

## Process Redesign for Radiology Exam Scheduling and Payor Reimbursement

### ***Problem/Opportunity***

Radiology appointment service level for CT and MRI exams was very good, with short wait times until the next available appointment. Reimbursement denials, however, were high, and co-pays and self pay payments were difficult to collect in full. The opportunity was to collect more money while keeping the service level high.

### ***Gap Analysis***

The team performed a root cause analysis of underpayment. Key gaps were identified:

- Many physician orders for CT and MRI were incorrect. Physicians often didn't specify the diagnosis correctly and usually didn't include an ICD-9 code. They also frequently ordered the wrong exam for the diagnosis. This caused denials from insurance companies.
- Patients weren't informed of their copay or self-pay responsibilities. That led to high patient dissatisfaction when the bill arrived.
- There was no reliable and consistent communication method between the insurance verification staff and the radiology scheduling staff.

### ***Lean Sigma Approach***

SigmaMed Solutions facilitated an interdisciplinary team and provided training on Lean Sigma process improvement methods. The end to end process was redesigned by a team consisting of admissions, radiology, and insurance verification staff. A Lean process flow was mapped out that included:

- Providing physicians with "cheat sheets" so that many more exams were correctly ordered.
- Building a checklist into the radiology EMR so that the radiology scheduler could collect complete insurance and exam order information on the first call to schedule the exam. Appointment requests without complete information were penciled in but not confirmed until all information was available.
- Insurance verification staff were given access to the electronic radiology schedule. Exams that required pre-authorization or significant co-pays were tentatively scheduled and flagged in orange on the schedule. Insurance verification used the orange items on the schedule as their worklist.
- Insurance verification called patients and informed them of copays. Admissions had the information on copays and collect them day-of-service.

### ***Results***

The result was an immediate reduction of 30% for insurance denials, and a 50% increase in copay collection. Service levels remained constant. The team has continued to apply Lean principles to their process, and they are showing continued, self sustaining, process performance improvement.

"Lean Six Sigma Quality and Productivity Solutions for Healthcare"

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