

# Achieving Financial Goals Through Technology

Siemens Healthcare product improves financial reporting, patient throughput and more.

**“In our opinion, no other system is as robust as Soarian. The quality of information it provides and its real-time analytic capabilities are tremendous.”**

**Patrick Muldoon, FACHE**

President and Chief Executive Officer  
HealthAlliance Hospital  
Leominster, Mass.

For the fifth straight year, hospital CEOs ranked financial concerns as their No. 1 challenge in 2009, according to ACE's annual survey of the top issues confronting CEOs. In an age of shrinking reimbursements, rising costs and growing consumerism, this is no surprise. While healthcare organizations across the country remain steadfast in their primary objective of providing excellent clinical care, their leaders must be attentive to the business side of healthcare as well.

As president and CEO of the 150-bed HealthAlliance Hospital in Leominster and Fitchburg, Mass., Patrick Muldoon, FACHE, is well aware that prudent management of financial resources enables a hospital to reach its clinical and organizational goals. To that end, about 10 years ago, leaders at HealthAlliance began looking for a technology solution to help them streamline and optimize revenue cycle management. After careful evaluation, they selected Siemens Healthcare and its Soarian Financials product.

According to Muldoon, since its implementation in 2005, Soarian has allowed HealthAlliance—which is part of UMass Memorial Health Care system—to make a “quantum leap forward” in areas including charge capture, financial reporting, patient throughput, third-party contracting and forecasting. Some of those financial milestones include:

- Reduction in average days of revenue in accounts receivable by 20-plus days
- \$1.1 million in payment rate improvements in just the first six months of fiscal year 2008
- 99 percent accuracy rate for valuation of accounts receivable
- 4.1 percent cumulative increase in net patient revenue due to capabilities within Soarian

Muldoon credits his hospital's success in revamping its revenue cycle processes to the outstanding finance team at the hospital *and* Soarian's fundamental design and powerful features, which include the following:

## Enterprisewide System

Many hospitals manage the revenue cycle through a patient accounting system, a patient management system and numerous other products that move charges through the process. Because Soarian takes an enterprise approach, it eliminates the need for the front- and back-end concept in patient billing. The revenue cycle begins at the initial point of patient contact rather than after the patient has received services.

“Furthermore, Soarian—which is built from the ground up using Web-based technology—not only supports the hospital's revenue cycle, but it also supports any physician practices associated with the enterprise,” says Brenna Quinn, senior vice president, Revenue Cycle Solutions, Siemens Healthcare. Because Soarian uses a single database, a separate practice management system is not needed to maintain billing.

## Embedded Functions

With a contract engine that is integrated into Soarian and the ability to predefine payor rules, HealthAlliance calculates its expected reimbursement in real time and identifies and corrects claim data errors and omissions before claims production and submission. Soarian's flexible reporting capabilities improve

# SIEMENS

access to management information. For example, HealthAlliance is now able to accurately value accounts receivable, a challenge that had persisted for hospital finance and audit staff.

"Although freestanding contract engines do exist, in our opinion no other system is as robust as Soarian," says HealthAlliance's Muldoon. "The quality of information it provides and its real-time analytic capabilities are tremendous. The contracts and rules that are driven into the system allow us to determine the revenue we should receive and what our reimbursement will be." In addition, the embedded contract analysis functions can help leaders study and assess payor contracts for future negotiations. Muldoon also appreciates the contributions Soarian makes to the budgeting process. "Because we are now so certain about the revenue cycle of our operation, we can guarantee the amount of revenue we will collect," he says.

## Patient-Centered Process

Soarian is patient centered and encounter based rather than billing centered and account based. HealthAlliance's patients are preregistered through Soarian thanks to specific worklists that allow staff to capture detailed data before a patient's arrival. The information obtained from that initial contact is carried all the way through the patient's entire hospital experience. "Because patients are required to provide information only once, financial clearance, such as eligibility and referrals, can be managed prior to the delivery of services," says Siemens' Quinn.

This creates a much more efficient process when patients arrive at the hospital to receive care. "Our patients come in, receive a quick confirmation and are on their way," says HealthAlliance's Muldoon. "They expect this level of service now, and we are pleased to be able to provide it."

## Flexibility

Soarian users, such as HealthAlliance, benefit from the system's flexibility because it allows extensive adaptability to

the varied insurance requirements and internal protocols the organization maintains. "Relative to the healthcare industry, Massachusetts is at the forefront in terms of moving toward bundled payments," says Quinn.

"HealthAlliance will be better able to support reimbursement changes because Soarian provides such high-level clinical and financial data. Soarian's fundamental design that connects physician and hospital billing will also make adapting to changes easier."

With its significant impact on HealthAlliance's revenue cycle management, Soarian has played an important role in keeping the hospital competitive. Employees have reacted very positively to the streamlined workflow processes and access to robust data, while patients appreciate HealthAlliance's efficiency. Muldoon also believes Soarian has helped the hospital's efforts within the community it serves. "We have taken several steps to strengthen our balance sheet, but the revenue cycle functions have helped us collect the payments we are due," he says. "With this, we can in turn do more for our patients out in the community."

Muldoon is also grateful for the relationship between HealthAlliance and Siemens that enabled such successful implementation and results. "Siemens was as determined as we were to create a successful outcome," he says. "And that same dedication remains today through regular, candid and productive meetings with senior management from the financial and clinical sides of both organizations." With the help of Soarian Financials, HealthAlliance is methodically preparing for a competitive environment where market expectations related to service excellence and data accuracy will be much higher than they are today.

*For more information, contact Keith Beck, product marketing manager, Siemens Healthcare, at [Keith.Beck@Siemens.com](mailto:Keith.Beck@Siemens.com).*