

Barnabas Health recovers \$34 million in cash

CHALLENGE

In 2010, New Jersey's largest integrated delivery health system, Barnabas Health (Barnabas), like many health systems, was experiencing high insurance denial rates, high denial value and a very challenging appeal process. Insurance companies were reducing payments by more than \$30 million by way of medical necessity and authorization-related denials each year. Because denial explanations were vague, the health system had no discernible pattern to track and trend denials, making it extremely difficult to identify root cause.

"We recognized there was a problem and realized we had tremendous financial opportunity to recover millions of dollars in our inpatient clinical and medical necessity claims," said John Doll, senior vice president, Finance, Barnabas Health. "It was imperative to be proactive and look for a better, more robust way to determine root cause, prevent denials and get paid."

APPROACH

Barnabas sought the expertise of an outside vendor to overhaul and improve revenue cycle performance. The health system engaged nThrive and outsourced their inpatient and medical necessity denials and recovery efforts for six facilities, in addition to outsourcing their central business office (CBO) for accounts receivable management.

Expertise and robust analytics is core to the approach nThrive applies to denials recovery. Leveraging experts in various medical specialty areas, nThrive board certified MDs and nurses successfully managed the appeal process for Barnabas and accelerated the identification and resolution of the system's denied claims. nThrive denials management technology was able to accurately track and trend claim activity, and the company's advanced dashboards and workflow tools provided complete visibility into the source and volume of health system's denied claims—from payer to service line and physician.

"The nThrive partnership with our clinical and hospital leaders is what makes our denials recovery engagement work," says Doll. "They get to the root causes of issues causing revenue loss and help with process improvement to prevent them from reoccurring. The appeal recovery engagement has provided tremendous value."

To date, the nThrive team meets on a regular basis with Barnabas leadership to review denials analysis, highlight areas of opportunity and recommend best practice process improvements. The reviews typically generate specific action items to improve documentation, coding and training, enabling prevention of future denials and an increase in cash collections.

“

The nThrive partnership with our clinical and hospital leaders is what makes our denials recovery engagement work. They get to the root causes of issues causing revenue loss and help with process improvement to prevent them from reoccurring. The appeal recovery engagement has provided tremendous value.

John Doll, Senior Vice President, Finance,
Barnabas Health

”

RESULTS

Since 2010, nThrive has helped Barnabas recover \$34 million in cash. Barnabas has seen considerable drops in both denial rates and dollars, and pre- and post-appeal denial rates are well below industry averages — with the system realizing a 1.3 percentage point reduction in pre-appeal denial rate, and some facilities seeing a 2+ percentage point reduction in pre-appeal denial rate.

In an ongoing effort to improve financially and deliver better patient care, Barnabas leaders look closely to nThrive denials analysis in making more informed operational decisions. Relying on this data, the health system continues to optimize and drive process improvements in key areas such as medical records, case management and financial clearance.

In addition to ongoing denials recovery work, nThrive continues to provide Barnabas with Discount Compliance and Recovery Services, spend and clinical resource management and technology tools.

Talk with a specialist to learn more:
solutions@nThrive.com | 678.323.2500

CLIENT PROFILE

Size	7 medical centers 2 children's hospitals 2 outpatient and ambulatory care centers
------	---

Type	IDN
------	-----

Location	West Orange, N.J.
----------	-------------------

Annual Net Patient Revenue	\$2.3 billion
----------------------------	---------------

SUMMARY OF RESULTS

Recovered \$34 million in cash

1.3% point reduction in pre-appeal denial rate, with some facilities seeing a 2+% point reduction in pre-appeal denial rate

Process improvement led to appeal of \$2.4 million in previously unappealable denials in 2013—an improvement of 8% over prior years

System-wide net improvement of 27% on denied dollars after appeal of clinical and no-authorization denials