

# Undergoing Retrospective Recovery to Accelerate Cash Flow



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*Erin Parde  
Chief Financial Officer  
Liberty Hospital*

## PMMC Solutions Used

- » **CONTRACT PRO**
- » **Lost Revenue Recovery**

## *Customer Spotlight*

Liberty Hospital is a general acute care facility with 250 licensed beds. Its mission is to provide high quality, cost efficient, comprehensive health care to the residents in its service area. As a regional medical center, Liberty Hospital is located just 20 minutes north of the metropolitan Kansas City area, and has served the healthcare needs of north-central and northwest Missouri for the past 30 years.

With nearly 350 physicians covering all specialties practice medicine, Liberty Hospital offers a full line of medical specialties. Combining state-of-the-art facilities and technology with a commitment to personal, compassionate treatment, Liberty provides the best in comprehensive care.

## *Customer Objective*

Increase cash flow through a retrospective recovery engagement that builds on the hospital's successful internal review processes and their current contract management system.

## *PMMC Product Implemented*

PMMC REVENUE RECOVERY service focuses on account where previous follow up attempts proved unsuccessful and / or accounts that are closed. This review combines an automated calculation using PMMC's contract management software coupled with an analyst's review of the reimbursement variance reports. After a systematic validation process of identifying the underpaid accounts, PMMC contacts the payers for collection of insufficient funds on the targeted accounts.

## *Proven Results*

- » Identified more than \$2.1 million from managed care claims
- » Collected more than \$1.6 million
- » Accelerated cash recovery
- » Improved contract performance and reimbursement processes
- » Aided with renegotiations



than \$2.1 million for recovery from managed care claims, and collected more than \$1.6 million.

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### *About PMMC*

PMMC provides industry leading revenue cycle management solutions to more than 400 hospitals and 21,400 physician clients. By finding additional cash and creating more efficient workflow processes, PMMC helps healthcare providers improve their margins so they can focus on serving their patients.

PMMC is a Microsoft Certified Provider and earned the Healthcare Financial Management Association (HFMA) Peer Review designation in 2013 for its CONTRACT PRO and ESTIMATOR PRO solutions, meeting an objective third-party assessment of overall effectiveness, quality, and value.



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### *The Situation*

With almost 60% of Americans covered by some type of managed care plan, it is essential for community-based hospitals and health systems to monitor the reimbursement associated with their managed care contracts. Nationally, it is estimated that incorrect managed care reimbursement occurs in up to 10 percent of all claims processed. This translates into unrecognized, incorrect reimbursement. While some variances are due to the complexity and ongoing changes in contractual rates and terms, there is a related issue of limited staffing time to review every claim.

### *The Solution*

Liberty Hospital initially began working with PMMC after licensing and installing its contract management system, PMMC CONTRACT PRO.

While the organization had been very successful in using the application, based on available staffing levels and existing workloads, Liberty Hospital contracted PMMC for a complementary retrospective recovery engagement in which

PMMC reviews managed care claims to identify and collect underpayments based on the payer contract terms. The first step was to gather and review the data for identification of contractual underpayments. The second step was to contact the payer for the recovery of the identified underpayments.

“While our staff had been very successful using PMMC CONTRACT PRO, PMMC’s recovery team identified additional recovery opportunities,” said Erin Parde, Liberty Hospital’s Chief Financial Officer.

### *The Outcome*

The success of any project lies in planning and execution. Liberty Hospital recognized the need for a complementary review of their managed care reimbursement. They selected PMMC because of the solid track record in this area. Working closely with the hospital’s staff, PMMC has become an integral part of the organization’s reimbursement team.

The retrospective recovery service has achieved impressive results with PMMC’s recovery team having identified more