

AGS Health Clears an A/R Backlog of 280,000+ Aged Invoices, Netting 50-Hospital Health System More Than \$39 Million within 12 Months

CASE STUDY

Nationally recognized integrated healthcare system located across three Gulf Coast states

A nationally recognized integrated healthcare system engaged AGS Health initially to resolve a sizeable A/R backlog. The scope was later expanded to include specialized coding and additional billing support.

The health system provides care in more than 90 specialties and subspecialties and treats approximately 1 million patients from around the world each year. It leads the nation in cancer care, cardiology, neurosciences, liver and heart transplants, and pediatrics, and is consistently named both the top hospital and top children's hospital in its state by *U.S. News & World Report*.

36,000+ employees and 4,600+ employed and affiliated physicians in more than 90 medical specialties and subspecialties.

Treated more than 1 million people from across the U.S. and 75 countries in 2023.

Nearly 50 hospitals and more than 350 health and urgent care centers across three Gulf Coast states.

CHALLENGES

- Rapidly growing aged, uncollected, and/or ongoing facility and professional A/R volumes led to a sizable backlog of small-balance billings.
- The health system's existing vendor was not performing at expected levels or meeting key performance indicators (KPIs).
- The nationwide shortage of qualified revenue cycle professionals directly impacted its ability to maintain sufficient internal resources to keep pace with growing claims and billing volumes.
- The health system's expansion led to higher billing volumes which, when coupled with the nationwide staffing shortage, contributed to a significant increase in operational costs.

Outcomes

- Eliminated an A/R backlog of more than 150,000 facility and 130,000 professional small-balance invoices within the first 12 months.
- Netted the health system more than \$39 million in payments across both facility and professional A/R it otherwise would have left on the table or aged to write off.
- Achieved an accuracy rate of more than 95% and productivity levels of between 105% and 110%.



Small Balances = Big Revenues

With AGS Health’s deep bench of highly qualified HIM professionals focused on eliminating the coding-related A/R backlog of lower-value billings, the health system’s internal team could dedicate their time to staying on top of high-value claims and billings.



Data-Driven Collaboration

Key to the success of the health system’s partnership with AGS was information transparency, which allowed AGS to succeed in rapidly addressing the A/R backlog. Transparency also meant AGS was able to measure performance based on tangible metrics and demonstrate the ROI the health system realized from the relationship.



Process Improvements

Regular meetings were held that included AGS leadership to discuss AGS Health’s performance, during which the AGS team shared insights, issues, and trends it had observed, resulting in workflow improvements that streamlined the health system’s overall A/R processes, increased overall collections, and improved A/R days.

Eliminating a Costly Backlog

Higher volumes due to rapid growth coupled with staffing challenges and rising operational costs forced the health system’s A/R team to focus its limited resources on processing higher-value claims and billings, amassing a sizeable backlog of small-value (<\$1,000) invoices in the process. Existing vendors could not meet and maintain expected KPIs and service level agreements (SLAs). AGS Health quickly deployed a team of more than 80 highly qualified and experienced A/R professionals to clear the facility and professional backlogs and support the internal team with current A/R invoices. AGS Health’s high productivity and quality led the health system to expand the relationship to include additional A/R inventory, as well as HIM/coding functions and billing edits. AGS continues to deliver high quality and exceed productivity levels and other KPIs across all functions and scopes.



“By handing our backlog of lower-value invoices over to the experts at AGS Health for clearing, our internal team was freed up to focus on more impactful billings. AGS continues to deliver on quality, efficiency, and productivity, allowing us to recoup monies that would otherwise have been left on the table and keep our A/R current.”

MARK, AVP REVENUE CYCLE