

# Improving Revenue Collection and Patient Satisfaction for Penn Medicine

## Summary

As one of the top health systems in the state, Penn Medicine partnered with Tegria to run its commercial insurance follow up to increase efficiency and lower the cost to collect. Tegria also manages high-touch customer service operations to ensure the patient experience matches the Penn Medicine brand.

*“Most of my colleagues think that external parties cannot collect money like they can or that the deal will break their budget, but Tegria has dispelled both of those myths.”*

-Tom McCormick, Vice President of Patient Accounting

### University of Pennsylvania Health Systems

- **Capacity:** 1,600 licensed beds
- **Revenues:** \$5B
- **Employees:** 22,000

## Challenges

Penn Medicine initially looked at tasking Tegria with a limited portion of its revenue cycle, but based on Tegria’s knowledge of the industry and third-party payers, the sophistication of its call center and the shared philosophy of putting patients first, Penn quickly decided to engage with Tegria across its whole health system.

*“From day one when we flipped the switch to send calls to Tegria there was a beautiful silence – no calls disturbing senior leadership, no tying up the phone lines – a huge success right out of the gate.”*

-Tom McCormick, Vice President of Patient Accounting

## Why Tegria?

Over the last three decades Penn Medicine has acquired, merged and organically expanded its footprint of services and geographies. There have been two massive system conversions and a major faculty consolidation. Seeking help to reduce the A/R and facing challenges in managing an internal call center, Penn sought an external partner who could improve revenue collection while treating patients as “customers” rather than simply as “accounts”.

*“Patients today are empowered, and angering a patient over a \$10 copay could mean they’ll take their next \$100,000 surgery elsewhere. Tegria treats patients the right way and builds patient loyalty.”*

-Tom McCormick, Vice President of Patient Accounting



**Approach**

Patient-first focus with the exceptional financial results that follow



**Expertise**

Unique knowledge of niche payment types, billing codes, patient issues



**Trust**

Peace of mind in having the right partner as an extension of the business office

## Solutions

Today Tegria manages over 927,000 Accounts and \$508 M in assignments from Penn, serving both as the customer face to patients for Penn Medicine as well as its representative to insurance companies. Over time, the relationship has continued to grow.

- Hospital and physician Patient Financial Responsibility
- Seamless transition to bad debt cycle from patient responsibility
- Insurance reimbursement, including specialty DRG, and Oncology services
- Alphalytics™ – predictive denial management software
- IT and process management (single sign-on, web portals)

“A lot of people think they can do it all themselves without outside help, but my cost to collect has gone down, in large part due to Tegria freeing up my team to focus on high dollar, high probability work.”

-Tom McCormick, Vice President of Patient Accounting

## Outcomes

Tegria has helped transform the patient experience at Penn Medicine, leading to measurable financial results, with over \$8,000,000 in additional cash collected in 2016 (all things equal). Tegria’s continued ability to exceed expectations for revenue cycle performance has been a hallmark of the partnership and collaboration from Day 1.

**Patient First**

- Customer Call Abandon Rate — Less than 2.5%
- Average Hold Time — Under 40 seconds
- First Call Resolution — Over 71%

**Financial Excellence**

- Speed to Cash — Improved by 21% YOY
- Collections — Increased by 8 to 11% per year for the last 3 years
- Higher Cash — \$8 M in 2016 (all things equal)

“Tegria’s single greatest asset is their ability to deliver. They work hard, know the business, and can back up what they say.”

-Tom McCormick, Vice President of Patient Accounting