

Eliminating the “Fix-it-Factory” in Coding and Billing

Decreased AR, Reduced Cost, Improved Documentation

Yuma District Hospital and Clinics Yuma, CO



Yuma District Hospital is a newly constructed Critical Access Hospital that houses acute inpatient health services, including 12 acute care beds, two labor/delivery/post partum beds, bassinets, surgical services, 24-hour emergency services and the Yuma Clinic. Associated with the Yuma Clinic is the Center for Specialty Medicine, which is a practice location for a wide range of medical and surgical specialists, and the Akron Clinic.

Yuma CEO John Gardner identified several areas that could benefit from Lean Six Sigma process improvement, including the workflow between ancillary departments and HIM, and the rework loop required to fix and issue clean claims. These issues were wasting time and money, pushing out the facility’s AR, and causing patient and staff dissatisfaction.

The Problem

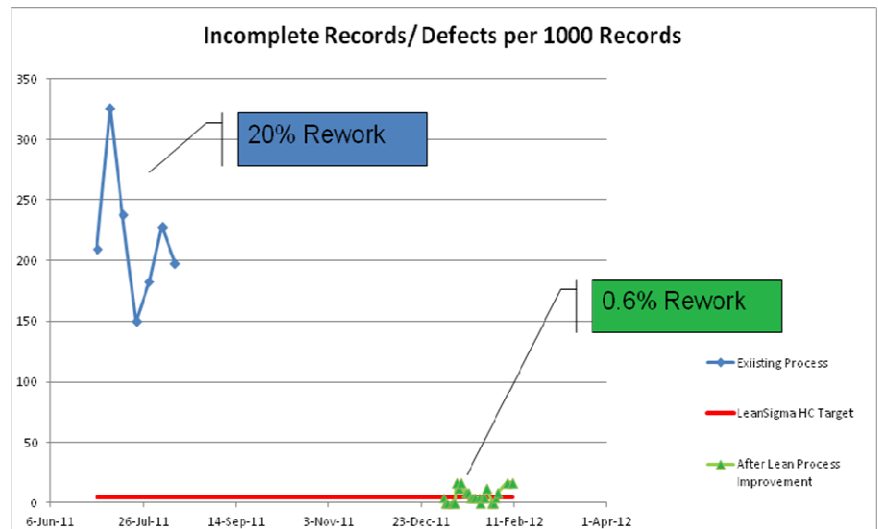
Over 20% of Ambulatory Services (Radiology, PT, Lab) Encounters required rework to be billed. This added unnecessary cost and added days A/R.

- Easy Corrections added 3 days to A/R
- Difficult Corrections added 10-15 days AR
- All Errors Required Extra HIM and Billing Labor to Correct

This is Not Unusual. Healthcare Business Processes typically run at 40%+ rework. This rework loop is entirely unnecessary and presents an easy opportunity for significant cost reductions.

Outcomes Achieved

- Decreased Orders Needing Rework from 20% to 0.6% within 3 months
- Significantly Improved A/R to the extent that project cost was returned several times
- Improved Documentation Processes to Increase the Accuracy of Department Staff
- Improved the Ancillary Departments Workflows through Improved Processes and Reduced Waste



How the Yuma Team Solved This Problem using Lean Sigma Healthcare

1. Simplified the Process for Providers to Create a Good Order
2. Created Point of Service Traps & Corrected Defects on Orders Prior to Provision of Services
3. Ensured POS provides OTIFNE (on-time; in-full; no errors) “Billable Package” to HIM coding
4. Developed Mechanism to Provide Feedback on Defect types to Upstream Process to Continuously Improve Process

About SigmaMed Solutions

SigmaMed Solutions is a Lean Six Sigma training and mentoring firm with decades of experience in applying Lean Six Sigma to healthcare quality, process improvement, care coordination and EHR implementation and optimization. We are dedicated to serving our clients in a “Lean” manner and will put our money where our mouths are. All our work is unconditionally guaranteed and we won’t start a project that doesn’t provide you with a strong return on your investment. If we don’t hit your objectives, we will refund all your money!

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