

End-To-End Revenue Cycle Management Agreement Allows Adeptness at Meeting Patient Needs

In a large healthcare organization there are many moving, complex pieces and this results in competing priorities. As a CFO, revenue cycle management is key to overall business performance, but not top concern—clinical initiatives take priority. With that being said, outsourcing revenue cycle management isn't throwing up a white flag. It's actually the first big step toward gaining control and regaining clinical and financial focus of an organization.



When Tegria partners with an organization for an end-to-end revenue cycle outsourcing, we take the best of both organizations and create something new and stronger. This strength extends operationally and culturally. We touch everything from workflow processes to cash flow, and we make it the best of both worlds.

– Senior Vice President of Revenue Cycle Services

About

Part of Providence St. Joseph Health, Heritage was founded in 1994 and includes eight medical groups and six affiliate networks throughout the state of California. Combined, they provide resident access to more than 2,000 providers in virtually every specialty.

Heritage medical groups and affiliated physicians have received top honors from various organizations, including the Orange County Medical Association for Physicians of Excellence and the Integrated Healthcare Association with distinction in clinical quality.

St. Joseph Heritage Healthcare partnered with Tegria for end-to-end revenue cycle management of their multi-physician billing office. Tegria took full ownership of the Heritage business office, rebranding around 225 employees.

The broader St. Joseph Health (SJH) is an integrated Catholic health care delivery system sponsored by the St. Joseph Health Ministry. It is organized into three regions: Northern California, Southern California, and West Texas/Eastern New Mexico.

SJH provide a full range of care from facilities including 14 acute care hospitals, home health agencies, hospice care, outpatient services, skilled nursing facilities, community clinics, and physician organizations. In their award-winning facilities, as well as non-traditional settings like school rooms and shopping malls, SJH maintains a “continuum of care,” matched to the diverse needs of the urban centers, smaller cities and rural communities in three states who depend on them every day.

Why the Partnership?

As payment models shift, adaptability is key to ensuring competitiveness and responsiveness to imminent regulatory changes centered on value-based reimbursement and other alternative payment structures. This partnership allows Tegria and Heritage to take these and other challenges head-on by focusing on best practice revenue cycle performance and creating positive patient financial experiences.

Shared Vision

Tegria has a unique culture focused on working harder, smarter, faster and stronger to accomplish extraordinary goals. Our vision is to create a company that accomplishes extraordinary results for our partners while at the same time building a culture that can withstand the test of time. SJHH culture is rooted in the traditions of the Sisters of St Joseph with the values of excellence, service, justice and dignity, and are very similar in establishing and creating a culture that allows employees to have purpose and meaning while being able to have fun and enjoy the work they perform. **Together, each will provide mutually beneficial resources that will aid in fulfilling a shared vision and common goal.**

Comprehensive Services

A collaboration. Not a competition—that was the approach of both Tegria and Heritage as they began the engagement to create better results for the partnership as a whole.

Providing end-to-end revenue cycle management for the whole of the Heritage multi-physician system includes the full gamut of RCM— patient access, coding, billing and patient pay, insurance A/R follow-up, business analytics, payment posting, auditing, and quality assurance, refunds, insurance A/R Follow-up— and more.



Tegria came into the engagement with a team-oriented attitude which continues today. Tegria worked closely with Heritage during the initial phases of the deal to understand the challenges and how to streamline processes to create even more efficiencies.

—Vice President of Revenue Cycle Services, Heritage Division

Expense Control and Budgeting

Operating costs in healthcare were rising—and still are—in the California market especially. As Heritage leaders looked at options to control expenses, outsourcing to Tegria offered a good solution. From an operational perspective, budget was no longer an issue for Heritage, revenue cycle management is now a one line item expense and Tegria takes care of the employees and other operating expenses.



This partnership allows us to enhance our business office performance, and it aligns perfectly with our intent to both support and grow our medical groups within current markets and nationally. We have found both a business fit and a cultural fit in Tegria that positions us for positive patient, employee and revenue cycle outcomes.

–Kevin Manemann, CEO of Heritage

Cultural Fusion

Aligning with Heritage, a faith-based organization, was a natural fit for Tegria’s culture of positivity and inclusion. Tegrians commonly compare the organization to being part of a second family, that sentiment was carried forward when Heritage employees contributed to Tegria’s annual culture book:



For me the culture at Tegria is awesome! They treat everyone with respect, they make you feel part of a family, and you can be yourself! I am pretty new to Tegria and even though I am miles away from our Iowa colleagues they’re always making you feel part of the Tegria family in one way or another. I am excited to grow as a Tegrian.

