CASE STUDY
FORT WORTH RENAL GROUP

SUMMARY

- Headquarters in Fort Worth, Texas, with seven total offices in the area including downtown and southwest Fort Worth, Southlake, Burleson, Lake Worth and Azle. Specializes in treating:
  - Chronic Kidney Disease at any stage
  - Hypertension
  - Home and In-center Dialysis Patients
  - Interventional Nephrology and Vascular Access Services
  - Kidney Transplantation
  - Glomerulonephritis
  - Nephrolithiasis (Kidney Stones)
  - Electrolyte and Fluid Imbalance issues

- Serves both government and commercial payer populations
- Works with 27 area hospitals and long-term care facilities
- 6 Board-certified nephrologists and 3 nurse practitioners on-staff

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The Challenge

- All revenue cycle management (RCM) activities were being handled by an external managed services organization (MSO).
- MSO did not always perform services in a timely manner and didn’t understand the nuances of nephrology RCM.
- Had difficulty tracking collection rate accurately; practice was certain that revenue was being lost but lacked the accounts receivable (A/R) data to confirm it. Net collections were estimated at 60% to 80%, but without reporting capabilities the practice was unable to confirm exact figures.
- Inadequate reporting caused inability to quantify the financial stress of the practice and prevented discussion about areas for improvement.
- The lack of a comprehensive, integrated system allowing for efficient revenue cycle workflows and processes was impacting the practice’s ability to collect its money.
- No direct connectivity to Epic, which is the predominant electronic health records (EHR) system among hospitals in the region.
- A more robust RCM approach was needed to keep up with growth.

The Solution

- Fort Worth Renal Group partnered with Acumen Physician Solutions to replace their existing EHR with Acumen 2.0 powered by Epic, a nephrology-specific, comprehensive technology solution with “white-glove” revenue cycle management services.
- The practice works with a dedicated RCM account manager with nephrology-specific expertise to implement the industry’s demonstrated best practices, including policies, procedures, protocols and workflows.
- Implemented automated processes with Acumen 2.0 to minimize claim errors, leading to increased collections, productivity and revenue.
- Using clear and timely analytics to improve operations.
- Using Acumen Mobile Charge Capture (AMCC) to capture hospital consultation follow-ups.
- Enabled instant interoperability with local hospitals and clinics using Epic Care Everywhere.

The Results

- Reporting accuracy and verifiability has improved significantly.
- Improvement in days accounts receivable (DAR).
- First claim pass rate increased to 96%.
- Claims error rate reduced to less than 2%.
- Net collection rate (NCR) has increased from an estimated 68% to 80% and continues to improve.
- Physician partners now have a trusted, accurate view of the entire revenue cycle process.
Nephrology practices are fairly unique in healthcare in that the vast majority of their revenue – 80% according to a benchmark survey by the Renal Physician Association – is generated outside of their offices. This means the collection of patient demographic information for revenue cycle management (RCM) activities is often beyond their control. Instead, either they must hope their hospital and dialysis clinic partners obtain (and forward) the information about their nephrologists’ professional charges, or they must rely on their own providers or staff to collect it.

If the latter option is exercised (as it often is), it can have either one of two consequences. It may contribute to physician burnout by adding yet another responsibility to the already overwhelming documentation burden for nephrologists. Or, the effort may fall on the small, often overworked practice staff, who must take time out of their busy days for manual or offline follow-up so the practice can complete and submit claims to the Centers for Medicare and Medicaid Services (CMS) or commercial payers.

If the nephrology office’s staff doesn’t possess sufficient RCM expertise in-house, they may seek the assistance of a managed services organization (MSO). The challenge here is that nephrology is a complex specialty, with billing processes unlike those used in most of healthcare. Unless the MSO understands the nuances of the nephrology revenue cycle, it is likely to miss gathering critical information or make avoidable errors when submitting claims, leading to an increase in denials and missed revenue opportunities.

Many nephrology practices are being challenged by the increase in high-deductible health plans (HDHPs), which require them to have systems set up to bill and collect directly from patients rather than health payers. According to the Centers for Disease Control and Prevention (CDC), 18.9% of Americans between the ages of 18 and 64 with employer-based health insurance have an HDHP. 24.5% of those are without a health savings account. While most patients treated by nephrologists tend to be older (and are thus covered by Medicare), the RPA benchmark survey did show that the typical practice has 2.7% of its income tied to self-pay patients, with practices in the 75th percentile reaching as high as 4.1%. The continued growth of HDHPs overall indicates that these numbers will also rise for nephrology practices in the years ahead.

