

How an Orthopedics MSO Found \$10.3 Million in Underpayments and Automated 12,500 Surgery Estimates

At a glance

The Situation: Rapid MSO growth demands revenue cycle optimization

Challenges: Revenue leakage, slow response time, time-consuming workflows

Solution 1: RevFind systematically identifies underpayments with precision

Solution 2: Clarity Flow speeds and streamlines insufficient upfront patient payment estimates

The partnership: A coordinated revenue recovery team

At a glance

Challenges

- Revenue leakage due to underpayments
- Slow customer service from legacy vendor Experian
- Time-consuming workflows to send patient estimates

Results

- **\$10.3 million** in underpayments surfaced (13% of revenue)
- **12,500 accurate estimates** generated annually
- Time to generate each estimate drops from **5 minutes to 1 minute**
- **\$43,000** for additional staff hire avoided
- Compliance maintained

"MD Clarity has been everything I could have hoped for in a vendor partner. Their work has been spectacular." – Vice President of Revenue Cycle, Orthopedics MSO

The Situation: Rapid MSO growth demands revenue cycle optimization

An orthopedics management services organization on the precipice of rapid growth sought to improve its revenue cycle so it could capitalize on planned growth initiatives. The group was oriented towards dropping their cost-to-collect ratio, which would enable them to generate more cash flow from their growing revenue base and spark a flywheel effect by funding further growth initiatives.

This orthopedics MSO involves over 200 physicians across several states.

Challenges: Revenue leakage, slow response time, time-consuming workflows

Before partnering with MD Clarity, the MSO faced several challenges in its revenue cycle processes:

- **Revenue leakage due to underpayments and denials** - This orthopedic MSO's revenue cycle management system, Experian, wasn't identifying key areas where payers paid less than the amounts agreed to in their contracts. As a result, the MSO leaked meaningful earned revenue. Add Experian's inaccurate payment variances based on faulty calculations, and the MSO suspected that wasted time and expenses would only increase as the MSO grew.
- **Slow customer service from legacy vendor Experian** - Experian often took weeks to get back to questions and concerns. In turn, the MSO risked missing payer underpayment notification deadlines, possibly leading to permanent loss of underpaid amounts.
- **Time-consuming workflows to send patient estimates** - Cross-referencing eligibility benefits with treatment fees proved a cumbersome spreadsheet juggle that depleted staff time and bloated operational costs. Staff and patients struggled to communicate. An uneven practice of sending patient payment estimates made the MSO vulnerable to patient dissatisfaction, compliance breaches, and inadequate patient collections.

Solution 1: RevFind systematically identifies underpayments with precision

To address these challenges, the MSO implemented MD Clarity's [RevFind](#) to identify underpayments.

Before implementing this solution, the vice president of the revenue cycle would catch false payment variances generated by Experian. Lacking confidence in Experian's output, the MSO had been using cumbersome manual processes to check underpayments. The vice president sought a platform that could handle its complex multi-procedure claims and claims involving elaborate mid-level modifiers.

With RevFind, every payment that came in was automatically checked against the amount listed in the contract. Underpayments were consolidated in a user-friendly interface that broke down amounts by

payer, provider, location, and CPT code.

The MSO took these underpayment recovery steps:

1. **Delivered all contracts to MD Clarity for upload.** Digitization of all agreed-upon rates powers comparison with actual allowed amounts.
2. **Integrated RevFind with their practice management system** to catch all incoming reimbursements.
3. **Configured the tool** to send underpayment recovery tasks to appropriate revenue cycle staff, creating a reliable workflow.
4. **Analyzed underpayments to determine best and worst payers**, as well as issues with specific locations, physicians, and CPT codes.
5. **Leveraged MD Clarity's underpayment recovery specialist** to learn about and adopt underpayment recovery best practices.

The MSO explains how MD Clarity made underpayment identification and analysis simple here:

"Integrating our contracts was very easy and any changes needed are quickly addressed as well. Implementing this tool to our workflow was really easy and has simplified my team's workload." – Financial Counselor Supervisor, Orthopedics MSO

Within a few months, the MSO:

- identified **\$10.3 million** in underpayments from 7 payers, amounting to **13% of reported revenue**.
- uncovered a meaningful value creation lever without increasing headcount.

Solution 2: Clarity Flow speeds and streamlines insufficient upfront patient payment estimates

The MSO provided some patient estimates for surgeries, but their system was uneven. It resolved to provide estimates for all surgical patients, as transparency is critical to improving collections rates given the costs involved.

Clarity Flow's automation supported staff in compiling the often complicated surgical estimates so that patients could depend on the figures and plan accordingly and with sufficient time.

The MSO team took these steps:

1. **Delivered all contracts to MD Clarity for upload** to power the estimates.
2. **Integrated patient and service information** from the practice management system with Clarity Flow.
3. **Automatically generated accurate estimates** for staff review.
4. **Sent accurate estimates** to the right patient at the right time.

"The onboarding team was amazing and very attentive." – Financial Counselor Supervisor, Orthopedics MSO

Using Clarity Flow helped the MSO:

- drop time to create each initial estimate from **5 minutes** (Experian) to **1 minute** (Clarity Flow).
- get **12,500 accurate estimates** to surgical patients each year, improving collections.
- avoid **\$43,000** in the cost of an additional billing staff member.
- meet delivery timelines to remain compliant with the No Surprises Act.

The partnership: A coordinated revenue recovery team

MD Clarity's customer success team recommends solutions and explains how other clients have solved similar challenges the MSO faces. Quarterly business reports tally underpayments, as well as the number of patient payment estimates it has supported. The open line of communication between the vice president of revenue cycle, their team, and MD Clarity enables both teams to work closely in support of the MSO's goals.

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You can get results like these with support from MD Clarity tools RevFind and Clarity Flow. [Schedule a demo](#) today.

Other outcomes from MD Clarity customers


Community Care Partners
Recovers \$160,000 from
Single CPT Code within 3
Months

Radiology Imaging Associates
Identifies \$1.1 Million in
Validated Underpayments


Minnesota Eye Consultants
Recoups Significant
Underpayment Revenue from
Its 100,000+ Yearly Visits

MONTHS

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HS 100,000+ yearly visits

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MD Clarity Helps a Women's Health Physician Group Save \$172,000 to \$344,000 by Automating Patient Cost Estimation

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MD Clarity Helps a Major Radiology Practice Improve Collections and Patient Experience

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Get paid in full by bringing clarity to your revenue cycle

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