

## CASE STUDY

# Texas Health System Recovers Locums Revenue

A midsize facility, owned and operated by a large 30-hospital metropolitan health system in Texas, is recognized for providing exemplary, award-winning quality health care to its patients. Staffed with more than 250 physicians, the facility is Joint Commission accredited and has been cited with numerous awards for standards of care and performance excellence.

## Challenge

The midsize facility faced possible shutdown of their on-call surgery department when they found themselves suddenly short-staffed. Typically, a pod of four employed surgeons participated in a call rotation to provide 24-7 on-call coverage. When surgeons began to either resign or “age out” of call obligation (a process allowed by the bylaws of the facility), the department was quickly left with only two surgeons carrying the load for the entire facility. Occasionally, they got help from two non-employed surgeons with privileges at the facility, but they, too, had aged out and were no longer participating. With such gaps, they were facing shutdown and urgently needed a solution.

**“Losing surgical coverage was not an option for the facility, as this would require a virtual shutdown of the ED.”**

**Physician Services**, Texas Health System (Midsize Facility)

## Partnership

Due to AMN Healthcare’s expertise in placing qualified healthcare practitioners across all specialties, the facility chose AMN to solve their physician shortage problem in the surgery department. Staff Care, an AMN company, stepped in to provide locum tenens

sourcing, while AMN Locums Revenue Cycle Management, the first ever complete billing solution of its kind, helped capture revenue generated by locum tenens.

## Solution

First, new coverage options were developed to incentivize and encourage physician participation. A fair market value and commercially reasonable payment for surgical coverage was developed and offered to the physicians that were actively taking calls and to those physicians that had opted out of the rotation. Another option discussed was offering surgeons not currently practicing in the community emergency privileges so they could help provide coverage.

Secondly, the use of locum tenens became a serious consideration. It had not been considered initially because they lacked a billing infrastructure for locum tenens. Also, restrictions, time constraints and other complexities cast uncertainty on how to claim reimbursements.

By contracting with Staff Care, Texas Health System’s facility gained the ability and confidence to use locum tenens to solve the staffing shortage problem in the surgery department. To handle the billing and cost recovery of locums, AMN Locums Revenue Cycle Management handled full credentialing, enrollment, coding, billing and collection services, making it easy for the facility to recover reimbursements from all payer sources, such as Medicaid, Medicare, insurance, and private pay. AMN understands the regulations and allowances surrounding locum tenens billing, such as the requirement for full credentialing and the use of Medicare billing codes such as modifier Q6. There are also medicine laws and other provisions taken into account.

## Results

The partnership with AMN enabled the facility to successfully gain access to a locum tenens sourcing and cost recovery solution – all in one! Locum tenens provided the coverage needed in the surgery department. The department gained added stability, as well as enhanced their revenue stream.

By using AMN Locums Revenue Cycle Management, the facility is able to recover reimbursements from all payer sources. To date, the facility has offset their total locums spend by 17% – 20%.

“I had no idea we were losing out on thousands of dollars in professional fees until I received a call from the locum tenens billing team at AMN. Given how confusing and time-consuming billing is it gives me great peace of mind to know that they are taking care of everything for us. Now we can handle all our staffing needs and recover costs in one phone call.”

**Physician Services**, Texas Health System (Midsize Facility)

## Summary

### Challenge

The midsize facility faced possible shutdown of their on-call surgery department when they found themselves suddenly short-staffed.

### Partnership

Staff Care, an AMN company, stepped in to provide locum tenens sourcing, while AMN Locums Revenue Cycle Management was used to capture revenue generated by locum tenens.

### Solution

New coverage options were developed to incentivize and encourage physician participation, such as the development of a commercially reasonable payment for surgical coverage.

### Results

The facility gained access to a locum tenens sourcing and cost recovery solution – all in one! Locum tenens provided the coverage needed in the surgery department. And to date, the facility has offset their total locums spend by 17% – 20%.



We've earned  
The Joint Commission's  
Gold Seal of Approval™

