Centralized Business Office Model Helps MEDITECH Hospitals Improve Cash Flow

Tom Mitchell, Marketing Manager

Today’s economy is providing some extraordinary challenges for healthcare facilities. Not only are hospitals dealing with a range of issues that can impact patient care, but they are dealing with circumstances that can limit capital spending and stall revenue growth.

In the face of uncertainty, effective and successful management of the revenue cycle has never been more important for hospitals. Many hospitals are finding that available cash is tied up in the revenue cycle and can be accessed through business process improvements that focus on increasing efficiency and accuracy—keys to a successful revenue cycle.

Perot Systems has developed a centralized business office (CBO) model for MEDITECH hospitals that lets them take advantage of our broad revenue cycle solutions and specialties to improve business processes—and, ultimately, cash flow. The combined experience of Perot Systems’ revenue cycle and MEDITECH teams leverages both application and business process expertise in support of their fiscal goals, despite the challenging economic climate.

"With a CBO, efficiency is achieved through centralization and scalability," explains Terry Armstrong, Perot Systems Revenue Cycle Solutions group leader. "This enables a hospital to reallocate business office staff to other priority projects, and our clients can take advantage of scale opportunities provided by working multiple hospitals’ revenue cycle in a single location. The MEDITECH CBO concept offers a low-cost, highly reliable solution for handling billing and collection functions."

Because hospitals on the MEDITECH platform understand that the MEDITECH system can touch almost every facet of their organization – from clinical applications to the revenue cycle – they are looking for ways to maximize this investment. The CBO concept provides a way to optimize MEDITECH technology with direct impact to the bottom line. This seamless integration of technology and best practices takes advantage of the MEDITECH system and extends its value by expanding the system’s capability to include more revenue cycle functionality.

Perot Systems has helped healthcare facilities manage their revenue cycle for more than 20 years. The MEDITECH CBO is backed by a diverse and talented team of experienced revenue cycle professionals, utilizing proprietary software that streamlines workflow and automates many business office functions throughout the company’s network of global service centers. Some of the benefits of the CBO model include improved cash collections through reduced denials, a reduction in A/R days and write-offs, process and workflow improvements, reduced underpayments, and improved contract management administration—all with complete oversight to help you ensure regulatory compliance.

"We understand the complexity of the revenue cycle and use our expertise to help hospitals improve cash flow," Armstrong said. "Many of our clients see an increase of net cash in the range of 3 to 5 percent and a reduction in bad debt. By pooling our resources and expertise into a CBO environment specifically for MEDITECH clients, we have been able to merge the knowledge of our revenue cycle solutions team and vast experience of our MEDITECH Solutions Group in a single location."
With the centralized revenue cycle business office model hospitals have experienced greater efficiency, been able to reallocate business office staff to other priority projects, and are better able to focus on their core mission of providing care to the patient, instead of managing the business of healthcare. Revenue cycle management is as complex as it is vital to a healthcare facility’s success. Managed properly, the revenue cycle can help a hospital be more competitive in its market, maximize cash flow for a variety of needs, and create financial stability for the long term.

To open a conversation about revenue cycle management solutions for your organization, please contact Thomas.Mitchell@ps.net.

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