



# Case Study: Laboratory

*Successful collections in multiple states,  
extensive reporting and credentialing assistance*

## Organization

Laboratory

## Issues

- Growing business
- Locations in multiple states
- Patients with a variety of insurances
- Limited financial reporting
- Large physician referral network
- Lean staff

## Solution

PGM Billing

## Results

- Increase in collections
- Excellent customer service always addresses questions or issues
- Timely delivery of financial reports
- Credentialing research
- Assistance with insurance verification
- Education on rule changes and impact
- More time to focus on expanding business

## Background

A full-service, independent laboratory with locations in multiple Southern states was experiencing significant growth, but its existing billing partner was struggling to handle the increase in claims and meet the evolving needs of the expanding organization. The billing company could not effectively process the extensive variety of insurances accepted by the lab and its referring physicians, and was unable to deliver the financial data the organization needed for effective reporting and benchmarking. The billing company also failed to effectively stay abreast of the frequent changes to billing and coding rules and regulations, leading to an increase in denials and days in A/R.

## Partnership

With its sights set on further expansion, the lab determined it needed to find a new medical billing services partner — one with national experience and expertise in laboratory billing and a team capable of managing a rapidly growing number of claims. After performing extensive due diligence, including speaking with multiple laboratories as references, the organization selected PGM Billing as its new lab billing partner.

## PGM Services

Since entering into the partnership in 2013, PGM has provided the lab with a wide range of services, including the following:

- **Claims processing for all locations**, from submission to payment posting, including claims review and denial management.
- **Management of complex out-of-network profile**, and large patient deductibles and large balances while maintaining strong relationship with referring physicians.

*With PGM's comprehensive, personalized lab billing services, the organization is able to focus on delivering great services and continuing to expand its business.*

- **Delivery of extensive billing and collections data and reports**, including reports on accounts receivable, procedures by frequency and CPT code, payments received and charges submitted, and reimbursement by insurance carrier, broken down by referring provider, location and/or sales representative.
- **Assistance with patient and physician insurance verification**, including determining which referring physicians are in-network or out-of-network under different insurances.
- **Education on the frequent revisions to toxicology billing and coding rules**, both on the federal level and with individual commercial insurers, which can vary from state to state and carrier to carrier. Note: This included educating the lab on the extensive changes to toxicology coding rules and preparing the lab for responding effectively to the subsequent reduction in reimbursement.
- **Integration with the organization's laboratory information system**, which allows for fast, secure delivery of billing data.
- **Dedicated account representatives who not only understand lab billing**, but know what the specific organization requires to meet its financial objectives and maintain its success.

### Results

Since the lab selected PGM as its new billing partner, collections have increased while time to payment posting has decreased. The lab receives timely delivery of financial reports, which has allowed the organization to conduct detailed analyses on the performance of each of its locations and evaluate the benefits of providing certain services versus their associated costs, helping further improve efficiency and the bottom line. PGM's ability to effectively record and report sales representative data ensures accurate calculation of commissions, which has kept representatives motivated to recruit new referral sources.

The partnership has proven to be such a success that the lab expanded the arrangement, most recently to include the addition of PGM's credentialing services, which include surveying and researching opportunities to become an in-network lab. These efforts have helped the lab add multiple new referring physicians at each of its locations. With PGM's comprehensive, personalized lab billing services, the organization is able to focus on delivering great services and continuing to expand its business.