

# T E X ★ S Hospitals

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Best Practices



## Finding Direction in the Workers' Compensation Maze

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**Hospital collection managers fully understand how frustrating it can be to negotiate the twists and turns of the workers' compensation claim maze. Dead ends, including denials, challenging calculations, confusing forms and changing rules, cause many hospitals to give up and leave potential receivables on the books. But Texoma Medical Center in Denison discovered that by using Healthcare Recovery Alliance, a Texas Hospital Association-endorsed company, dead ends can become open paths leading to recovered reimbursements from closed and pending claims. By outsourcing workers' compensation collection efforts to HRA, TMC has collected more than \$300,000 in under- and non-paid claims, in addition to reducing personnel, mailing and copying expenses.**

"Our hospital recognized the struggle we had trying to resolve patient accounts for workers' compensation claims, and we realized that in order to decrease our accounts receivables, eliminate aging accounts and make certain we received the correct reimbursement, we needed to outsource our workers' compensation accounts for claim follow-up," said Ruth Williams, collection manager at TMC. "HRA was recommended to us, and because of its expertise in workers' compensation, there was no question that we should contract with HRA."

HRA acts as an extension of a hospital's billing office by handling the detailed and complicated aspects of filing workers' compensation claims. According to Williams, HRA's specific duties include reviewing all of TMC's past claims and segregating workers' compensation accounts from other financial classes to ensure that correct per diem reimbursements are received.

HRA staff then look at open accounts and verify the injury, investigate the employer's coverage and make sure all correspondence is properly completed. If a work-related injury claim is denied, they work directly with the patient in the appeal process. In the case of a non-responsive patient (a patient who cannot be located or does not respond to requests for information), HRA files for a benefits review conference on behalf of the hospital and argues why the injury was work-related.

"Obviously, the workers' compensation claims process is time-consuming and very complicated, and because the rules change frequently, it makes it hard for hospitals to apply laws that are not black and white," said Williams. "HRA staff specialize in this field – they live and breathe state and federal workers' compensation policies – and when questions arise, they are able to provide quick answers based on their in-depth understanding of these laws. Because of HRA's diligent efforts, every dollar that is due according to the guidelines is collected for TMC."

"Sometimes it comes down to knowing which box to put the 'X' in," stated Angie Box, director of operations at HRA. "Expertise is needed on rules and regulations, and we ensure that hospitals get paid more on each claim, getting every penny they deserve." Box added that the majority of HRA's business is workers' compensation recovery and that staff undergo an intensive training program and ongoing education to guarantee they are kept current on all state and federal regulations.

In addition to increasing revenue, HRA has saved TMC personnel and operational costs. "HRA has remote access to our computer and scanning systems to view documents, print medical records and document collection status updates, which saves our facility time and money," said Williams. "Our HRA liaison makes frequent trips to pick up any other documents, reducing our mailing costs."

As TMC makes plans to move into a new facility in December, its administration has increased its focus on obtaining all available reimbursement monies so that hospital services to Grayson County and surrounding counties can be upgraded and expanded. "Our new building will provide the most up-to-date medical equipment and specialized services," said Williams. "Since our hospital provides care for several counties, we are expecting the patient volume to increase due to this state-of-the-art facility. For years to come, our medical staff will continue to expand, allowing us to accommodate the specialized needs of our community."

Williams noted that as TMC grows, assistance from HRA will remain essential. "We plan to continue our contract with HRA due to its excellent performance," she said. "HRA staff are dedicated and efficient, and most of all, they follow all policy guidelines to make sure that collection efforts are exhausted, most of which result in additional funds."

HRA, located in Arlington, was founded in 2002 by Michael Stewart and Wanda Maniscalco. In addition to workers' compensation claims, the company assists clients with managed care claims, operational reviews and interim staffing. ★

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