



## Intelligent process automation is helping Yale New Haven Health optimize process efficiencies in the revenue cycle operations

**//** If you are in the C-suite [of a hospital or health system], the key imperatives are managing costs, managing large teams and performance and preparing for the constantly changing healthcare landscape." This was the perspective of David Wurcel, recently retired vice president of corporate business services at Yale New Haven (Conn.) Health.

Mr. Wurcel helped lead an executive roundtable discussion hosted by CognitiveHealth Technologies at Becker's Hospital Review's 10th Annual Meeting in Chicago April 2. During the event, participants discussed intelligent process automation, and leaders from Yale New Haven Health relayed the system's journey in adopting this technology. This panel discussion was moderated by CognitiveHealth Technologies' co-founder and Chief Operating Officer, Pavani Munjuluri. Yale New Haven Health's manager of patient account systems, Jonathan Menard, who was also on the panel, shared his experiential learning from going through the process.

The cost imperative – That's the bottom line

Mr. Wurcel's pointed out that most hospitals operate on razor thin margins of only 1 to 2 percent. To survive in the current reimbursement environment, hospitals absolutely must cut costs. Even cutting costs by 1 percent can make an enormous difference. Feeling this extreme pressure motivated Mr. Wurcel to be proactive in looking for ways to reduce expenses. He concluded, "It's time to do something before it is done to me." Mr. Wurcel primarily focused his attention on reducing administrative costs.

While the banking and retail sectors have led the way in adopting advanced technologies like automation, healthcare has lagged. In founding CognitiveHealth Technologies, Ms. Munjuluri and her founding partners saw the opportunity to bring automation tools to healthcare operations. She projects that automating a

single patient encounter can save a hospital up to \$27, which she sees as "the tip of the iceberg." Ms. Munjuluri has more than eighteen years of healthcare business and technology experience. She has been successfully working with large providers and payers, delivering solutions to address the challenges of a changing healthcare ecosystem.

CognitiveHealth defines IPA as a combination of process modeling, process automation and artificial intelligence. Ultimately this is a means to optimize operations and business performance that spans functions and delivers exceptional improvements to productivity. Intelligent automation enables shifting time-consuming manual work to a more dynamic means of handling volumes of data that exceed human capabilities. The key benefits are greater speed, increased efficiency and extremely high levels of accuracy, all of which contribute to lowering process costs.

Automation opportunities in healthcare – Go where the work volume is

In looking to reduce administrative costs Mr. Menard advised, "go to where the volume of work is." He said organizations have policies and procedures, but what truly drives costs are actual practices. Often managers don't understand how people spend their time. He encouraged digging deeper into what administrative workers really do, with a specific focus on rote, repetitive, high-volume tasks. These are not tasks where humans are using cognitive skills to analyze, think and solve problems. Where humans must think and make decisions are the exceptions. CognitiveHealth's Pavani Munjuluri added, "IPA has delivered the greatest positive impact on high-volume, repetitive manual workflows. The savings can be quite compelling in a relatively short period of time."

“To demonstrate early success and proof of concept,” commented Johnathan Menard, from Yale New Haven, “it’s very important to select the right business process or processes for IPA introduction.” He discussed their methodology for reviewing vendors, selecting CognitiveHealth to implement IPA and identifying the most likely opportunities to initiate workflow transformation. Mr. Menard has had responsibility for a variety of roles in his tenure with Yale New Haven including Quality and Operations; he is now part of the Corporate Business Services Team. In this capacity he continues to monitor and assess the IPA initiatives.

#### Intelligent process automation and Yale New Haven Health

In order to test the viability of the Cognitive IPA solution, Yale New Haven Health focused first on finance functions such as cash remittance and posting. The partnership approach from CognitiveHealth allowed the organization to plan a strategy and roadmap to streamlined operations in these processes, while also identifying redundancies with other functions.

Through a collaboration with CognitiveHealth, Yale New Haven Health was able to automate high-volume repetitive tasks and focus the organization’s human capital on more cognitive-based work. This reduced full-time employee time by 14 percent, freeing up staff to focus on activities requiring skills for problem solving and making decisions vs. performing rote, routine tasks. Mr. Wurcel believes that moving intelligent process automation further into the back end of billing, where there is a great deal of repetitive work that could be eliminated, can provide potential savings estimated of 30 to 40 percent.

Most recently Mr. Wurcel, was Corporate VP at Yale New Haven Health and managed and mentored a team of 1,400-plus staff and oversaw the revenue cycle operations – from scheduling, pre-registration, registration, coding, clinical documentation, billing, collections to denial management as well as physician billing and collection for 2000 physicians

#### Overcoming challenges and lessons learned

While intelligent process automation has yielded substantial savings for Yale New Haven Health, they had to overcome certain challenges. Cultural resistance has been one of the primary barriers to adoption. Another key challenge is to estimate an return on investment for the

identified automation initiatives. A lack thereof leads to distrust in the technology.

Yale New Haven Health’s adoption involved beginning with a focused proof of concept. This proof of concept showed a strong ROI, which secured the long-term support of senior leaders. Mr. Wurcel strongly suggested this approach, commenting, “You have to have a proof of concept.”

The team at Yale New Haven Health has worked to build consensus for leveraging automation into their workflow. Participating employees were assured about their future. Work can be shifted to higher level activities, and any reduction of headcount would come through normal attrition. Yale New Haven has also emphasized retraining for employees, giving employees a greater opportunity to grow and develop new skills.

Mr. Menard offered another important lesson from his experience. First, he said it is critically important to pick the right business process to automate. There will be many options, but the best option is where automating repetitive tasks can have the greatest impact. Second, before automating processes it is necessary to first dissect and reengineer these processes. Otherwise, as Bill Gates has said, “If you automate a bad process you will have a bad automated process.”

When done right, health systems and hospitals will choose processes for intelligent automation that provide pivotal, clear business value. They will reengineer those processes as part of the automation and work with a trusted partner to adopt the best solution. The end result will be a supportive IPA project team and demonstrated cost savings both short- and long-term.

CognitiveHealth team focuses on helping their customers with the process reengineering and delivers the automation in an “agile development” methodology for continuous feedback and acceptance within the client workflows. The use cases for automation go beyond finance, quality and care operations functions.

The closing message resonated with the audience: Automation is real, lets make it work for us in the best possible way!