

North Texas Neurosurgical Associates is saving \$15,000/year in labor costs, has reduced its collections cycle by five days, and is safeguarding its cash with an SNB Digital Lockbox.

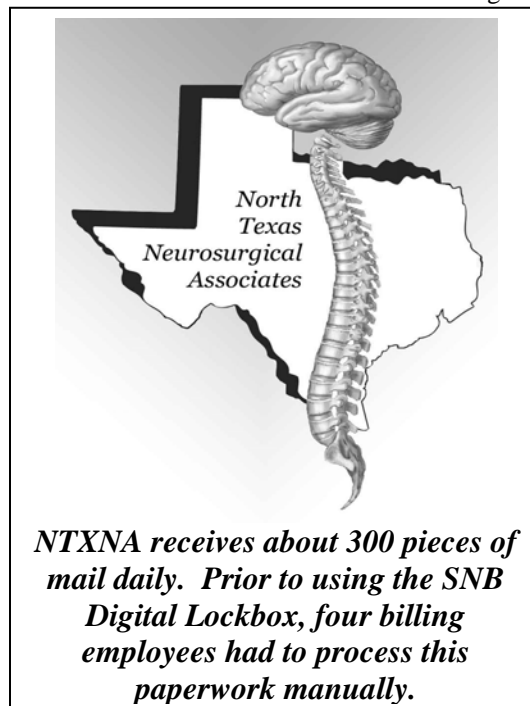


**SNB CASE STUDY:
SNB DIGITAL LOCKBOX**

North Texas Neurosurgical Associates was receiving mail through two or three post office boxes, requiring four staff members to process the paperwork daily. The group began using an SNB Digital Lockbox to lower labor costs and put safeguards in place to mitigate risk of fraud or embezzlement.

North Texas Neurosurgical Associates (NTXNA) is one of the largest neurosurgical groups in the Dallas area.

The group's four physicians represent the full range of general neurosurgical and subspecialty expertise. NTXNA has locations in Plano, Richardson, Carrollton, Dallas, Grapevine, Irving, McKinney, Garland and Denton. The group also practices at several hospitals: Richardson Regional, Presbyterian Hospital of Plano, Baylor Irving, Trinity Medical Center, Medical Center of Plano, Medical Center of Lewisville, Baylor Garland, Frisco Medical Center, Baylor Grapevine and Denton Regional Medical Center.



In addition to the workflow efficiency constraints imposed on Schulman's team through manual handling of the group's mail, there were security concerns as well.

"We were receiving mail through two or three post office boxes, monies were going to different places and we had two or three people who were responsible for different doctors. It probably wasn't the best safeguarding."

SNB Digital Lockbox

Schulman was receptive when SNB proposed Digital Lockbox services to streamline his billing and collection processes. An SNB Digital Lockbox provides clients with a "digital lockbox" that efficiently manages the business flow of paper related to an

The group's neurosurgeons have between 900 and 1,000 patient encounters per month, including consults, clinic visits or surgeries. In addition to the administrative support for the group's neurosurgeons, the staff at NTXNA performs billing services for a fifth neurosurgeon that is not part of the group.

organization's cash cycle. This paper most often consists of: receivables, invoices, checks, EOBs and other documents. Organizations that use an SNB Digital Lockbox outsource the processing of their mail to SNB, providing faster access to cash, reducing administrative expenses, mitigating risk and improving management control.

Every business day, the group receives about 300 pieces of incoming mail, each containing five or six pieces of paper such as checks and EOBs. When CFO Paul Schulman joined the group two and a half years ago, there were four billing employees handling and processing this mail. "Everything was a manual process – writing up deposit slips, and keeping all the EOBs and daily postings in boxes."

Workflow Efficiencies Gained

NTXNA began using an SNB Digital Lockbox in early 2003, and almost immediately the group realized a reduction of half to one full-time person from not having to prepare deposit slips. "I don't get a great amount of benefit from having my billing and collections folks adding up and doing deposit slips," says Schulman. "I'd



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rather have them work on getting the money into the door faster, or making calls and working on something that is going to increase our cash flow. Basically, the SNB Digital Lockbox services allowed me to redeploy them to do things that are going to increase our cash flow.”

Patient Service Enhanced

The staff at NTXNA now accesses its documents online, through a secure Internet connection. One benefit of online access to document images is experienced when handling patient inquiries. “If somebody calls and tells us they paid \$20 six months ago, we can go into the system and look it up, rather than trying to find a document which could be in a box in another office,” continues Schulman. “Before, we would have to start peeling down trying to find that one piece of paper. Obviously, online access helps keep patients from getting irate because we can’t find their \$20 payment and they don’t understand what the problem is.”



Paul Schulman, NTXNA CFO

Safeguards in Place for Managing Cash

Employing an SNB Digital Lockbox not only provides NTXNA with a savings of labor and enhanced patient service, it is providing safeguards that keep Schulman from worrying about the handling of money, since the money is no longer handled by staff at the group. The potential for fraud or embezzlement is a serious concern for any practice. “You do hear horror stories of embezzlement – it can exist in any small business, and doctors are for the most part small businesses,” says Schulman. “The risks are high just based on the sheer number of turns.

Using this service lets me just tell our physicians that they don’t have to worry about it. It removes multiple areas of potential leakage.”

Collections Cycle Shorter

The collections cycle is shorter now because the SNB Digital Lockbox relieves the NTXNA staff from handling menial tasks they didn’t enjoy. Schulman estimates that the SNB Digital Lockbox has reduced the collections cycle by five days. The cash value of reducing the collections cycle at NTXNA is between \$50,000 and \$60,000.

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SNB Digital Lockbox Simple to Use

All that is required to use the SNB Digital Lockbox is a PC connected to the Internet. To view documents, staff log-in to a secure, encrypted web site which is fully HIPAA compliant. Staff can search for documents a number of ways, because they are indexed using fields such as patient name, insurance company name or even check number.

The Bottom Line

Even though there was going to be an incremental cost to using the SNB Digital Lockbox, Schulman knew he was going to reduce overhead or redeploy staff as a result – a benefit either way. The result has been savings in personnel costs of \$15,000 per year. Add to this the cash benefit of reducing the collections cycle, as well as the safeguards gained through the use of the service.

Schulman is pleased with SNB and the service it provides to NTXNA. “I’ve never felt like I was working with a bureaucracy. The local feel is good. We’re venturing out into some new entities and auxiliary programs, like a pain center and imaging, and we’re setting them up with an SNB Digital Lockbox.”