Healthcare case study

Health system quadruples upfront patient collections

Aiming to provide a better patient financial experience, a health system based in the northeastern US needed to generate patient liability estimates prior to date of service. Within six months of partnering with Cognizant to consolidate their preservice patient access processes, they saw a large increase in upfront patient collections.

At a glance

Industry
Healthcare

Products and services
Cognizant patient access services

Challenge
The current staffing levels were unable to support a company initiative to improve front-end patient access, specifically focusing on upfront payments and prior authorization.

Success Highlights

Significant increases in upfront patient collections, accelerating over time:

- 49% increase in upfront collections in the first six months
- 304% increase in upfront collections in the first year

The challenge

Our client was facing increased patient expectations for a better financial experience as well as an evolving regulatory environment that required compliance with transparency guidelines. In response, this northeast-based health system sought to improve its front-end patient access processes and upfront collections by generating patient liability estimates prior to the date of service, as well as reviewing and submitting prior authorizations.

It quickly became apparent that this effort—and its expected benefits of improving financial clearance and registration quality for scheduled accounts—would require a significant increase in revenue cycle management staffing and expertise.

Our approach

Via its Patient Access Services, Cognizant provided the client with knowledgeable and well-trained staff who easily stepped into revenue cycle management roles from financial clearance through prior authorizations for the mental health and anticoagulation service lines. The Cognizant team also included a service line leader to provide process improvement consultation and an auditing team to oversee quality audits, as well as a process excellence team to identify opportunities to develop tools to automate manual steps in the workflow.

Additionally, any time the client faced a staffing vacancy, Cognizant provided an experienced team member so there wouldn't be a gap in front-end coverage. When urgent tasks arose, we could easily reallocate staff members to assist with recovery efforts, as their breadth of knowledge allowed for quick cross-training.

Critically, this influx of expertise ensured that patient liability estimates were calculated accurately within a short ramp-up period. The added Cognizant team members also delivered timely prior authorization filing and review.

Ultimately, the health system was able to consolidate its preservice patient access functions into one centralized team that handled insurance verification, patient benefits review, patient liability estimates and prior authorization.

Business outcomes

The project has allowed the health system to positively impact patient communication prior to the date of service, ensure the registration quality of eligibility and coverage on accounts and create opportunities to communicate with and counsel patients on their financial obligations prior to service.

As communication and financial counseling reaches more patients, upfront payments have increased, which means less need for post-service collection efforts. There has also been less confusion about covered services and procedures since the addition of the updated prior authorization process.

The combination of implementing better patient communication and better prior authorization along with Cognizant's staffing solution to power the pricing and financial clearance workflow resulted in a 49% increase in upfront collections in six months compared to the six months before go-live.

That early success then snowballed. The first full year with the new workflows and staffing saw a staggering 304% increase in upfront collections. Cognizant's strength with global resources gave the health system the benefit of a cost-efficient solution with the flexibility to keep growing knowing that it wouldn't sacrifice patient experience or compliance.

"Cognizant's global resources allow us the flexibility to outsource functions such as insurance verification and benefits and prior authorization for our scheduled hospital services. As we continue our consolidation efforts, through Cognizant, we can easily increase the level of staffing to support the need. It's a win-win."

-Financial clearance manager

Conclusion

Patients can better prepare mentally and financially when they know what to expect ahead of time and know their role in the care process. Our client understood this well but needed more resources and subject matter expertise to make it happen.

Working with Cognizant, they've been able to positively impact patient communication by ensuring a high-quality registration experience and accurate account coverage, as well as creating opportunities to communicate with and counsel patients on their financial obligations prior to service.

Because patients now know their responsibility, they're more equipped to make informed decisions about their obligations and upfront payments, leading to a better overall experience.

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