



## **Georgia Hospital Dramatically Improves Finances by Tackling Point-of-Service Collections**

*BJC Medical Center Sees Exponential Growth in Upfront Collections  
After Implementing nTelagent's Point-of-Service Collection System,  
Called the Retail Application for Healthcare*

### **An nTelagent, Inc. Case Study**

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## Hard Times for Hospitals

Like most hospitals, BJC Medical Center, located northeast of Atlanta, is facing tough times. Ever-increasing bad debt and charity care, made worse by the weakening economy and rise in uninsured/underinsured patients, have compounded the hospital's financial difficulties. For example, in November 2008, news broke that BJC planned to close its labor and delivery services, to try "to shave its operating deficit." Then in January 2009, the local paper reported on BJC's layoffs: "difficult but necessary adjustments to assure the survival of the hospital and nursing home in a weak economy."

## Identifying an Area for Improvement

The management team at BJC knew that in order to improve the hospital's finances, they needed to take a hard look at revenue cycle operations and areas for improvement. They had to adjust to the changing payment landscape; billing third-party payors post-service just wasn't cutting it anymore. BJC needed to implement systems to determine and collect payments from individual patients, while better managing all patient accounts – whether insured, uninsured or charity. After hearing about nTelagent's point-of-service collection system, known as the "Retail Application" for the healthcare industry, BJC's management realized that they were missing out on enormous revenue cycle opportunities at the point of service – and that the patient access staff did not have the tools and technology they needed for the complex tasks they were being asked to handle.

In addition, they saw there was a more efficient and consistent way to communicate with patients on the front end (instead of waiting until after care is delivered and bills have gone out) while ensuring truly needy patients receive the financial assistance they require through government or social services programs. They turned to nTelagent.

## What Does nTelagent's "Retail Application" Do?

nTelagent's system helps both patients and providers, ensuring hospitals receive appropriate compensation for services **so they can continue to provide exceptional community benefits – and that patients receive the financial information and assistance they need.** For patients, nTelagent's system helps to ensure that accounts are handled properly and consistently at the point of service, creating a proactive dialogue from the beginning about a patient's financial responsibilities.

The Retail Application answers the following questions on the front end (**just like in a retail setting**):

<b>For the Healthcare Provider:</b>	<b>For the Healthcare Consumer:</b>
How much will I be paid?	How much will it cost?
Who is going to pay me?	What is my financial responsibility?
How am I going to get paid?	What are my payment options?

**Answering these financial questions upfront allows both the provider and the patient to focus on what really matters: top-quality patient care.**

### **Preparing for a New Way of Doing Things**

BJC realized improving its revenue cycle at the point-of-service was necessary to remain financially viable, so the hospital could continue serving the community’s healthcare needs. But BJC didn’t want to shock patients with its new policy of asking for upfront payments. To alert healthcare consumers in the community of the change in policy, the hospital took out an advertisement in the local paper. (These upfront payments are co-pays, deductibles, co-insurance and other out-of-pocket expenses for insured patients; for uninsured patients, or self-pay, these payments can include a portion of or all of the bill, depending on hospital policies and rules.)

During the implementation phase of the Retail Application, the nTelagent implementation specialists worked closely with BJC’s business office to review policies that were in place, and to recommend and receive approval for changes to improve the collection process. After the system was up on the facility’s computers (the system is web-based, so there’s no need for hospitals to purchase expensive new equipment), over a period of two days BJC patient access staff was trained on using the Retail Application. The day after training, nTelagent’s system went “live,” and the results have been impressive, to say the least.

### **Exponential Growth: From \$200 to \$20,000!**

For the three months prior to using nTelagent’s Retail Application (October–December 2008), BJC collected around \$200 in upfront payments – total. **Since implementing the solution, BJC has collected an average of \$20,000 per month on the front end, with expectations to improve cash flow by \$300,000 annually.** According to BJC chief financial officer Ray Leadbetter, “Along with other measures we’ve taken to either reduce costs or increase revenue, this improvement in upfront cash flow could very well

be the difference in BJC's being able to keep – and even add to – our current service lines and staffing levels. nTelagent's system has been an integral part of our now being 'in the black.' It's really a complete front-end solution for us, helping our staff to adjust to healthcare's retail-oriented environment with impressive bottom-line results." The local newspaper covered BJC's improved finances, reporting that BJC finished January 2009 \$19,000 in the black. Mr. Leadbetter told the paper that "this is encouraging for our future financial picture." He said most of the turnaround was attributed to cost-cutting measures ... but revenue was also up slightly.

