



# AR MANAGEMENT FOR HEALTHCARE CLIENT



Accounts receivables (AR) in the US healthcare industry refer to the amount of money owed to healthcare providers by insurance companies, government payers, and patients for services rendered. In this case study, we will explore the challenges faced by a US healthcare provider with their AR process.



## □ ABOUT CLIENT

Client is a large hospital system based in the United States that provides a wide range of medical services to its patients. With more than 200 beds, the hospital system serves a diverse patient population from different backgrounds, ages, and health conditions. Due to the complexity of the US healthcare system, ABC Healthcare has a significant number of accounts receivables that need to be managed efficiently.

## □ THE CHALLENGE

- **Insurance claims denials:** One of the most significant challenges for the client was dealing with insurance claims denials. Insurance companies have complex billing rules and regulations that are difficult to navigate. Denials can be due to various reasons such as incorrect coding, incomplete documentation, or lack of medical necessity. When a claim is denied, Client had resubmit the claim or appeal the decision, which can be time-consuming and costly.
- **Slow payment by government payers:** The US government pays for healthcare services through Medicare and Medicaid programs. However, the payment process can be slow, and providers often must wait for several weeks or months to receive payment. This can affect the cash flow of the hospital system and create financial challenges.
- **Patient responsibility:** Patients are responsible for paying a portion of their healthcare expenses, such as co-pays, deductibles, and coinsurance. However, collecting patient payments were challenging, as patients may not understand their healthcare benefits, or they may not have the financial means to pay their bills.
- **Complex billing process:** The US healthcare billing process is complex and involves multiple stakeholders, such as insurance companies, government payers, and patients. The billing process includes several steps, such as verifying insurance coverage, submitting claims, and following up on denials or underpayments. The complexity of the billing process can lead to errors, delays, and inefficiencies.

## □ THE SOLUTION

- **Extensive knowledge in reliable technology:** SGS had expertise in multiple cloud based RCM software inclusive of tools such as advancedMD, drchrono and EZClaim, which automate the process and increase on the efficiency, These software's can also provide real-time data analytics that can help identify trends and improve performance.
- **Improved coding and documentation:** To reduce insurance claims denials, SGS improved the quality in coding and documentation of medical services. This was done by providing certified coding resources implementing best practices. By ensuring the coding quality was always above 96% SGS could reduce denials and increase revenue.
- **Streamline the payment process:** SGS streamlined the payment process by negotiating faster payment terms with government payers, implementing electronic payment solutions, and offering payment plans to patients. This can improve cash flow and reduce the burden of collecting payments.

## □ CONCLUSION

Accounts receivables management is a critical process for healthcare providers in the United States. The challenges faced by ABC Healthcare are not unique, and many providers struggle with the same issues. By investing in technology solutions, improving coding and documentation, streamlining the payment process, and enhancing patient education and communication, ABC Healthcare can improve its AR process, reduce costs, and increase revenue.

