



# Case Study

## UPMC



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**UPMC**  
LIFE CHANGING MEDICINE

## About UPMC

UPMC is a \$16 billion world-renowned health care and insurance provider based in Pittsburgh, PA. UPMC operates 36 academic, community, and specialty hospitals with 8,500 licensed beds, more than 600 doctors' offices and outpatient sites, employs more than 4,600 physicians and has a total of 80,000 employees.

**Economic Impact:** UPMC's spend and re-spend cycle activities translate to an economic impact of \$30 billion.

## UPMC and Cirius, a Long-Term Relationship

The University of Pittsburgh Medical Center (UPMC) has a revenue cycle success story to tell that speaks of strong effort and results to match. UPMC was looking for a vendor with flexibility and customization as well as a partner whose strategy was in line with UPMC's strategic objectives to reduce A/R days and reengineer their entire billing operation.

At that time UPMC's A/R days were at 65 and the only KPI's measured were net accounts receivable, cash collection deposits, A/R days, and A/R aging. One of the first changes was to expand the KPI's to encompass a much broader array of measures and to focus on performance reporting and employee accountability. That's when Cirius solutions were implemented to improve claims processing, direct to payer submissions and enhance reporting capabilities.

UPMC has been on Cirius for over 15 Years. Cirius has been through 10 Hospital Integrations and UPMC has leveraged Cirius between 4 different patient accounting systems:

- McKesson Healthquest (Medipac)
- McKesson STAR
- Siemens Invision (SMS)
- Meditech

## The Cirius Difference

Through Cirius UPMC was able to transition the edits from the revenue cycle to over 100 departments. Once all pre-billing holds are satisfied, the hospital claim is generated from the host system and imported into Cirius. The Cirius claim editor contains thousands of national, local, and homegrown edits designed to ensure that the claim is accurately billed.

Prebill identifies:

- missing data elements required for billing
- potential compliance issues
- potential lost charges
- potential non-covered / non-billable services

Claims that fail Cirius edits are placed on hold and assigned a hold code, alpha or numeric hold codes are assigned to each billing exception type. A subset of these Cirius edits are pushed back to the site of service (or Medical Records) via web-based reports for review and resolution. Each service area has individuals assigned to review and respond to the daily Cirius hold report.

UPMC's goal is a perfectly clean claim before submission to payor, no denials or rebills. Using Cirius products, UPMC achieved the following:

- **Denial rate currently 0.8%**
- **39 Days in A/R**
- **12 Billing Staff FTE's**
- 31% reduction in staff
- 92% increase in monthly claim volume per FTE
- Approximately 5% of our monthly claim volume are rebills
- 95.5% of all claims are billed electronically



UPMC has effectively partnered with Cirius Group to provide the core billing and denial management and prevention software that drives their continuing success. Throughout UPMC Cirius Group software is used to capture and standardize claim data, provide automated correction of claim errors, edit claims to achieve 90% clean pass through rates with no human intervention and achieve 1.0% or less denial rates. This has led to a dramatic reduction in A/R days overall and especially A/R days over 90 – All while also significantly reducing overall cost to collect by more than 25%.

Prior to Prebill Manager UPMC struggled to get through daily workflow - Hold Reports were not getting to users timely, deadlines for claims to payer submissions were missed. There was a risk to UPMC cash flow.

Since Prebill Manager, UPMC now imports reports prior to 8 a.m. and have been able to eliminate any risk of delay in cash. UPMC has been able to reduce the total error rate by 23% and with daily monitoring now maintains a rate below 10%. A full 17% are automated through e-claim “no-touch” edits.

UPMC's central billing office (CBO) cites these best-practice results from its reengineering effort:

- Collects 99.9% of billable charges from third-party payers
- Maintains about 39 net days in A/R
- Bills and collects invoices within 25 days
- Final-billed aged over 90 days less than 6%
- Labor cost-to-collect of 0.3%

The CBO's objective: all claims adjudicated and paid within two weeks of receipt by payers

## Flexibility of Cirius System

The ability to pass cargo fields (in addition to standard 837 data fields), has significantly contributed to the ability to create custom edits and automation. As a result of customization within the edits UPMC has successfully integrated Cirius with third-party workflow management applications which has led to additional automation “no-touch” handling of claims.

Nightly Batch Edits of all Errors and Holds are completed via Cirius to resolve e-Claim “no touch” edit issues:

- ICN Lookup for Corrected Claims
- Validate Medicare Secondary Payer Entitlement Reason and Value Codes
- Authorization Lookup for Add-On's and Missing Authorizations
- ESRD Entitlement for AY Modifier
- SMS Hospital Late Charge Processing for XX7 Bill Type
- IME Claim Validation

### Prebill Benefits for Management:

- Move claims easily between biller filters
- Review Claims within the Filter “Real Time” by Hold/Error/Rejection
- Ability to Export Filter to Excel for more in-depth analysis
- Review of manual change log to easily see changes made to a claim sorting by field description
- Ability to sort claims in Filter by “Bill Date” to work oldest claims first
- Advance Search Tool
- Provides management reporting tools



### UPMC's Key to Success:

Expert billing talent, innovative/advanced technology, and vendor partnership with Cirius. Utilization of the Cirius electronic billing/revenue cycle products have enabled the CBO billing department to achieve “Best of Practice” billing standards.

To learn more about Cirius Group Revenue Cycle solutions or to request a consultation:

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