

## Eastern Oklahoma Ear, Nose & Throat, Inc. switched to SNB Digital Lockbox services and is saving \$150,000 a year as a result.



**SNB CASE STUDY:  
SNB DIGITAL LOCKBOX**

*Eastern Oklahoma Ear, Nose & Throat, Inc. was using lockbox services from another bank, but not achieving the benefits. Switching to SNB Digital Lockbox services delivered the expected benefits, adding \$150,000 profit to the bottom line and recapturing two days of productivity per person per month.*

Eastern Oklahoma Ear, Nose & Throat, Inc. (EOENT) was founded 30 years ago by two of the 10 physicians currently practicing there. The largest single-specialty practice of otolaryngology in the region, the practice has 65 employees and serves over 150 patients daily from two locations in Tulsa, Oklahoma. An early adopter of electronic medical records, EOENT has always been technology driven. But two and a half years ago, when Controller Kenda Terrones was hired, the business office was lagging in its use of technology.



The EOENT business office was not using a lockbox when Terrones joined the group. The need for better internal control and faster utilization of funds led Terrones to seek out a lockbox solution provider. “The security and internal control of the checks going directly to the bank was the main reason we moved to a lockbox. Our checks were also not getting deposited until they were posted so there was a time lag of a couple of days or more where the money wasn’t in the bank – that’s a problem. We moved to a lockbox for better internal control and faster utilization of our funds.”

Prior to using lockbox services, the EOENT business office would open mail by hand and process up to \$30,000 in checks daily. It took time for the staff to open every envelope, and all the staff members who post have other duties. If those other duties interfered with posting, as was often the

case, the money would sit until staff could return to post it.

The business case for EOENT to use lockbox services was compelling, but the first attempt at securing these services from its then current bank did not provide the full advantage it was seeking. These concerns prompted EOENT to seek out a more reliable provider of lockbox services, which led the group to SNB. “We switched to SNB on June 1, 2005 and we’ve been thrilled with the choice,” said Terrones. “It has saved our business office staff a significant amount of time, and the error rates are no longer a concern. What really drove the decision for us was the ability to look up EOBs online, the good quality scanning of images, the chance to get rid of the paper. SNB had good business processes for their service already in place, so we knew we weren’t going to be Beta testing their lockbox solution. We weren’t going into this with the promise of something that might happen in the future. It was already set up and they had clients using it the way we wanted to use it, so it was kind of a no-brainer for us.”

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*(Continued)*



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Switching to SNB Digital Lockbox services has simplified several key business processes at EOENT. The financial counselors use the service to handle patient billing inquiries because they can look up EOBs online very quickly using their computers. This capability has helped streamline the appeals process as well.

Storing the document images online has also remedied paper storage space constraints. Since the transition to SNB Digital Lockbox services, EOENT is now storing two thirds less paper. Through continued use of the service, the group will eventually eliminate all stored paper.

These efficiencies have validated the business case Terrones developed to justify using SNB Digital Lockbox services. “One of the things we studied was how much time we’ve saved by accessing the EOBs online versus filed copies. In our case, the time savings amounts to two days per person per month. That’s very significant when you put a dollar amount to the savings. Add to this the effect on morale and turnover, and the service easily justifies itself.”

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EOENT is experiencing the most significant, measurable benefit in the area of faster cash utilization. When the backlog of work caused claims to sit over 30 days, the practice lost money on those claims each day they remained un-worked. If a claim remained un-worked after 90 days, it was virtually worthless to the practice – a lost profit opportunity.

SNB Digital Lockbox services have enabled EOENT to work claims faster, reducing the collection cycle. The resulting financial impact goes straight to the bottom line: “Since we started using these services from SNB, our A/R has dropped six days, which gives us an extra \$150,000 per year in revenue on a cash basis,” adds Terrones. “Getting our money in faster has helped our profitability.”

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