### **More Results: Happier Patients, Happier Staff**

The patient access staff at BJC is pleased to have the tools and technology they need to better manage patient accounts – whether insured, uninsured or charity. One manager said that having the Retail Application is like giving her staff a "security blanket": before, they weren't sure whom to ask for what (or why), and now they have all the actionable information they need, right at their fingertips. Most of the staff agrees that the system is extremely user-friendly.

**Many of BJC's patients welcome the opportunity to set up payment plans on the front end, instead of receiving a bill for the whole amount a few weeks after care.** (BJC's uninsured patient population is currently reaching the 12 to 15 percent levels, not including those individuals who are underinsured.) BJC is finding out that patients want to know what they owe at the front end, so there are no big surprises after care is delivered. Patients can work with hospital staff to spread their payments out over a few months or more – and even negotiate with the hospital staff member for terms. nTelagent also gives staff the ability to automatically screen patients for charity care or assistance programs before care is even provided, as well as print out application forms for patients to begin the enrollment process. All of this is done using nTelagent's automated, web-based system.

BJC staff members know what payment terms they can offer and whether discounts are available, and they can even print promissory notes right at the point of service for the patient to agree to and sign. Providing good customer service to patients is one way to ensure they'll make a return trip to the facility instead of going somewhere else when they need care.

In addition to the overall improvements to the revenue cycle, **BJC's CFO and business office managers appreciate the real-time reports generated by the Retail Application.** They can see which staff members are doing a good job dealing with patients upfront, as well as which ones need a little more training on the system.

## Quick Look: Summary Table

BJC Before nTelagent	And ... BJC After!
Practically no upfront collections (around \$200 over the three months prior to installation)	Streamlined, consistent management of upfront collections (around \$20,000/month)
Patient access staff didn't know which patients to ask for what	Staff have a "security blanket" that tells them exactly what to do and what to say to each patient at the point of service regarding financial responsibilities
No way to offer patients a payment plan or determine discount options	Using a patient's demographic information and capacity to pay, along with hospital policies, nTelagent gives staff the ability to easily and quickly offer/negotiate terms – and even print a promissory note for patients to sign at point of service
Difficult to find out if a patient qualified for charity care or medical assistance programs, so many accounts were written off as bad debt	Ability to automatically screen patients for charity care or assistance programs before care is even provided, as well as print out application forms for patients to begin enrollment process
No accountability – if a staff member never asked a single patient for payment, no one would know	nTelagent produces real-time reports: Every patient encounter is documented and is auditable at the patient level and at the system-user level
Financial counselors only talked to patients after they had received care and gone home	Conversations with patients about financial responsibilities occur upfront when possible (emergency cases are the obvious exception)
<b>nTelagent's Retail Application: Improving Upfront and Overall Cash Flow, Receivables and Profitability by Reducing Bad Debt</b>	

## **About nTelagent, Inc.**

nTelagent, Inc. has developed the Retail Application for Healthcare, the only point-of-service collection solution for the healthcare industry that settles all accounts on the front end – regardless of whether the patient is insured, uninsured or charity. Similar to applications used in the retail industry at the point of sale, the company’s proprietary, automated system provides healthcare registrars and financial counselors with real-time scripts, telling them exactly what to do and what to say to each patient at the point of service regarding financial responsibilities. Healthcare service providers experience increased collections, upfront and overall, and increased cash on hand, as well as decreases in bad debt and A/R days. Moving workflow to the front end of the revenue cycle, nTelagent helps providers ensure a better patient experience through clearer communication and better, more consistent handling of all patient accounts. Visit [www.ntelagent.com](http://www.ntelagent.com) for more information.