

## Case Study: Major Medical Center

### Ricoh automated a major medical center's insurance correspondence process to speed resolution, increase revenue, and enable remote work

This major medical center consistently ranks among the top U.S. hospitals, with three major hospitals and four clinics in a major West Coast metropolitan area. The university-based teaching hospital and school of medicine achieved breakthroughs in many medical specialties since its founding more than a century ago.

#### Challenge

- More than 1,000 daily claims documents to manually process
- 20-minute average processing time per document
- Complexity with more than 200 document types and over 1,000 variations
- Risk of missing critical deadlines, denied authorizations and payments



**It's estimated that it costs \$118 for hospitals to rework each claim — reworking 1,000 claims could cost the medical center \$118,000 a month.<sup>1</sup>**

Like most U.S. medical centers, declining margins threatened this hospital organization's financial viability. Despite the transition to electronic health records (EHR), manual processes were to blame for many of their ongoing challenges.

The medical center used a major bank's lockbox for financial claim correspondence. However insurance documents were routinely misrouted to the lockbox address. Those that did arrive correctly were boxed and shipped daily to the medical center for processing.

Documents that arrived at the medical center were put through a labor-intensive, five-step manual process involving eight staff members, each processing 80 to 100 documents per day, on average. Staff spent 20 minutes on each record — scanning, indexing, and entering data into the medical center ECM and EHR systems so it could be attached to the correct EHR.

<sup>1</sup> "Denial rework costs providers \$118 per claim: 4 takeaways." Becker Hospital Review, June 2017.

## Results

- Slashed processing time by 75% from 20 minutes to 5 minutes per document
- Cut backlog from 2 weeks to 2 days, enhancing revenue cycle management
- Increased efficiency, tripling the number of correspondence documents resolved per day
- Reduced over 200 document types to 22, simplifying document management
- Decreased local scanning and paper consumption by 90%

**“That ability to see a document coming in, to scan it automatically, to build the index, to get it in Epic, and to route it for appropriate follow-up was the end-to-end solution that Ricoh helped us design. We’re able to use this solution to effectively get the documents into Epic using our enterprise document repository and that means that we don’t have to have any additional software.”**

- Patient Financial Services Executive

The medical center’s correspondence processing is now fully digitized, automated, and streamlined into a three-step process and claims are resolved much faster. Staff handle 250 to 300 correspondence documents daily instead of 80 to 100, spending five minutes per document versus 20 minutes. Revenue cycle management improved by drastically cutting the backlog from two weeks down to just two days.

In addition, Ricoh helped the medical center simplify and streamline operations by analyzing their document management and reducing document types from over 200 to 22. Their bank now scans and indexes correspondence and sends it electronically to the hospital, eliminating time-consuming and costly shipping. The medical center receives insurance authorizations more quickly, enabling surgeries to be scheduled faster, enhancing patient communication, and empowering staff to focus on care instead of manually processing correspondence.

Patient information is validated against the database, so staff work on exceptions rather than reading and keying data, reducing error-prone, manual entry. The automated solution delivers higher auditing compliance and faster revenue generation for the university medical center, while also empowering remote workers to securely access crucial patient information.



## How We Did It

- Implemented Ricoh Patient Information Management
- Automated classification, extraction, and indexing of data from a variety of document sources
- Automatically matched to the patient's EHR
- Automated linking of patient information to the EHR and enterprise content management (ECM) system

The medical center partnered with Ricoh for Managed Print Services for nearly eight years when the opportunity arose to help them further improve operational efficiency.

With Ricoh Patient Information Management, insurance correspondence information is captured automatically from various document sources — bank lockbox, electronic data and scans from the bank, email, fax, etc. Each document and document format type is then classified, extracted, and indexed. The indexed information is then automatically matched to the patient's EHR with machine-learning accuracy for timely response to document submissions and insurance follow-up.

In the final automated step, patient information is linked to the EHR and documents are stored in the medical center's ECM repository to optimize the work queue and expedite response time.

Reducing their five-step process to a three-step process enabled the medical center to boost efficiency and accuracy, improving their claim resolution rate and revenue reconciliation.



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Visit [Ricoh-usa.com](https://www.ricoh-usa.com) to learn more about unlocking the power of information and improving patient and staff experience with Ricoh Patient Information Management.

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