



HST Improves Productivity, Cuts IT Costs, Increases Revenue, and Cuts \$284,000 in Operating Expenses with Ingenix CareTracker

Highlights

- Staff productivity has increased by 33%, allowing existing staff to handle far more clients.
- AR days have been reduced from approximately 45 days to 29 days for connected clients.
- Denial rates went from 25% to less than 10%.
- The use of Ingenix CareTracker will lead to a projected, cumulative five-year net benefit of \$284,251.
- The project has a 75% return on investment, and a seven-month payback.



Challenges

Healthcare Support Technologies, Inc. (HST), based in Pittsburgh PA, provides physicians with outsourced medical billing services and integrated technology solutions that improve their bottom line by decreasing claim denials and increasing medical billing and coding efficiencies.

To provide its services, HST was using a paper-based billing process, combined with a variety of server-based practice management systems. As it grew, it found that the paper-based system was no longer fulfilling its or its clients' needs. HST set out to employ a system that would:

- **Reduce IT costs.** Running multiple server-based practice management systems and associated hardware and software to support each one was expensive, time-consuming, and took away the company's focus from its primary mission of providing billing solutions. HST was looking for a solution that would reduce IT costs and allow it to better focus on the needs of its customers.
- **Improve productivity and efficiency.** The paper-based process was inherently inefficient, requiring staff to sort mail from multiple providers, input data from charge sheets, and perform many other manual tasks. HST was looking for an electronic solution that would reduce or eliminate manual tasks via automation.

- **Provide improved services for its clients.** HST's clients wanted a more streamlined method of working with HST, and were also looking for reduced denial rates. HST was searching for a solution that would do that, improve electronic charge capture, and improve accountability and communication of delegated tasks.
- **Increase revenue.** HST is paid by its clients based on the amount of money it collects from payers. The company wanted to improve collection rates, and increase the revenue not only for its clients, but also for itself.

Solutions

HST began a search for a system that would meet its needs, and quickly recognized that Ingenix CareTracker was the ideal solution.

"We were looking for a web-based practice management solution with integrated electronic medical records, and Ingenix CareTracker was clearly the best system available," says Geoff Lusty, Vice President of HST. "Ingenix is a billing company, and really understands the pain points that billing companies feel—Ingenix has gone through it themselves. They know the business inside and out, and Ingenix CareTracker is a solution based on what billing companies truly need."

Lusty adds that "The other solutions we looked at were systems built for physician's offices, not for billing services, and so there was a lot of inefficiencies in them for our purposes."

Web-based Ingenix CareTracker requires no hardware or software maintenance or system backup responsibilities on behalf of the user. It eliminates clinical/EDI integration issues. Utilizing a web-based platform, it provides clients secure, dynamic access to their practice data—from any internet connection at any time. The embedded Ingenix ClaimsManager scrubbing engine dramatically increases client "pay-at-first-pass" rates. The same editing engine is used by hundreds of major academic medical centers across the country. Unlike any other system, it "learns" new rules and edits through experience, so performance improves over time.

HST moved its first customer to Ingenix CareTracker in January 2009. Deployment went smoothly; within a year and a half, all HST customers were using the system.

"Ingenix went above and beyond what they were required to do to help with the transition, and because of that, deployment went off without a hitch," Lusty remembers. "As a result, our customers were very happy to move to CareTracker."

Results

Ingenix CareTracker has dramatically reduced IT and associated costs, increased productivity, reduced downtime, improved the services that HST provides to its customers, and increased revenue. As a result, HST will gain a projected, cumulative, five-year net benefit of \$284,251. The project has a 75% return on investment, and a seven-month payback period.

By moving to Ingenix CareTracker, HST eliminated all the servers it previously ran and maintained. Because it no longer needs to pay license and maintenance fees, it will see a projected, cumulative, five-year savings of \$93,936.

