



# CASE STUDY

## SUTTER HEALTH – SACRAMENTO

**PROVIDER PROFILE** | **TYPE:** *Not-for-Profit* | **BED SIZE:** 1,800

### SITUATION

One of Northern California's largest healthcare providers invested in innovative revenue cycle management technology, adding powerful tools that helped reduce its accounts receivable cycle by six days and resulted in the collection of an additional \$78 million during the first three months alone.

Before adding Accuro, a MedAssets company's, comprehensive suite of revenue management products, the nine hospitals in Sutter Health's Sacramento Sierra region could not access "real time" information on key financial and operational indicators such as A/R days and cash collections. As a result, managers and staff often had to wait until the end of the month to set benchmarks, track progress or make important business decisions.

In addition, the hospitals' patient accounting system did not allow managers to isolate and analyze select data or generate reports on demand. Instead, the region relied on a specially trained programmer to develop these reports, often resulting in costly delays to identify – and correct – problems.

The central business office also suffered from the lack of real time information. With access to only a list of the outstanding accounts assigned to them, account representatives didn't have the ability to monitor their progress or the analytics to help them improve their productivity and reach established goals.

### RESULTS

Today things are different. Accuro's Receivables Manager and MyMentor™ applications not only give managers and staff access to the real time information they need to do their jobs, but also the intelligence they need to work smarter and make better, more informed and more profitable decisions.

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With Accuro Receivables Manager, the region's nine facilities' managers now have information about key performance indicators such as A/R days and cash collections at their fingertips. The application's digital dashboard enables managers to identify and analyze potential issues and trends on a daily basis.

Managers also have the ability to create detailed reports on the spot. Using a series of simple drop-down boxes, Accuro Receivables Manager allows users to isolate and analyze data for each payor or staff member – leading to faster problem resolution and increased leverage in negotiations.

For example, the software recently helped the region's central billing office detect an error in a major payor's contracted rate, which could have resulted in thousands of dollars in underpayments. The error was detected within days rather than weeks, allowing Sutter to proactively improve its cash position.

Equally as impressive are the results generated by MyMentor, a complementary application that helps business office personnel by prioritizing and automating account worklists and analyzing productivity trends. As a result, Sutter's business office staff is increasing efficiencies and reaching individual and team goals faster.

Designed specifically for patient account representatives, collectors and other business office staff, MyMentor provides each user with a customized dashboard that tracks his or her progress in meeting targets – allowing users to analyze their performance and compare it with others in the department.

“MyMentor is the most effective piece of software I've seen in my 32-year career,” said Margie Souza, Sutter's regional central business office director. “By

giving all employees the tools they need to run what is essentially their own business, we've seen a renewed sense of ownership and competitive spirit within the department.”

In fact, 100 percent of respondents in a recent survey of Sutter's business office staff provided positive feedback on the software, and the department earned Sutter's Department of the Year Award in 2006.

“Taken together, the results we have seen from Accuro Receivables Manager and MyMentor over a very short period of time have been nothing short of incredible. With the intelligence provided by these products, we reduced A/R days from 65 to 59 over a three-month period. One day in A/R equals \$13 million for the nine hospitals in our region. Multiply \$13 million a day by six fewer A/R days, and that's a \$78 million impact.”

“We don't think this story is finished yet,” said Souza, noting that her region is still in the process of implementing and integrating Accuro's Denials Manager and UpFront software. “Once this process is complete, we believe we will see similar successes in the denials management and patient registration areas.”

### ABOUT ACCURO, A MEDASSETS COMPANY

Accuro's revenue management solutions help providers achieve optimal financial results in an era of diminishing resources and expanding regulatory complexities. Our Web-based tools help maintain an accurate chargemaster to improve reimbursement and ensure compliance; calculate expected payment; address transparent pricing issues with rational, yet optimum prices; monitor and manage payor performance, and deliver pioneering business analytics, including denials management.