

Texas DME is a premier provider of mobility products and home health products and supplies in the North Texas region. Texas DME is one of the area's largest retail suppliers of mobility products and home medical equipment that serves skilled nursing facilities, acute rehabilitation facilities, and acute care hospitals and individual patients.

CHALLENGE

Texas DME sought to deal with the cuts in Medicare reimbursement by changing their product suite and to expand their business by adding a retail store presence.

In response to capped programs that reduced profit margins, Texas DME wants to focus on reducing operating costs to make up the difference. Texas DME needed to change their processes within revenue cycle workflow and reduce DSO. With constant changes in payer rules and regulations and time-sensitive processes, Texas DME was challenged to ensure that every patient claim was billed correctly, on time and is paid accurately. Automatically, managing claims and denials with automation can significantly improve processes and workflow to improve first-pass payment rates and reduce denials, which leads to greater cash flow. Billing Manager, Leslie Zinn knew they had an opportunity to improve cash flow by addressing systemic issues that were creating a breakdown in the processing of healthcare claims and causing denials to go unresolved. The claims processing approach they had in place demanded significant manual effort by staff, and their accounts receivable performance was trailing industry benchmarks.

Solution

With the **MedAct Point of Sale Module**, Texas DME is able to achieve their goal of opening a retail store presence. The Point of Sale Module provided Texas DME with a way to capture sales and accept online orders that automatically calculated the patient portion. The **Point of Sale bar code scanner** performed real-time inventory updates which saved time in inventory management procedures. Retail sales created a new revenue channel for Texas DME as patients now have the ability to order other home health products which led to an increase in cash flow.

Drop shipping from the manufacturer directly to patients helped create more operational efficiencies which led to cost savings. The drop ship functionality in MedAct helped Texas DME reduce delivery costs which saved them money in labor and fuel costs associated with deliveries.



Results

Texas DME has reduced their DSO from 67 days down to 23 days with MedAct. Texas DME has experienced significant revenue cycle improvements in the form of reduced A/R days, increased cash flow, increased capacity among employees and an increase in clean claims.