month on the table.

In this day of economic belt-tightening no one wants to leave money on the table or even let it sit uncollected for 90 days. With the help of Context<sup>4</sup> Healthcare Inc. and ClaimsEditor® Professional, West Florida Medical Center Clinic has solved both problems.



**CONTEXT<sup>4</sup>**  
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