



Case Study

Enhancing Accuracy in Credit Adjustments in Re-Authorization Orders for a Major HME Provider

OUTCOMES AT A GLANCE

94%

Decrease in Adjustment Errors

92%

Decrease in Financial Inaccuracy

93%

Decrease in Adjustment with Incorrect Reason Codes

EXECUTIVE SUMMARY

SunKnowledge Inc. undertook a process improvement initiative to address recurring errors in credit adjustments within the re-authorization workflow for a Home Medical Equipment (HME) client operating from multiple locations. These errors—chiefly missed adjustments and incorrect selection of adjustment reasons—were leading to revenue leakage, compliance risks, and increased operational costs. Using internal audits, workflow analyses, and targeted training programs, the team reduced missed adjustments by 94% in eight weeks and decreased overall adjustment-inaccuracy by 92%. This case study showcases how proactive audits, corrective actions, and a performance-driven culture helped improve financial accuracy and team performance.

CHALLENGES

- ❗ **Missed Adjustments:** Orders were escalated without making the necessary financial adjustments, especially in non-retro payer scenarios or when transitioning between workflows.
- ❗ **Incorrect Adjustment Codes:** Team members applied wrong adjustment reasons, especially among newer staff with limited training.
- ❗ **Financial Impact:** Errors led to delayed reimbursements, rework, and compromised financial records.
- ❗ **Lack of Standardization:** Varied understanding of adjustment logic across team members contributed to inconsistencies.

SOLUTIONS

- ✓ **Targeted Training:** Conducted scenario-based sessions explaining:
 - Key differences between credit and write-off adjustments.
 - Region-specific nuances in adjustment scenarios.
- ✓ **Daily and Weekly Reviews:**
 - Audited Held Reports for missed invoices and incorrect balances.
 - Maintained and compared Adjustment Workbooks across weeks.
- ✓ **Performance Monitoring:**
 - Initiated an 8-week Performance Improvement Plan (PIP) for underperforming staff.
 - Implemented mandatory entry of adjustment reasons in tracking sheets.
- ✓ **Leadership Oversight**
 - All adjustments above \$500 were reviewed by global leads.
 - Team leads monitored repeat offenders.

ANALYSIS AND APPROACH

SunKnowledge deployed the following methods to identify root causes and opportunity areas:

- 🕒 **Data-Driven Audit:** Weekly audits using Brightree-generated reports (Held Report, Unposted Snowflake Report, Ad-hoc Reports).
- 🕒 **Root Cause Mapping:** Identified gaps such as lack of attention to financial tabs, pressure to meet productivity goals, and insufficient knowledge on retro-payer rules.
- 🕒 **Training Programs:** Conducted sessions on types of adjustments, when to apply credit vs. write-offs, and accurate root cause identification.
- 🕒 **Cheat Sheets & Workbooks:** Introduced standardized resources with adjustment codes and descriptions.

RESULTS

Post our error-trend analysis, we found out that the largest number of errors were attributable to Adjustment Errors - inaccurate and/or missed. Therefore, we decided to audit, analyze and implement an action plan for an increased part (from the regular 6% to 10%) of the entire dataset for 8 weeks.

The tables below show the data and outcome between the end of the first week and the end of the eighth.

	Orders Audited	Clean Orders	Non-Clean Orders	Overall Accuracy	Accounts with Adjustment Errors
End of Week 1	3,758 (10%)	3,496	262	92%	147
End of Week 8	3,030 (8%)	2,972	58	98%	9

Metric	Before Optimization (End of Week 1)	After Optimization (End of Week 8)	Improvement
Accounts with Adjustment Errors	147	9	94% Decrease
Financial Impact due to Adjustment Errors	\$72,765.15	\$5,821.20	92% Decrease
Accounts with Missed Adjustments	71	4	94% Decrease
Adjustment with Incorrect Codes	76	5	93% Decrease

KEY SUCCESS FACTORS



Focused Audits: Weekly audits identified trends, repetitive errors, and region-specific gaps.



Data-Driven Training: Used real order scenarios to teach adjustment logic.



Leadership Involvement: Global reviews for high-value adjustments fostered accountability.



Cultural Shift: Emphasis on attention to detail and reduction of errors created a quality-focused environment.

CONCLUSION

By institutionalizing standard operating procedures, fostering team accountability, and investing in continuous training, SunKnowledge significantly improved financial accuracy in the re-authorization process. These initiatives not only enhanced revenue integrity but also empowered team members with greater clarity and confidence in executing adjustments



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