



Summary:

- 4-hospital system based in Midwest
- Medium managed care contractual complexity
- Contract management system did not have capability to price readmissions
- STAT Revenue identified over **\$1,700,000 in readmission underpayments reviewing 4 years of closed accounts**

Lost Revenue in Readmissions

<< In just 2 years, STAT Revenue identified \$1.7 million in readmission underpayments. >>

“STAT quickly generated tangible results for us... We already had a vendor reviewing our commercial payments, so STAT's results really attest to the expertise and quality of their team. **I would recommend STAT to any hospital looking to generate revenue quickly and improve their revenue cycle controls.**”

■ Director of Reimbursement
Midwest Hospital System



The Challenge:

Do you trust insurers are paying your facility's readmission claims correctly? Consecutive inpatient stays for a related diagnosis within a specified timeframe may be considered a single admission, qualifying for higher reimbursement.

Readmissions are complicated and difficult to track for the following reasons:

- Payer contract clauses associated with inpatient readmissions are often vague on what constitutes a readmission
- Contract management systems do not have the capabilities to price readmissions
- PFS staff focus on current claims and may not have the time to check for readmissions efficiently

Moreover, whether reimbursing at an incorrect case rate for stays, or not applying the stop loss outlier when applicable, it can be hard for any PFS team to identify underpayments associated with inpatient readmissions.

The Case:

STAT reviewed 4 years of closed accounts for this particular hospital system. Using readmission contract language and account information, STAT completed a comprehensive analysis, identifying and appealing readmission underpayments for:

- Inpatient stays for related diagnoses paying lower severity case rates than warranted
- Inpatient stays for related diagnoses not applying the stop loss outlier correctly
- Unrelated inpatient stays incorrectly unpaid

STAT's Findings:

In 2 years, STAT identified and appealed over **\$1,700,000** in underpayments for just one payer involving readmissions.

As readmission guidelines continue to change, a retrospective analysis is vital to ensure all past readmissions are reimbursed correctly per contractual agreements with your payers.

Pursuing correct reimbursement can be challenging, even with robust contract management systems and internal controls in place. With absolutely no risk to you let STAT ensure you're receiving 100% of your commercial and government revenue.