

Lineagen, Inc

Salt Lake City, UT

Specialty: Laboratory & Diagnostic
AdvancedMD client since: 2012

TECHNOLOGY PROFILE

AdvancedMD comprehensive cloud claims and billing solution, including electronic verification, industry-leading clean-claims submittal, and simple, powerful claims workflow management.

SERVICE HIGHLIGHTS

The company provides genome testing targeted at early detection of autism in children. Early diagnosis results in more effective treatment and shorter time in treatment, providing significant overall cost savings and improved long-term patient outcomes and quality of life.

OVERVIEW

This early-stage company is a pioneer in genetic testing targeted at early diagnosis of autism in children. The technology is new, and its benefits were not well understood by insurance providers. The company relied on an outsource billing company for reimbursements, but found that claims were outstanding for over one year, and the third-party billing relationship insulated them from crucial in-depth discussions with insurance companies. AdvancedMD brought claims and billing in-house, where days' sales outstanding dropped to 30-90 days, month-to-month collections increased threefold, and relationships with key insurance providers blossomed through direct discussions and interactions.

Lineagen is a pioneer in the cutting-edge world of genetic testing-based diagnostics and services. Initially focused on the early diagnosis of autism in children, the company has faced the challenge of developing an efficient and reliable revenue stream for a highly effective, yet not broadly known or understood new diagnostic tool.

"One of the critical elements as a young company that you really need to own is revenue security," said Michael Paul, president and CEO of Lineagen. "It was very important for us to internalize our revenue collections and our billing efforts so we had more control over our future."

The most significant challenge to realizing this goal was lack of visibility into the claims and billing cycle. Because many insurance providers are unfamiliar with the benefits of this new technology, significant amounts of time were lost in lengthy waits for claims to be processed and paid – even through a professional outsource billing service.

"Working through an outsourced biller, we had many problems with visibility and what our claims were doing – where a claim was in the process and whether it had been adjudicated by the insurance

provider," said Jeremy Schow, manager of client services and billing for Lineagen. "We were collecting the majority of our payments about 250 days to one year from submission."

Even more fundamental was the challenge of obtaining information on whether a patient was covered by insurance for this test. "This was a big problem. We would submit not knowing if the patient was insured," said Schow. "We wouldn't know for two or three months if that patient was actually insured."

Communicating the value of this new technology to insurance carriers was especially challenging because outsourced billing services insulated the company from those relationships. "With the outsourced billing provider we didn't have the visibility into how our message was getting translated to the insurance company," said Alex Lindell, senior director of product management and co-founder of Lineagen.

"They weren't necessarily the best broker of what it is we do and the value we provide to them and their patients. We have a powerful story about huge potential cost savings and dramatic outcomes improvements through early diagnosis that is best told directly by us."

“ We have seen approximately a three-fold improvement on a month-to-month basis of increased collections ”

Michael Paul, CEO

Lineagin began the search for a revenue cycle management solution with a well-defined set of criteria that directly addressed their greatest challenges.

Specific items included:

- Real-time visibility into claim process and status
- Easy-to-understand-and-use process management tools
- Well defined workflows and action plans for dealing with claims
- Simple for staff to learn and execute
- Significant cost savings form improved collections as well as reduced personnel requirements

Significant due-diligence scrutinizing of both internal and outsourced solutions

highlighted the advantages of AdvancedMD software in addressing each of these key requirements. "We looked at companies that provide everything from third-party outsourcing solutions to various pieces of the technology," said Paul. "We were really struck by the comprehensive nature of the technology, which allows us to do the billing and then the follow up, and the full aspect of the reimbursement process."

Lineagin selected the AdvancedMD comprehensive claims and billing solution, which includes electronic verification, industry-leading clean-claims submittal, and simple, powerful claims workflow management. The cloud-based solution is accessible anytime from virtually any Internet connected computer.

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The outcome

With the AdvancedMD solution, Lineagin turned the corner in their ability to control their own financial destiny. "We have seen approximately a three-fold improvement on a month-to-month basis of increased collections using AdvancedMD technology as compared to our previous technology provider," said Paul. "That has really been a step-change improvement with respect to the economics of the company."

The system has also helped Lineagin take control of its revenue cycle using existing in-house resources, rather than relying on outsource billing services or increased headcount. "AdvancedMD was by far the leader in giving us the tools and technologies that we needed to take control of our own revenue security," said Paul. "Because of the ease of use and multifaceted technology options, we could deploy and then leverage our existing internal resources very efficiently."

On the collections front, AdvancedMD has dramatically reduced the turnaround time in receiving reimbursements, with corresponding reductions in days' sales outstanding (DSO). "Now, rather than it taking a year and a half to get paid our full DSO, we're doing it in 30, 60, 90 days," said Schow. "That's a substantial decrease in time and increase in revenue."

A key to these improvements has been the ability to submit thoroughly scrubbed claims with far fewer rejections from insurance companies. "I can know there is going to be a problem on the other end before it ever leaves our office," said Schow. "So by the time it gets to the insurance company, the claim is clean, ready to be processed, and impeccable."

Knowing a patient's insurance eligibility has also significantly improved claim processing turnaround time. "From the moment I put a patient into our system I

can find out in two seconds whether or not they have an actual policy," said Schow. "So I know that I am submitting the correct patient to the correct insurance."

Efficient in-house claims processing has also given the company key exposure and access to insurance providers, in order to help educate them on the cost and positive patient outcomes benefits of genetic testing technology.

"What I like most about AdvancedMD is that it gives us the ability to most effectively manage the relationship with insurance companies so we can communicate with them and get the best reimbursement for our patients as quickly as possible," said Lindell, "It's pretty exciting. It makes a big difference. We have a lot more confidence in what type of commitments we can make with respect to how much the test is going to cost patients and their families."

