

Healthcare Process Management

St. John's Mercy Medical Center Maximizes Its Revenue Cycle Improvement Initiative

By Len Abbazia

In today's environment, many healthcare systems continually strive to develop standard revenue cycle management strategies. The net result of more efficient revenue cycle management is increased cash flow for rapid re-investment in delivering the highest quality patient care.

St. John's Mercy Medical Center in St. Louis, MO, had the foresight to recognize the value of applying Business Process Management (BPM) fundamentals to its overall revenue cycle, creating better workflow and enhancing overall productivity. St. John's Mercy is a member of Sisters of Mercy Health System, which sponsors 18 acute care hospitals, a joint-ventured heart hospital, a provider-sponsored health plan, physician clinics, and other health and human services in a seven-state area. The system includes more than 4,000 licensed beds, 26,000 co-workers, 3,100 medical staff members, and \$2.4 billion in net patient service revenue in the year ending June 30, 2004.

While recognizing the need for workflow improvement and process automation, St. John's Mercy also needed to seamlessly integrate a new solution with its current legacy systems and applications. The hospital had solutions in place to address components of the revenue cycle, clinical systems and financials, but was missing one unified and flexible solution to bring these systems together. St. John's Mercy identi-

fied the following areas for process improvement:

- Compliance
- Customer service
- Accuracy
- Shared resources
- Automation.

The initial driver for St. John's Mercy was automating workflow related specifically to medical records. Previously, St. John's had mountains of paper medical records based on an intricate and time-consuming process.

The Solution

Originally, St. John's Mercy sought a stand-alone imaging product, and had never considered that a BPM solution might be a more appropriate alternative; that is, until DST Technologies, Inc. (DST) presented its Automated Work Distributor™ (AWD®). The process automation experts at DST Technologies presented the case to use AWD as the backbone to help the hospital realize efficiencies within Admitting & Registration, Health Information Services, and Patient Accounting. AWD sits atop existing technology applications and provides the integration points to



create a unified BPM solution that helps manage and access data for more efficient workflow across an entire organization with multiple locations. AWD provides a flexible platform that supports imaging, accepts transactions, improves productivity, and enhances customer service for total process improvement. For St. John's Mercy, AWD provided more than just imaging and basic workflow: DST delivered a comprehensive business process framework that leveraged existing applications systems throughout the health system. It also gave them a rules engine to guide people through complex tasks and automation agents to complete non-value-added tasks. AWD also seamlessly integrated with other applications via industry standards (HL7, etc.), middle-

ware (WebSphere MQ, etc.), and proprietary interfaces. In addition, AWD offered St. John's Mercy the flexibility of a multi-channel infrastructure to process transactions, regardless of the source (medical records, fax, e-mail, scanned documents, Electronic Data Imaging [EDI]/XML transmissions, Web-based requests, etc.). With its flexible and intuitive graphical user interface, AWD enables end users to control business processes, thus reducing their reliance on IT staff support.

The Results

St. John's Mercy has already shortened its medical records backlog by 36 percent and sped outpatient coding from three to five days to 24 hours. In terms of cost efficiencies, AWD has saved the health system more than \$1 million and improved cash receivables by nearly \$4 million. Other benefits include:

- Eliminated manual work effort through process automation
- Improved processing and shortened the revenue cycle
- Enhanced resource management through real-time process monitoring
- Provided HIPAA-compliant audit trails and security features
- Provided the ability to print, e-mail, and fax images directly from workstations
- Provided immediate, simultaneous access to imaged records
- Reduced paper processing (handling), eliminated lost and/or misfiled documents, and eased data retrieval
- Reduced the physical storage needs of departments.

The Future

In Phase II of the implementation, St. John's Mercy will apply AWD to other departments within the facility, including care coordination, human resources, finance, legal, and managed care contracting. St. John's Mercy is also working with DST to provide nurses and doctors with Web access, so they can remotely modify medical records to amend any deficiencies. AWD is also scheduled for deployment at other facilities within the Sisters of Mercy Health System. **hij**

AWD is available from DST Technologies, Inc., 330 W. 9th St., Kansas City, MO 64105. Voice: 888-DST-INFO or 816-435-1000; Website: www.dstawd.com.