As a result of these and other challenges, the median practice writes off nearly 9% of its total income, according to the RPA benchmark survey. The more that can be done to address the source of these write-offs, the more solid of a foundation the practice will have to grow.
THE CHALLENGE

Founded in 2016, Fort Worth Renal Group (FRG) is a Fort Worth, Texas-based, independent nephrology practice with seven offices serving patients throughout the city as well as the surrounding communities of Burleson, Keller, Southlake, Lake Worth and Azle. After struggling to navigate revenue cycle management internally, practice leaders made the decision to outsource those functions to a healthcare MSO. It didn’t take long before problems began to surface.

“Our old MSO wasn’t very resourceful about getting things done in a timely manner,” says Dapo Afolabi, M.D., co-founding partner, president and CEO of FRG. “Their reporting was very weak to begin with, and when we did receive reports, the numbers didn’t add up. They were not familiar with the nephrology space. We weren’t happy at all with the MSO, and we were quite sure we were leaving far too much money on the table. Since we were growing rapidly, and expected that growth to increase, we felt we weren’t getting the support we needed. It was definitely a bad situation.”

Two of the key metrics any healthcare organization uses to measure its performance are collection rates and denial rates. Both were difficult to track, according to Dr. Afolabi.

“We were told our collection rate was 80%; but that was in our best months, and there really wasn’t a way to confirm it,” he says. “We suspected it was lower in other months. The MSO did give us regular numbers on our denial rates, but they didn’t add up either. Our accounts receivable was completely off, and the data we needed to make the proper calculations wasn’t available. You can’t run any type of business, much less a small specialty practice, if you don’t have the proper insights into how much revenue you’re collecting and how much you’re missing due to fixable issues.”

One of the challenges with obtaining clinical data to use for claims came from an inability to share data easily between the practice and the hospitals and dialysis clinics with which it partnered. FRG works with 27 hospitals in the Fort Worth area as well as dozens of clinics. Most of those partners use Epic as their electronic health record (EHR); but FRG was using an EHR with its own proprietary protocols, which its physicians didn’t like. As the practice grew, leadership recognized that adopting an EHR that could interface directly with Epic would simplify data collection and enable the practice to serve its patients more effectively and efficiently.

FRG’s desire to update its EHR to one that was more Epic-friendly led it to what would ultimately become the solution for both the EHR and RCM.”
While attending the RPA conference in 2018, Dr. Afolabi was looking for potential EHR solutions. It was there that he first came across Acumen 2.0 powered by Epic, the industry’s only nephrology-specific EHR, as well as Acumen Physician Solutions’ “white-glove” RCM service. He was immediately intrigued not only by the capabilities of each solution but by how their tight integration and nephrology-specific design could address many of the RCM issues the practice was currently facing.

“We had looked at several RCM solutions, including bringing it in-house again; but the time and effort that would be required to bring staff up to speed and get them familiar with the Acumen 2.0 EHR we were interested in was too much,” Dr. Afolabi says. “When we spoke with the Acumen Physician Solutions team, they were able to shed a lot of light on how we should be approaching the issues and how they could support us throughout the process. Their expertise in the specifics of RCM for nephrology is what clinched it for us.”

Healthcare’s transition to value-based care was another key factor in the decision. The practice needed to be able to track and manage referrals very precisely, and exchange clinical data quickly and easily with its partner hospitals, referring physicians and dialysis clinics. Acumen 2.0 powered by Epic would fulfill those needs through Epic Care Everywhere. As it continued to take on more risk, FRG would also need to have a much clearer view of patient outcomes and overall health, from both a clinical and financial point of view.

“It was vital for us to have a one-stop shop with an RCM team that included subject matter experts who could inform us of how well we were doing, both in the moment and overall, recommend best practices, and show us the things we should focus on to optimize for the future,” Dr. Afolabi explains. “We really had the feeling that this one move would take us from being behind the curve in terms of readiness for value-based care to being out in front of it.”

Before making the final decision, Dr. Afolabi and others on the team spoke with practice leaders at Renal Care Associates in Peoria, Illinois, an alpha site for Acumen 2.0 powered by Epic. Once FRG heard the results they were achieving and confirmed that the solutions were everything they were looking for, FRG decided to proceed.

The implementation went live February 1, 2019. A week later, FRG made one additional change that would be critical to success. Its former practice administrator resigned, and a week later, Jackie Henderson, who has extensive experience with Epic EHRs and bringing teams up to speed with healthcare technology in general, took her place as the new practice administrator. Henderson was immediately impressed with the quality of the implementation process.

