

Commonwealth Anesthesia Associates

Centricity[®] Group Management
(formerly IDX Groupcast) Improves Billing
Process for Anesthesia Practice



Solution overview

Customer profile

- Physicians: 25 Certified Registered Nurses, 37 Anesthetists
- Practice Type: Anesthesiology
- Locations: 4 (services provided at two hospitals and two freestanding surgery centers)

Company profile

Commonwealth Anesthesia Associates was created in August 2001 from the merger of two anesthesiology practices. The practice provides anesthesia services at two hospitals and two freestanding surgery centers in and around Richmond, Va.

Business solution

Commonwealth's administrator, Bruce Donald, knew that the rapidly growing anesthesiology practice needed a proven practice management solution. With insurance payers in the area consolidating and becoming increasingly sophisticated, Commonwealth wanted a state-of-the-art system to ensure that its physicians would be paid what they deserve.

Donald, who has been with the practice since it formed in 2001, began searching for a new system in 2003. Given the complexity of anesthesiology billing and collections, Commonwealth first considered anesthesia-specific management systems. However, Donald was immediately impressed with the Centricity Electronic Data Interchange Services (EDI Services) solution because it met Commonwealth's criteria, which include:

- Proven track record
- Product with a strong future
- Market leader in information technology
- Technology platform that would enable the addition of more anesthesiology practices as clients

After reflecting on its goals for a new information system and the needs predicated by changes in the local market, Commonwealth concluded that Centricity Group Management was the best fit.

Case history

Workflow – business process improvement

Using the features of the Centricity EDI Services solution, staff at Commonwealth can now monitor payers closely – and efficiently. In the past, Donald explains, “we submitted the claim, and waited for the rejected claim, whenever it arrived. Often, you didn't even know you had a rejection, and you certainly couldn't put together the information.”

In the past, putting all of that information together could take months. Now, it can be done in a day. Each morning, a member of the Commonwealth billing staff calls up payers' edits via the EDI Services. She reviews and corrects as many claims as she can and contacts payers if she has questions about edits.

On more than one occasion, Centricity Group Management helped the practice recover money that it might have lost otherwise. For example, the group immediately detected a local payer that had begun rejecting all of the group's provider numbers as invalid. Using the information from its daily access to the payer's remittance information via Centricity Group Management, Commonwealth resolved the situation within a week. Previously, says Donald, “it would have taken us months to realize the problem, contact the payer and request that the situation be resolved.”

In addition to improved billing processes, Commonwealth has seen billing efficiency skyrocket. Although its volume of billing increased by 33 percent between 2004 and 2005, the number of staff handling those functions increased by only five percent (one full-time equivalent position) during the same period. Commonwealth is positioned to carry out its vision of adding more anesthesiology practices to its Centricity Group Management billing platform without dramatically increasing staff or technology costs. Commonwealth recognized an estimated annual overall staff savings of \$281,970.

Bruce lauds his billing staff as committed, energetic, and knowledgeable billers. “Now they have the best tool in the market,” he says.

Revenue cycle improvement

Commonwealth credits Centricity Group Management with reducing its days in A/R to 28 within the first nine months after installation. Previously, days in A/R averaged in the mid low 30's, Donald says.

Immediate performance advancements with Centricity Group Management

| | Days in A/R | Percent of A/R over 120 Days |
|---------------------|-------------|------------------------------|
| Before Centricity | 34.34 | 7.56% |
| After Centricity | 27.34 | 6.69% |
| Percent Improvement | 20.4% | 11.5% |

One key feature of the Centricity EDI Services that Donald especially appreciates is the direct connection it provides to most payers. Now, payments from one of the group's largest payers are received and deposited within two weeks of when the charges are keyed into the system. Donald says the GE Centricity solution also has improved the practice's efficiency in tracking down patient collections, such as small coinsurance amounts that were difficult and expensive to collect previously.

He also appreciates the reporting functions of Centricity Group Management that allow him to easily produce daily reports. In the near future, Donald says, the group hopes to leverage even more power from the solution by fully integrating EDI Services with the practice's patient accounting system.

Partnership and implementation

Noting that "there is nothing static in claims processing," Donald appreciates the on-going "commitment that GE Healthcare has made to understanding the changing portion of our business."

Donald also gives high praise to GE Healthcare for helping to make the system's installation and implementation a smooth process. What especially helped was GE Healthcare's method of combining training and system setup tasks. Donald says his staff worked with GE Healthcare trainers to create specific files and databases as part of the training process. "If you do it, you know how it works," he observes.

Reliability

The reliability of the system during installation and since receives high marks from Donald, who says, "The testing procedure was exceptional. We knew that when it went live, there would be no problem." In fact, Donald's preparations for the practice to experience a dip in cash flow in the weeks immediately after Centricity Group Management went live were for naught. No dip in cash flow occurred. "The month after we went live with the EDI Services solution we had a record month for payments," he says.

Growth

Donald says the selection of the Centricity Group Management made sense because the practice was looking for a system that could put Commonwealth on the leading edge of information technology. It needs that edge to carry out two key strategies: internal growth and expansion of its ability to provide management services to anesthesiology practices elsewhere in the state. Commonwealth plans to provide anesthesiology services to a new hospital in the Richmond area, and has already recruited four new physicians to do so. In addition, the practice began in early 2005 to provide management services, including all aspects of revenue cycle management, to a separate group of 10 anesthesiologists. The integrated solutions that GE Healthcare provides via Centricity Group Management are just what Commonwealth needs to be positioned for success in a challenging future for medical reimbursement.

Centricity Group Management implementation date – 8/04

| | 2004 | 2005 | 2006 Projected |
|----------------|------|-------|----------------|
| Billing Staff | 17 | 18 | 19 |
| Change | N/A | 5.9% | 5.6% |
| Physician | 21 | 35 | 39 |
| CRNAs | 27 | 37 | 43 |
| All Clinicians | 48 | 72 | 82 |
| Change | N/A | 50.0% | 13.9% |

"The integrated solutions that GE Healthcare provides via Centricity Group Management are just what Commonwealth needs to be positioned for success in a challenging future for medical reimbursement."

Bruce Donald,
Administrator

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GE Medical Systems Information Technologies, Inc., doing business as GE Healthcare.

Healthcare Re-imagined

GE is dedicated to helping you transform healthcare delivery by driving critical breakthroughs in biology and technology. Our expertise in medical imaging and information technologies, medical diagnostics, patient monitoring systems, drug discovery, and biopharmaceutical manufacturing technologies is enabling healthcare professionals around the world discover new ways to predict, diagnose and treat disease earlier. We call this model of care “Early Health.” The goal: to help clinicians detect disease earlier, access more information and intervene earlier with more targeted treatments, so they can help their patients live their lives to the fullest. Re-think, Re-discover, Re-invent, Re-imagine.

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