–Heritage Supervisor

The goal surrounding cultural integration was sharing Tegria’s core messaging while injecting a bit of the flair from the Tegria brand. Heritage has their own unique culture, and has the flexibility to nurture and cultivate it around Tegria’s mindset.

Best Practices: Key Performance Indicators and Metrics

There isn’t one “right reason” to bring in a partner to handle end-to-end revenue cycle management for an organization, but improving financial performance is of course a crucial component.

Engagement scope: Full Business Office

Host system: MediTech, GE Centricity Business, NextGen

98.86%

Net collection rate
(matched)

5.9%

Denial rate
(10% decrease since Tegria
started, includes multiple
submissions) 6.9% prior

95.12%

First pass claims rate
(10 months after Tegria
implementation) 94.63% prior



I would like to make it clear that our business office was not underperforming before the transition to Tegria. Yet today, less than a year after rebadging 225 employees across three physical locations, our net collection rate is 98.9%—that's over performance compared to KPI. The transition with Tegria was seamless and we have seen improved efficiencies across the board—in short, we are thriving.

—Vice President Revenue Cycle Services, Heritage Division

Off-loading the Administrative Burden

In addition to financial factors, outsourcing the revenue cycle with Tegria also solved staffing issues and integrated otherwise out-of-reach technology to automate processes and drive efficiency.

Tegria shared culture and core messaging with Heritage by enveloping our new employees in the Tegria Mindset, and we take on the administrative functions of management. During the transition period the expectations were clearly laid out up front—Tegria is a place of inclusion, and we encourage our Tegrians to be different, but that comes with the clear responsibility to be respectful to each other.

Tegria became responsible for employee wages and benefits—including insurance and vacation. In addition, to Heritage employees becoming Tegrians:

- New employees went through Tegria's screening process to meet Tegria guidelines.
- Employees meet our quality, productivity and general work standards on an ongoing basis.
- Being open to change is crucial, as organizational structure and related job functions/duties may change under Tegria leadership.

Industry Leading Edge

Tegria recognizes the importance of being on the leading edge in the healthcare industry both corporately and for our employees. We invest in memberships with the Advisory Board, HFMA, MGMA, AHIMA and AAPC and attend conferences for continuing education. As part of our partnerships with other healthcare solutions providers, primarily technology, we participate in annual meetings to ensure the direction is trending forward. We also partner with KLAS who provides research data and insights helping us continuously improve solutions based on user feedback.

Professional Development and Education Opportunities

Our Heritage team is better positioned for education, recognition and career ascension opportunities. As we focus on growth-driven initiatives, there is an increasing need for highly educated employees. Tegria offers professional development and promotional opportunities—giving our people incentives to learn and go above and beyond, not just in their day-to-day jobs, but grow in their professional lives.

Strategic Direction in the Healthcare Industry

Tegria is grounded in the fact that everything we do is based on the right balance of partners, people and performance. We measure our success based on client satisfaction, employee engagement, growth and profitability. We are committed to being a value provider, cultivating meaningful relationships, maintaining an engaging culture, and using data and analytics to drive our business and future plans.

Tegria is operating in an environment undergoing immense transformation

We have demonstrated an ability to thrive under constant regulatory changes and consolidation in the healthcare market. Our success can be attributed to the quality of service and expertise provided to our partners on a daily basis. A full business office partnership with Heritage that currently demonstrates best practice revenue cycle performance will enable Tegria opportunity growth and market positioning.

1. Our promise of what it really means to be a partner
 - As a CFO, attention has to be fully focused on clinical initiatives, including physician recruitment, expansion of urgent centers, patient population health and many more competing priorities.

2. Our commitment to performance at the highest level
 - When Heritage looked to Tegria, the leadership was looking at a one stop shop to produce better financial results. The result is peace of mind.
3. Our people, a highly educated, compassionate workforce
 - Rebadging Heritage employees into Tegrians was a careful process that took every question and concern into consideration. While Heritage has been injected with the Tegria flair, the business office has their own unique culture that thrives. Incorporating the revenue cycle employees with Tegria, whom specialize solely in healthcare RCM, bringing our employees together as kindred spirits.