“Having my predecessor leave just as the implementation was going live wasn’t the ideal situation,” she says. “My team didn’t have a chance to complete all the learning requirements before I came, so it took them a bit longer than you’d expect to get up to speed. But the Acumen team was great, and really helped us through that gray period. I liked that we had a full team of Acumen experts on-site during the transition, and that they stayed around until everyone had their questions answered and was comfortable with the new technology and processes. I also like that, even today if we have a question and they don’t know the answer to right away, they reach out and find it for us.”

According to Henderson, the value the Acumen team brought went well beyond the technology itself. She says they slowly began recommending best practices that would help improve efficiency and ultimately simplify the workflows.
“We didn’t want to make too many changes at once, especially since some of the up-front office staff decided to leave and we had to bring in new people who had to learn the entire business,” Henderson recalls. “But Acumen has been great about offering suggestions on priority areas where we can improve our RCM and overall operations. It’s an ongoing process, but we’re finally getting to the point where we’re ready to accept greater changes. **We have already improved things significantly, and expect to do even better in the next year or so.**”

One immediate and noticeable change has been the way patient data is gathered from various partner sites.

“Like any nephrology practice, the care our patients receive is very fragmented,” Henderson says. “Working with 27 different hospitals, dozens of dialysis clinics and all the various physicians who see those patients would normally make it difficult to understand all the care that has been delivered. But with Epic Care Everywhere, we can consolidate all those clinical records with one click, which aids not only on the care side but also managing the reimbursement side.”

The Acumen RCM team’s nephrology-specific experience has also been a huge win for FRG. With the previous MSO, if there were billing problems between the practice and its partners, especially the dialysis clinics, FRG would often have to shoulder the blame – especially since it was only a couple of years old at the time. The previous MSO was comfortable with a general hospital setting, but had little knowledge about the specifics of dialysis or the nuances of a nephrology practice, and thus was unable to deliver much support in a dispute or help mount a defense.

“Acumen’s nephrology subject matter experts know exactly what the issues are and how to determine who is responsible for what,” Henderson says. “It’s such a great feeling to know there are true professionals watching our back and helping us act as better partners to area hospitals and clinics.”
THE RESULTS

One of the most important changes that occurred since the implementation has been the availability of detailed reporting and dashboards that deliver deep insights into FRG’s financial performance.

“There are no more mysteries or gray areas,” Dr. Afolabi says. “We have the ability to track our numbers precisely and in near-real-time, see where we’re deficient and make improvements.”

“We meet with our RCM team every Friday to review the previous week’s results,” he adds. “I like that they are still very much involved with our business, and that we can go back to the drawing board and work through issues if a problem is identified. We are able to talk about challenges and how to close gaps in revenue. Having a comprehensive RCM solution has eased the concerns of all our providers and given them confidence that we can not only compete but thrive in a value-based, care-driven marketplace.”

In addition to the weekly RCM meetings, an Acumen subject matter expert attends FRG’s monthly physician meeting, using data to explain areas where the providers can improve individually as well as at the practice level.

“It’s all very data-centric,” Dr. Afolabi says. “The systems we were using before didn’t have that ability to take us to the next level.”

The tight integration of the Acumen EHR and RCM solutions has made a huge improvement in the day-to-day operations around revenue, as has the open communications between FRG and the Acumen team.

“We had no check and balance system for charges, missing charges, balances, etc.,” Henderson states. “Now we have processes for all of that, which has been a real difference-maker in our business. So has the dialogue between ourselves and the Acumen team, which is something else I’m told we lacked with our previous MSO. It feels like every week we get better and better at what we’re doing, our structure and processes. It’s exciting to see how much we’ve progressed, and to think about where we’ll be in another year.”

While it is still early, FRG has already seen a huge improvement in its financial picture. For example, prior to the implementation of Acumen RCM, FRG net collection rate (NCR) was approximately 60%. Since the change, it has been able to increase that amount to 83%, and still yet to peak.

Another significant difference is that previously days accounts receivable greater than 90 days accounted for 40% of FRG’s outstanding revenue. With Acumen RCM, FRG was able to improve its first claim pass rate 96% by working pre-edit claims and decreasing its error rate to less than 2%. This has resulted in DAR greater than 90 days being reduced to just 15%, an almost 200% improvement.

“While we are proud of the trend in results we are seeing so far, the good news is this is still a work in progress,” Dr. Afolabi says. “We are still working with the Acumen RCM team to ensure we have all our payers in place and that we understand the best way to submit claims to them. But we are leagues ahead of where we were.”

Adds Henderson, “I can’t imagine how FRG managed for three years without Acumen’s solutions. I would advise any nephrology practice to check them out sooner rather than later. It’s a night and day difference.”