"With electronic health records becoming mandatory, our business was at risk of losing existing revenue cycle management clients if left only with our stand-alone practice management solution. The most efficient types of systems were fully integrated web-based systems like CareTracker, incorporating billing, EHR, and workflow efficiencies." — Dave Novak, President and CEO, HST

In addition, HST will not have to upgrade or maintain its servers and handle other IT chores, resulting in a projected, cumulative, five-year savings of \$99,461.

The use of Ingenix CareTracker has also reduced downtime. Even more important, HST can focus on its core billing business rather than having to spend time addressing IT issues.

“Since we’ve moved to Ingenix, there’s been a weight lifted off of us, and so we can really focus on being a billing service instead of running servers and managing data,” Lusty explains. “Just eliminating backups has been a great weight off of our mind. We have confidence that all of that is being handled professionally by Ingenix, and we can focus on things that are more important for us.”

Lusty says that the greatest overall financial benefit using Ingenix CareTracker is in increased staff productivity.

“The biggest benefit for us has been in improved productivity - that’s had the greatest impact on our business,” he says. “We can manage more clients with fewer resources, while providing even better services than we could previously. With the staff we have, we have been able to do 33% more work.”

As a result of that increased productivity, HST will realize a projected, cumulative savings of \$281,807 over five years.

Ingenix CareTracker is more accurate than HST’s previous paper-based solution, and performs real-time eligibility verification. As a result, denial rates have gone down, a higher percentage of claims are paid, and AR has improved. AR days went from approximately 45 days to 29 days for HST’s connected clients and to 36 days for its unconnected clients. Denial rates went from 25% to less than 10%. Overall, for every service its clients perform, HST collects 4% more than it had previously. As a result, HST will see a cumulative, projected five-year increase in revenue of \$190,000. That also translates into more dollars collected for its customers, and more satisfied clients.

HST’s overall efficiency for its clients improved by approximately 7%. In a time of declining reimbursements, HST has been able to improve its clients’ average dollars collected per service by 7% because of Ingenix CareTracker. HST has improved a variety of services for its customers, including better electronic charge capture, superior accountability and communication of delegated tasks using a to-do system, and the use of automated patient appointment reminders with TelevoX.

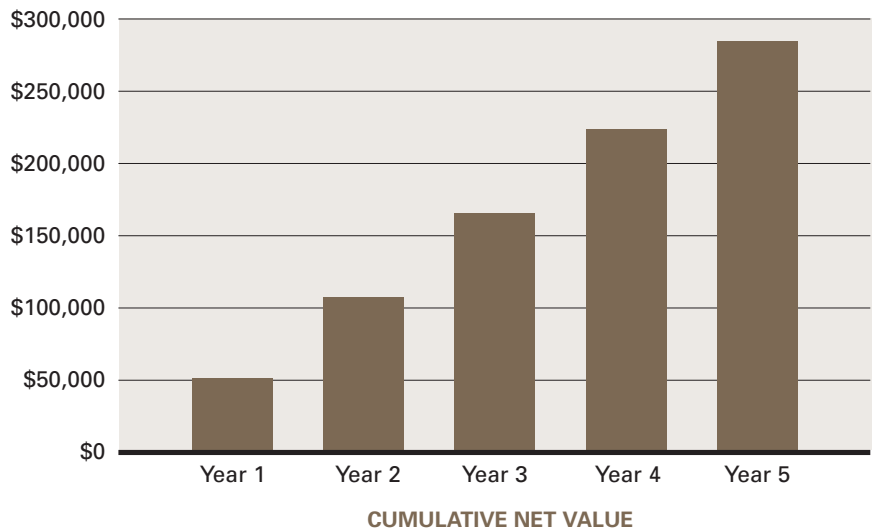
In addition, HST can add new clients with an additional 15% increased profit margin compared to the old system.

Beyond the immediate financial results, Lusty says that the use of Ingenix CareTracker also helps HST retain existing clients and attract new ones.

