

## Eris Offers Tool To Help Hospitals Find Missed Bills

By Dennis LaRue 11.DEC.07

The United States boasts having the best medical care in the world. It can also boast - if that's the word - the worst-run health insurance system in the world.

Many Americans - including providers of health care - find their bills confusing and frustrating to understand, not just irrationally expensive. Hospitals and clinics fail to bill all that health-insurance companies should pay, resulting in lost collections. These lost collections distort their real costs of providing various health care services.

Enter Eris Medical Technologies, a limited liability corporation in the Youngstown Business Incubator founded by Jennifer Wexler and Kelly Bucci. The company has developed revenue justification software to help hospitals bill health insurers all they should. The advantage Eris software offers, say Bucci and Wexler, is that it not only helps hospitals keep better tabs on what they're owed, it also complies with Medicare regulations.

The program doesn't look at pricing, Bucci emphasizes. It reconciles what should have been collected with the sums that were.

"While big items get charged," Bucci explains, "little items get missed." That's because hospitals don't use the same computer systems internally. It's also because of the ever-changing billing rules and regulations, she says.

Bucci adds, "It is improbable that all of any hospital's systems are in synch, that its clinical documentation is comprehensive, that all of its staff understands the billing rules, and that they routinely turn out clean comprehensive claims on deadline."

On average, Bucci and Wexler estimate, hospitals fail to collect on at least one procedure performed on a quarter of the patients they treat.

"A nurse or doctor enters a treatment on a patient's record," Bucci elaborates, often in a computer terminal, which may or may not be near the patient's bed. Entering information is "very manual," Bucci notes, because while treatments and examinations may be uniform, every patient has different needs and different schedules.

Say the patient has been sent to radiology. The doctor thinks he has entered the relevant information on the treatment or examination given. But, "there are many different systems in a hospital," Bucci says. "They're supposed to talk to each other but often don't."

Her point: Doctors may enter all the documentation they should. Then a staffer has to enter the charges. Then the charges have to be transferred from the clinical system to the billing system. "If there is a disconnect between the systems, Wexler says, "the intended charges might not make it to the final bill."

She has firsthand experience. Wexler earned her baccalaureate in 1998 in allied health at Youngstown State University after spending two years in

X-ray school at Trumbull Memorial Hospital, graduating in 1994.

"All payers have different records systems and different payment schedules," she says. A hospital charges the same prices for its procedures regardless of a patient's ability to pay and whether the patient has insurance.

But each insurer negotiates with the hospital how much it will pay of the charges, how much the patient is responsible for and how much the hospital will write off. "They base their payments on the uniform pricing in the American Medical Association's common procedural technology code [CPT]," Wexler says. "Medical centers and insurers accept the CPT code to identify the procedures they'll pay for."

The codes are uniform for all insurers but how much the insurers pay hospitals is not.

The software program Eris offers examines patients' bills and uses 250,000 algorithms or rules to learn whether a hospital has been paid all that insurers should reimburse it for. The software looks at a patient's bill and flags discrepancies, that is, "where the combination of services on the bill does not meet typical industry practices or falls outside federal billing guidelines," Wexler says.

The software is geared toward outpatient bills and Eris performs its services at night so the examined bills will be available to a hospital billing staff when they arrive at work in the morning.

"Outpatient bills are different from inpatient bills," Bucci notes, and more outpatient charges are liable to fall between the cracks.

Besides working to ensure a hospital or medical center receives full reimbursement from insurers, the Eris algorithms "also look at how a hospital charges, to make sure it's in compliance," Bucci says. "The compliance aspect looks to make sure that services that shouldn't be billed together [bundled] aren't and those that should be are."

Eris software will identify a service considered routine that should not be billed separately. "At this point," she elaborates, "the only thing the software does to hospital pricing is flag an item where a charge is below full Medicare reimbursement or exceeds it."

Eris has uncovered keystroke errors, Wexler says, the usual source of erroneous billings. The system of reviewing bills and catching errors or omissions and inadvertent commissions should allow medical systems to more than pay for their use of Eris, she says.

The program is Web-based, Bucci says, and "is very secure. Our level of security must be the same as that of a financial institution."