

PBRC Case Study

Implementing Enterprise Billing Peter MacCallum Cancer Centre



IMPROVED REVENUE COLLECTION

Recoup around \$1.4 million pa on rejected claims and uncollected payments



HIGHLY AUTOMATED

Eliminated 75% of manual processes



COMPLIANCE AND INTEGRATION

Billing system fully compliant with all relevant entities

Peter Mac were working with five separate billing systems that did not communicate effectively with each other, resulting in labour-intensive and unsustainable manual data transcriptions.

Customer Snapshot

The Peter MacCallum Cancer Centre is Australia's only public hospital solely dedicated to cancer treatment, research and education. Peter Mac treats more cancer patients each year than any other Australian hospital.

- 1 public hospital
- 5 radiotherapy campuses
- 2,500 staff
- Budget \$300M

Clinical & Billing Activity 2013/14

- 30,000 patients
- 260,000 episodes of care
- 48,000 bed days
- 7000 incoming messages/day
- 700 invoices/day
- 119 receipts/day¹ (88% electronic remittances)

Project Snapshot

Back in 2013, Peter Mac had five separate billing systems, with the main system over 25 years old. The systems did not communicate effectively with each other, resulting in labour-intensive and unsustainable manual data transcriptions.

1 Australian public hospitals rarely bill patients; they generally bill health funds and other institutions, and are paid in bulk with remittance advice.

Peter Mac was losing an estimated \$1.4M annually due to rejected claims and uncollected payments.

Peter Mac wanted to stop revenue leakage and improve performance. When external consultants recommended an enterprise billing system, Peter Mac selected PowerHealth's PowerBilling & Revenue Collection (PBRC), based on a similar hospital's experience and return-on-investment within the first year.

Project Approach

Peter Mac engaged an excellent Project Manager who recruited the rest of the project team for their skills in IT, finance, change control, business processes, integration and testing. They worked closely with PowerHealth, which contributed significantly to the success of the project.

Peter Mac Executives were actively involved in the project from the beginning and worked throughout to ensure cooperation from the operational areas.



"PBRC is an incredible product. One of the most impressive features of the product is the worklists, which helps to reduce rejections, improve business process workflow and increase revenue."

*Remona Lee
Peter Mac Project Manager*

"PowerHealth are an exceptional and responsive vendor."

"For example, they went well beyond the call of duty to integrate PBRC to our iPM system."

*Dennis O'Keeffe
Peter Mac Chief Finance Officer*

Redesign Business Processes

The project team worked to create departmental organisation change and redesigned their business processes ranging from service data capture to revenue collection.

It was crucial to ensure business processes were functioning correctly prior to automation.

Define System Requirements

The project team worked closely with the operational areas to understand their business rules and needs, and from this, they created the detailed system requirements. In practice, each hospital had specific business rules that differed from the complex generic industry rules. These needed to be documented promptly for the system vendor.

Peter Mac began implementing the PBRC enterprise billing system in 2014 and Phase 1 of the project went live in March 2015.

Services included: Accommodation, Medical Services, Outpatients, Online Claims, Radiotherapy, Receipting, Allied Health, Online Eligibility and Simplified Billing.

Project Outcomes

Prompt Billing

Peter Mac now bill for services promptly on receipt of real-time patient and service data from their source systems, reducing the inpatient submission-to-recovery period from seven weeks to one.

Improved Revenue Collection

Peter Mac now collect more revenue as a result of:

- Significantly fewer claim rejections
- Reduced data capture errors (less corrective rework)
- Automatic edit checks and smarter prior-to-billing processes

Peter Mac are expecting to recoup an estimated \$1.4 million annually on rejected claims and uncollected payments.

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Improved Cash Flow

Peter Mac have improved their cash flow through shortened revenue cycles, a direct result of electronic claims submissions to Medicare and private health funds.

84% of Peter Mac's claims are now submitted electronically, with an average turnaround of three days for outpatients.

Simplified Administration

Peter Mac now generate accurate invoices automatically, without manual analysis of data from multiple systems. All required information now resides in the enterprise billing system, providing centralised control and management.

Highly Automated

As a direct result of automating their billing processes and eliminating manual data transcriptions between systems, Peter Mac have significantly improved billing efficiency, effectively eliminating 75% of manual tasks.

Compliance and Integration

Peter Mac now have a system with billing and coning rules that are fully compliant with all relevant entities:

- 24 private health funds
- Federal health agency (Medicare)
- State government (Victorian Department of Health)

Peter Mac are pioneers in fully integrating their billing to iPM and submitting e-claims to so many health funds.

Improved Data Analysis

As a result of capturing comprehensive service activity data, Peter Mac can now reconcile clinical activity and revenue, as well as develop strategies for improved billing outcomes.

Additional Benefits

Financial

- Single support fee
- Single accounts receivable
- Centralised control for revenue, debt management, general ledger and reporting

Operational

- Customisable business rules to allow for local variations in different operational areas
- Reduced rework due to incorrect data
- All billing staff trained on a single system
- Improved management information for planning

Information Technology

- Single infrastructure
- Single version-of-the-truth for billing data
- Fully integrated with PAS and service systems
- One-time data capture through seamless connectivity
- Web-based with no installation required on user PCs
- Improved Patient Experience
- Reduced number of invoices
- Simplified billing

“A major contributor to the success of this project was the excellent collaboration between the Peter Mac and PowerHealth project teams.”

*Stuart Mead
PowerHealth Project Manager*