“Ingenix CareTracker helps us keep our existing clients, because they are happier with the process and results today than they were three years ago,” he says. “And it certainly helps us gain new clients as well because we can show them, in dollars and cents, how we’ll be able to help with billing results.”

“No competitor understands medical billing the way that Ingenix does. Because of that, Ingenix knows our issues and challenges, and goes out of their way to make sure that any problems get solved quickly.” — Geoff Lusty, Vice President, HST

“Ingenix CareTracker has improved our efficiency by 33%, cut costs, eliminated IT headaches, reduced denial rates, and increased revenue. It has also helped us retain existing clients and attract new ones.” —Dave Novak, President and CEO, HST



Project Summary

ROI	75%
Payback Period (in months)	7
Cumulative Net Value	\$284,251
Net Present Value	\$214,100

Project Costs

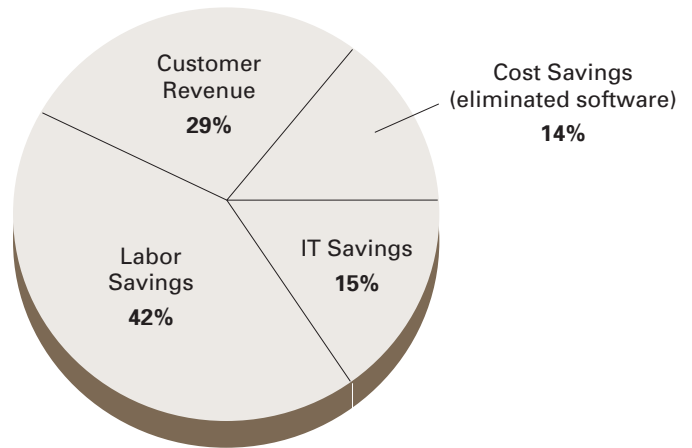
	Start Up	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Investment	\$3,000						\$3,000
Monthly Subscription Fees & Support		\$68,400	\$71,820	\$75,411	\$79,182	\$83,141	\$377,953
TOTAL PROJECT COSTS	\$3,000	\$68,400	\$71,820	\$75,411	\$79,182	\$83,141	\$380,953

Benefits

	Start Up	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Cost Savings (eliminated software)		\$17,000	\$17,850	\$18,743	\$19,680	\$20,664	\$93,936
IT Savings		\$18,000	\$18,900	\$19,845	\$20,837	\$21,879	\$99,461
Labor Savings		\$51,000	\$53,550	\$56,228	\$59,039	\$61,991	\$281,807
Customer Revenue		\$38,000	\$38,000	\$38,000	\$38,000	\$38,000	\$190,000
TOTAL BENEFITS		\$124,000	\$128,300	\$132,815	\$137,556	\$142,534	\$665,204

Financial Analysis

	Start Up	Year 1	Year 2	Year 3	Year 4	Year 5
Net Value	-\$3,000	\$55,600	\$56,480	\$57,404	\$58,374	\$59,393
Cumulative Net Value	-\$3,000	\$52,600	\$109,080	\$166,484	\$224,858	\$284,251



CUMULATIVE NET VALUE = \$284,251

About Healthcare Support Technologies (HST)

Healthcare Support Technologies, Inc. (HST) is primarily focused on providing physicians with medical billing services and integrated technology solutions that improve their bottom line by decreasing claim denials and increasing medical billing and coding efficiencies. HST provides outsourced medical billing services, an integrated practice management software system for internal billing, and fully functional integrated electronic health records system.

About Ingenix

Ingenix delivers Intelligence for Health Care, uniting the brightest minds to improve health care through information and technology. Ingenix serves more than 250,000 diverse health care clients including insurance companies, federal/state agencies, pharmaceutical and biotech firms, Fortune 500 enterprises, hospitals and physicians within the health care community. For more information about Ingenix and its products and services, please visit www.ingenix.com.

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