

# AWD<sup>®</sup> Case Study

## Sisters of Mercy Health System – St. John’s Mercy Health Care Business Environment

Healthcare providers today are under tremendous pressure to increase efficiency and quality of service, while addressing increased regulations and combating the rising cost of operations. Sisters of Mercy Health System (Mercy) is no exception.

St. Louis-based Mercy is a large integrated delivery network, supporting a seven-state area. Mercy decentralizes its operations with regional Strategic Service Units, which benefit from local management and system strength. One of these units is St. John’s Mercy Health Care in St. Louis.

In St. John’s quest to provide top quality patient care, billing processes and document management bogged down its revenue cycle.

“We identified three main business areas related to the revenue cycle with immediate opportunities for process improvements: Admissions and Registration, Health Information Services, and the Central Business Office,” said Sheri Beekman, executive director of Receivables & Health Information Systems at St. John’s.

Beekman faced several challenges related to paper-based processing within those business areas, including:

- Managing loose sheets in patient records
- Storage space constraints in Health Information Services
- Out-of-date archiving system in the Central Business Office
- Need to improve storage and coding for patient documents
- Scanning and capturing patient information during admission

## Solution

St. John’s researched imaging vendors but found that the Automated Work Distributor™ (AWD®) solution from DST Technologies, Inc., went beyond imaging to include significant opportunities for business process management (BPM), including process automation, integrated tools for quality control, and real-time business intelligence.

Another key factor in St. John’s choice was AWD’s production-proven track record. “One major differentiator setting AWD and DST apart from the competition is their first-hand experience with their own solutions,” said Fred Ford, vice president for special corporate activities at Mercy. “DST uses AWD pervasively in its own financial services operations. This demonstrates a clear commitment to the product and the versatility of the technology.”

## Fast FAQs

**Challenge:** To increase efficiency and quality of service while addressing increased regulatory requirements and reducing operational costs

**Solution:** AWD 3.0

### Benefits

- Reduced paper processing eliminates lost or mis-filed documents
- Immediate, simultaneous access to imaged documents
- Documented audit trails and security features
- Improved processing means shorter revenue cycle



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Representatives from Mercy, St. John's, and DST jointly implemented AWD in a way that would meet healthcare organization's unique challenges. The goals included the implementation of a paperless, automated work delivery system to process patient documents efficiently and provide:

- Immediate access to imaged information
- Improved utilization of resources
- Ability to e-mail and fax images from a workstation
- Systematic quality assurance capabilities
- Documented audit trail and security features to comply with HIPAA (Health Insurance Portability and Accountability Act) regulations
- Report writing capabilities to monitor work status and measure staff performance
- Reduced revenue cycle

"AWD integrated with our existing technology and processes, so there was no major reengineering," Beekman said. "We were able to leverage our existing technology investments, with AWD as the bridge connecting the various application systems throughout the St. John's organization."

AWD captures inbound patient documents scanned into the system and stores them in a central information repository. Using St. John's business rules and requirements, AWD automatically delivers work to appropriate staff and physicians through the billing process.

Authorized staff across the organization have immediate access to patient documents in AWD, rather than having to search for paper files to resolve issues and complete billing. AWD also assists with HIPAA compliance by tightening information security, allowing only designated individuals to view information, and by providing an audit trail to track document access.

## Results

St. John's began production use of AWD in late 2002 and is continuing to implement AWD across the organization. Benefits St. John's has identified within phase one include:

### Admissions and Registration

With the ability to scan and capture at the point of service, staff has immediate access to admissions information, and management can perform thorough quality assurance on data collected. St. Johns found that this significantly improves the denial management process by ensuring that correct and complete data is used to submit insurance claims.

Admissions and Registration receives bed requests by phone and fax, which are automatically imported into AWD as images. This expedites the fulfillment process, streamlining communication among departments.

### Health Information Services

AWD eliminates time-consuming filing, retrieval, re-filing, and manual distribution of patient documents by providing simultaneous access to documents in AWD's central information repository. AWD matches loose sheets to charts which reduces mis-filed, unavailable, or lost documents.

To manage and monitor chart deficiencies, AWD automatically routes patient documents for analysis, coding, and electronic physician sign-off. AWD also automates correspondence requests for patient documents, allowing St. John's to easily track these requests and accurately bill for them.

### Central Business Office

AWD improves the denial management process with automated creation and routing of failed claims reports and partial payments or denials. Staff also has immediate access to imaged documents housed in AWD's central information repository (i.e. claims and correspondence).

Using AWD, staff in all three departments can simultaneously access revenue cycle data to complete their work. St. Johns found that improved access to data and improved processes have eliminated manual work and improved productivity.

For example, more accurate coding allows bills to be processed faster, thus accelerating revenue capture. Prior to implementing AWD, one employee could code 400-500 charts per day. Today, that same employee uses AWD to code up to 900 charts per day. Employees efficiently complete tasks now with immediate, simultaneous access to electronic documents. The system also enables desktop image, printing, faxing and e-mailing.

This project enabled St. John's to make significant strides in revenue cycle performance. In less than three months, the hospital reduced its medical records backlog by 36 percent and sped processing of outpatient coding from 3-5 days to 24 hours. After applying BPM techniques to its revenue cycle, St. John's saved more than \$1 million and improved cash receivables by nearly \$4 million over the first ten months of usage.

In addition, the solution provides a documented HIPAA-compliant audit trail, security features and reporting capabilities. These features enable hospitals to ensure quality, eliminate errors and improve regulatory compliance.

For more information on Mercy and St. John's, visit [www.smhs.com](http://www.smhs.com). For more information on AWD solutions, please call (816) 843-8200, e-mail [awdinfo@dstawd.com](mailto:awdinfo@dstawd.com), or visit [www.dstawd.com](http://www.dstawd.com).

