CHALLENGE
In the summer of 2014, Bethlehem, Pa.-based St. Luke’s University Health Network (SLUHN) was operating on a pair of disparate electronic health record (EHR) systems across each of its six hospitals in Pennsylvania and New Jersey. In an effort to enhance operational and revenue cycle efficiencies and better connect care across the continuum, SLUHN decided to move forward with system-wide implementation of the Epic EHR.

“I don’t know what you don’t know,” said Richard Madison, vice president of revenue cycle services at SLUHN. “One thing we did know was that we needed an experienced partner to assist us through all facets of this process.”

SLUHN engaged Navigant McKinnis* to assess its organizational structure and provide insights on Epic implementation strategies and best practices.

“At the end of the day, we wanted to make sure we were speaking the same language,” Madison said. “Navigant’s strategic partnership helped us gain a deeper understanding of what could be done with Epic.”

SOLUTION
SLUHN executives were well aware of the scale of this investment and its inherent risks. A number of essential decisions had to be made, including whether to take a “big bang” approach of going live with Epic at its hospitals simultaneously or phasing-in the implementation gradually. This decision was complicated by an ongoing ICD-10 transition.

“We did our homework, connecting with other Epic hospitals to better understand success metrics,” Madison said. “The Navigant McKinnis name came up often, both in the context of partnering with providers pre- and post-implementation, and in instances where initial installations didn’t go as planned and they were brought in to address issues.

Navigant McKinnis collaborated with SLUHN’s IT and billing analysts to provide implementation support, operational direction, and general insights on how to maximize Epic revenue cycle functionality. This included partnering with system leadership to develop strategic goals based on such key performance areas as:

- **Billing timeliness and claims acceptance** - Getting bills out faster and cleaner through a more hands-on approach to identifying areas of concern and enhancing the unbilled, known as candidate for billing (CFB), organizational strategy.

- **Baseline cash collections** - According to Epic best practices, providers should expect to return to a cash neutrality baseline within 48 weeks of implementation. Through its assessment of and assistance with CFB, claims and charge testing, and revenue reconciliation, Navigant McKinnis provided metrics and data to help speed up the process of getting cash back to baseline.

- **Denial management** - Redefining workflows related to denial management processes and point of services collections, and making them more intuitive and easier to follow.
An area of particular focus was the charge capture process, especially as a growing number of clinical department managers questioned why some charges were being credited or how they were being recognized. In one instance, a department was using additional procedure codes that were already considered included in the primary procedure, which led to confusion, crediting, and lost revenue.

With the strong support of SLUHN leadership, Navigant McKinnis conducted a series of workshops prior to conversion to educate clinicians about tools available to help them better manage charge monitoring. The sessions focused on the need for greater discipline around the reconciliation process, including getting clinical sign off on future charge codes and having clinical managers accept ownership for reconciling charges on a daily basis. In addition, Navigant McKinnis met with facility finance directors on a daily basis to stress the significance of revenue integrity while instructing directors to review revenue daily and identify what might be driving under or over charging.

Once the processes were established, department managers across facilities began to charge more accurately, helping SLUHN to realize an immediate lift in revenue.

**IMPACT**

The engagement had a significant and rapid impact, including:

- **Claims acceptance rate increased from 65% to 98% in eight weeks.**
- **4.5 DAYS OF AVERAGE DAILY REVENUE in less than 10 weeks.**
- **ACHIEVED CASH NEUTRALITY within 12 weeks of go-live, four times faster than the average Epic installation.**
- **ACHIEVED 104% of PRE-CONVERSION BASELINE GROSS REVENUE within four weeks of go-live.**
- **MAINTAINING 106% OVER BASELINE SINCE.**

“This was a monumental, system-wide change management process, and our team responded extremely well to it. I don’t think you could paint a better picture than what happened at our health system during the Epic transition, and our Navigant McKinnis partnership played a major role in this success.”

**RICHARD MADISON, VP OF REVENUE CYCLE SERVICES, SLUHN**

**WHAT’S NEXT**

SLUHN plans to build on its initial successes to ensure they’re taking advantage of all that Epic has to offer, including technology automation. Plans are underway to get ambulatory networks and physicians on Epic within the next 18 months. The system will also further its commitment to improving the patient experience by ensuring patients get a single, concise statement and offering patients the ability to manage their accounts online.
About St. Luke’s University Health Network

St. Luke’s University Health Network (SLUHN) is a non-profit, regional, fully integrated, nationally recognized network providing services at six hospitals and more than 200 sites, primarily in Lehigh, Northampton, Carbon, Schuylkill, Bucks, Montgomery, Berks and Monroe counties in Pennsylvania and in Warren County, New Jersey.

About Navigant

Navigant Consulting, Inc. (NYSE: NCI) is a specialized, global professional services firm that helps clients take control of their future. Navigant’s professionals apply deep industry knowledge, substantive technical expertise, and an enterprising approach to help clients build, manage and/or protect their business interests. With a focus on markets and clients facing transformational change and significant regulatory or legal pressures, the Firm primarily serves clients in the healthcare, energy and financial services industries. Across a range of advisory, consulting, outsourcing, and technology/analytics services, Navigant’s practitioners bring sharp insight that pinpoints opportunities and delivers powerful results. More information about Navigant can be found at navigant.com.

*McKinnis Consulting Services, LLC was acquired by Navigant Consulting, Inc. in 2015 and currently operates as a consulting practice within Navigant (“Navigant McKinnis”). A portion of the results detailed in this paper were derived through engagements McKinnis conducted prior to its integration into Navigant.*