CREDITBALANCE

Credit Balance Resolution

The Challenge

The size and number of credit balances that are being managed by healthcare providers has increased dramatically in recent years with no signs of improving. This has placed increased pressure on providers to collect patient co-pays, co-insurance, deductibles and pre-surgical deposits, thus making patient and insurance credit balances unmanageable. Insurance companies have also become more aggressive in their pursuit of suspected over-payments to providers. To add to the problem, state, federal and health system refund policies and guidelines are becoming more stringent.

On average, over 70% of patients who have a credit balance also have a self-pay balance or family balance somewhere within the health system. Therefore, credit balance refunds are often sent to patients who then receive a statement for an outstanding account balance. This inevitably results in additional billing staff workload and administrative expenses. The numerous phone calls required to correct this situation are also confusing to patients and frustrating to staff members, ultimately impacting patient satisfaction. The operational consequence is an increase in the number of staff members dedicated to researching, processing and approving credit balances.

The Solution

FrontRunnerHC's Credit Balance Manager application automates the resolution of credit balances, eliminating the subjectivity and manual tasks associated with redistributing the funds or refunding the appropriate parties. Through the use of applied business logic and advanced technology, Credit Balance Manager significantly reduces the time and operating costs associated with refund processing by limiting the amount of human intervention needed to complete credit balance resolution tasks.

Customizable and easy-to-use, the Credit Balance Manager has many benefits, including:

- Automated Refund Processing
- Refund Approval Process Workflow
- Credit Balance Resolution Queue
- Coordination of Benefit Resolution
- Integration with PAS/HIS Systems
- A/P System Integration
- Credit/Refund Audit Trail
- Payer Recoup Invoice Transfer
- Government Reporting
- Electronic Credit Transfer
- Benefit Confirmation (270-271)
- EOB Display Integration
- Access to Documentation

Technology

Many credit balances are created due to inaccurate or untimely information being shared between providers, insurance companies and patients.

FrontRunnerHC's Credit Balance Manager utilizes applied business logic, advanced decision analytics, EDI eligibility and benefit verification automated transaction posting to identify, resolve, validate and process patient and insurance refunds.

Key Benefits

- Reduced Costs
- Increased Productivity
- C.O.B Resolution
- Integration to PAS/HIS
- Complete Audit Trail
- Internal Distribution of Dollars
- Reduction in A/R
- Standardization
- Streamlined Workflow
- Compliance

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Why Is It So Effective?

Credit Balance Manager is an integrated application platform with built-in decision analytics, a revenue cycle knowledge base and advanced transaction automation tools that allow credit balance analysts to transition from a researcher to a reviewer and approver.

FrontRunnerHC has incorporated into the Credit Balance Manager the transaction analytics experience and capabilities of some of the most knowledgeable revenue cycle experts. It also provides clients with the capability to customize the application's decision analytics to the needs and policies of their organizations.

How It Works

By connecting to a provider's patient accounting system and loading all transactions, Credit Balance Manager (CBM) analyzes the transactions for automation opportunities such as posting errors, duplicate payments, coordination of benefit issues, co-pay errors, missing charges and other factors that could create a credit balance or correction opportunity. Credit Balance Manager then automatically corrects errors, transfers amounts to open balances, creates refunds and performs tasks normally relegated to a credit balance analyst.

For any transactions that cannot be automated, CBM will utilize its predictive decision analytics to advise the analyst as to what is wrong and how it should be correct. If the analyst agrees, they accept the recommendation and CBM executes the decision directly into the patient accounting system.

Predictive analytics identifies the root cause for the credit and advises the operator as to how it should be resolved.

Virtual Credit Balance Analyst

Virtual Credit Balance Analyst is a user-friendly interface that accesses the CBM knowledge base. Utilizing advanced predictive decision analytics capabilities, it determines what is wrong with a credit transaction and displays a prescribed course of action. Once approved by the user, CBM will execute all commands, keystrokes and data entry in the patient accounting system.

- Error Corrections
- Credit Transfers
- FSC's Changes
- C.O.B Resolution
- Transaction Reversals
- Complete Audit Trail
- Internal Distribution of Dollars
- Reduction in A/R
- Standardization
- Streamlined Workflow
- Compliance

CBM highlights the recommendations in yellow and provides all of the supporting data and documentation required to approve the resolution. One touch access to EOBs, transactions, DX and procedures, payments, collections balances, administrative adjustments and more.

Automated Refund Documentation Attachments

Credit Balance Manager creates the documentation that is required to accompany a refund check to insurance companies as well as a cover letter for patient information. Documents include: payer refund request forms, EOBs, copies of checks, claim detail and a powerful copy tool that can attach external emails and documents.

System-Wide Refund Requests

The Credit Balance Manager software application also allows any authorized user in the health system to request a refund review for a patient or insurance company and routes it appropriately. Documents, emails and notes can be attached to explain the reason for the request.

"The cost of labor to manage our credit balances has been significantly reduced since implementing the Credit Balance Manager. We have a more efficient approval process, complete audit controls in place, and our patients and insurance companies receive their refunds immediately. The system achieved the ROI projections in the first year and we have more than doubled in size without adding credit balance resolution staff."

Ian Stewart
Vice President Finance, Operation
Advocate Medical Group

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