

## CASE STUDY:

# St. Francis Physician Services

Automated payment reconciliation improves productivity and cash flow

### CHALLENGE

- Inefficient reimbursement deposit reconciliation process requiring significant time and staff resources

### SOLUTIONS

- Remit and Deposit Management

### RESULTS

- Cut bank reconciliation time by 88%
- Improved reconciliation accuracy
- Accelerated posting speed by 98%
- Reduced AR days by five to six days

St. Francis Health System has 58 medical practices in nine South Carolina cities. The system's 304 healthcare providers offer a wide range of services such as family medicine, outpatient surgery, imaging, breast care, urgent care, physical therapy, palliative care and geriatric care. St. Francis Physician Services, Inc. provides finance, revenue cycle management and other support services to the practices.

### The challenge

A key part of successful revenue cycle management is quickly reconciling remits and deposits to minimize accounts receivable (AR) days and improve cash flow. Despite allocating significant time and resources to the process, St. Francis Physician Services, Inc., which provides operational support to physician practices, still struggled.

**“A key part of successful revenue cycle management is to quickly reconcile remits and deposits to minimize AR days and improve cash flow.”**

St. Francis Physician Services faced a unique challenge. Their revenue cycle management function was decentralized and operated five different AR systems among their 58 practices. Reimbursement deposits for all practices came to a central finance department, where six full-time employees spent 100% of their days trying to manually reconcile remits against daily and monthly reports submitted by the practices. Disparate systems, inefficient workflow and lack of visibility into posting status led to a host of problems.”

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As an example, the inability to match deposits and payments sometimes resulted in follow-ups with payers on money already in the bank, which delayed posting and negatively affected AR and cash flow. The team couldn't

## CASE STUDY: ST. FRANCIS PHYSICIAN SERVICES

always tell if or where money was posted, if payments were misrouted or if incentive money was lost. “We could be thousands of dollars off at month-end and still trying to reconcile when the next month-end came around,” said Pamela Benfield, St. Francis Physician Services billing manager. “We were always two to four months behind. It was a reconciliation nightmare.”

### Waystar solution

As a first step to streamline revenue cycle operations, St. Francis Physician Services decided to centralize the function. As they were completing this process, they were introduced to a Waystar product called Remit and Deposit Management. The bank reconciliation team saw the tool as a way to improve the way they processed payments.

Waystar’s Remit and Deposit Management solution automates reconciliation and posting and integrates seamlessly with existing technology systems—critical benefits for St. Francis Physician Services. Their holistic approach included implementing the Waystar solution, moving electronic funds transfer (EFT) reconciliation from finance to revenue cycle management, establishing new workflows and reallocating staff.

“Waystar helped us figure out how to make the solution work best for us,” said Pam. “We brought in temporary staff to help us catch up on old months so we were ready to make the transition. The implementation was smooth and in a few months, everything was going the way we wanted.”

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### Results

Waystar’s Remit and Deposit Management solution has made a world of difference in St. Francis Physician Services’ productivity and cash flow. The team can see what’s going in the bank, what needs to be posted and payments that may have been misrouted or deposited in error. Payer follow-up is much more efficient and secondary claims go out faster.”

“We started with a 70% match rate and now we have a 90 to 95% stable match rate,” said Bryan Byrd, financial analyst for St. Francis Physician Services. “We average about 7,000 payments and \$8 million in revenue per month, which is substantial. The Waystar solution helped us identify and resolve the issues affecting our match rate and allowed us to shift our focus to other parts of bank reconciliation.”

The Remit and Deposit Management solution dramatically reduced the staff required for reconciliation. “We’ve gone from six full-time people, or 240 hours per week, to two people working less than 30 hours per week total on reconciliation,” said Jennifer Corbin, St. Francis Physician Services posting manager. “Because posting is so much faster and more efficient, we’re freed up to work on other things.”

## CASE STUDY: ST. FRANCIS PHYSICIAN SERVICES

In the past, St. Francis Physician Services' month-end closeout could be off by as much as \$75,000. Now, variances are from \$25,000 to \$30,000 at most. AR days have decreased from 33-34 days to 28-29, another notable improvement.

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### Impact

Since implementing Waystar's Remit and Deposit solution, St. Francis Physician Services electronically auto-posts 90% of payments. “We can post \$1 million before lunch,” said Pam. “I can't say enough good things about the improvements in our workflow and reconciliation.” St. Francis Health System's physician practices have also noticed the difference, not only in workflow, but in revenue. “Change is never easy,” Pam concluded, “but moving to Waystar Remit and Deposit has turned out to be a positive thing for our entire organization.

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### ABOUT WAYSTAR

*Waystar simplifies and unifies the healthcare revenue cycle with innovative, cloud-based technology. Together, our technology, data and client support streamline workflows and improve financials for our clients, so they can focus on their patients.*