

A Revenue Cycle Management Partner that Steps Up

When Called to Act Quickly, R1 Provides Critical Support and Delivers Financial Outcomes

Holston Medical Group is a 230-physician multi-specialty practice headquartered in Kingsport, Tennessee, with 53 locations in Tennessee, Virginia and North Carolina. R1 RCM provides comprehensive revenue cycle and patient experience support across the organization.



HMG Sees an Opportunity to Improve

In 2018, HMG developed concerns about their revenue cycle performance. While their revenue cycle management vendor had provided some initial improvements, the results had plateaued. Services faltered, and answers to questions about day-to-day operations were slow or nonexistent. The relationship was no longer as transparent as it had been. It was time to consider a better fit for the crucial role of revenue cycle partner.

Improvements Realized and Poised for Growth

“From the get-go, I saw that R1 was willing and able to jump on a problem and fix it,” reports Craig Hewitt, CFO for HMG. “I make data-driven decisions and question a lot; we look at issues from different perspectives here. R1 does the work I request and reports back quickly. That’s a very strong point for them. The implementation team was a Class A operation, too. R1 does not nickel and dime me for every little thing. When we saw we needed more resources than were originally scoped, R1 didn’t blink.”

“Our financial position has improved,” continues Craig. “Revenue per arrival grew from \$139.95 to \$146.19, an increase of 4.5%. That represents \$4M annually for the practice. A lag in billing was addressed and has been reduced by three days.” With a strong financial position and early attention to value-based care contracting, HMG is in an enviable position for future growth.

R1 provided significant support for HMG’s newly acquired North Carolina practice, jumping in to help physicians acclimate to a new EHR system just 17 days before opening. This required setup, education and fixes to the new system. Noting R1’s ability to scale quickly, Craig stated, “R1 was not shy about allocating substantial resources to address the issues we faced; other vendors would absolutely not have been as helpful.” In addition to the EHR system work, R1 also assisted with setup and administration of payer contracts.

Sheila Willis, Client Service Manager with R1 reports that the patient experience technology is bearing fruit also. “With online billpay for example, **HMG took in \$120,000 in patient payments in the first month of deployment, which was a 140% increase.** At the end of 2019, HMG was seeing the monthly rate increase to \$337,000 using R1’s solution” says Sheila.

THE CHALLENGE

Revenue cycle results had stalled with a previous supplier. The practice sought a more action-oriented, transparent partner.

THE SOLUTION

R1 provided comprehensive revenue cycle and practice management solutions to address opportunities for improvement.

- **Revenue cycle**
 - Workflow management
 - Rules engine
- **Patient experience**
 - Appointment reminder system
 - Online collections
- **Payer contracting**

THE RESULTS

- ✓ 4.5% Increase in revenue per arrival representing \$4M annually
- ✓ 140% Increase in patient payments in first month
- ✓ Billing lag time reduced by three days
- ✓ Improved financial position
- ✓ Well-positioned for growth

The Multi-layered Approach to Deliver Results

At the beginning of the engagement, a thorough analysis revealed multiple opportunities for improvements that resulted in the previously stated financial outcomes:

The R1 team found that denial write-offs were excessive. “The previous revenue cycle vendor was not chasing every dollar” says Rich Lopez del Rincon, Senior Vice President with R1. Instead of working the denials and appealing them for resolution, they were quick to write them off. We put Workflow Management technology in place to review denials and root causes, which was integrated with HMG’s practice management system to aggregate data. It allowed R1 to better manage denials in order to increase collections, create meaningful reports and to build alert thresholds to prioritize work for appropriate actions.

To attack the root cause of claims denials, R1 implemented part of its automation capabilities in the form of its robust rules engine. “We leverage this tool across our organization, which allows for many of our clients to benefit from our investment in building it,” continues Rich. All claims are run through the rules engine and are auto-corrected to avoid denials.

A final opportunity for improvement involved patient experience capabilities. HMG had taken their patient reminder system offline, because it was dated technology. The R1 Patient Experience platform enables robust reminders, which decreased no-shows and cancellations. It also allows patients to interact with software for ease in scheduling, rescheduling or cancelling appointments. Online billpay was also implemented, allowing for easy online bill notifications and payment. Patients were quick to respond.

In addition to the planned revenue cycle work, HMG was also in the midst of acquiring a physician group practice from a regional health system. Circumstances changed quickly in the deal, and HMG unexpectedly needed to locate 67 physicians to offices in just over two months. All infrastructure to support patient care had to be sourced. R1 deployed boots on the ground to quickly provide RCM, contracting and credential resources to help HMG absorb the business.

Selecting A Partner

One of HMG’s existing technology vendors suggested R1 RCM as a potential candidate. After several months of discussions, analysis and clinic visits, HMG signed an agreement with R1 in September 2018; the go-live was January 2019. “We decided to go with R1 due to the people,” says Craig, referencing the importance of a cultural fit when selecting a partner. “Face-to-face support staff is critical, and R1 associates seemed to be trustworthy individuals. Their references were great, too.”

Craig also offers advice to any peers who are evaluating revenue cycle vendors. “Your revenue cycle company better be a true partner in every sense. They really need to be transparent, step up when needed and not cause delays. I have that in R1. I no longer need to have our revenue cycle on my mind all the time. If there is an issue, I know it’s going to get addressed. At this point, it’s running like a well-oiled machine from my perspective.”

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CFO, Holston Medical Group



ABOUT R1 RCM

R1 RCM is a leading provider of technology-enabled RCM services which transform and solve revenue cycle performance challenges across hospitals, health systems and group physician practices. R1’s proven and scalable operating models seamlessly complement a healthcare organization’s infrastructure, quickly driving sustainable improvements to net patient revenue and cash flows while reducing operating costs and enhancing the patient experience.

Learn more at r1rcm.com or contact us contact@r1rcm.com.