

New Chandler firm blazes trail in accurate health-care claims

Chandler is getting the attention of higher-ups in government with Intel's \$5 billion Fab 42 plant under construction. This new plant will make the city an Intel town or pretty close to it.



My Turn
Ray Torres

Not too long ago, Chandler was agriculture, cattle and dairy farms. Over time, the city transformed itself into an urban community with an eye on its ever-growing manufacturing and technology industry.

In fact, the city continues to blaze trails with new technology that will both diversify and stabilize the community's job market well into the future.

Called Innovations, the city's project entails incubator lab space at a former Intel facility in west Chandler that will be made available to smaller science and technology startups.

State-of-the-art infrastructure is

usually a lagger for cities but not for Chandler. For example, the largest player in the Phoenix storage and data-management market is IO data center. IO Chandler offers co-location options for Chandler-based businesses. Digital Realty Trust is another major player. It has a 293,000-square-foot facility on Price Road.

A recent entrant into Chandler's collage of technology companies is SilverTree Health. The company's one-of-a-kind business model addresses ever-persistent health-insurance claims reimbursement and payment problems, which is a big issue not only for patients but also for medical practices. With its proven and robust software-platform design, the company provides a cost-efficient payment and claims-processing system.

Claims-payment inaccuracies nationwide have not improved and, in fact, have increased over the past year. The system is far from efficient and quite error-prone. An American Medical Association report indicates that 19.3 percent — almost 1 in 5 — of med-

ical claims processed by the nation's largest commercial health insurers are inaccurate.

Further, there was a 2 percent increase in errors over last year's findings, which added an estimated \$1.5 billion in unnecessary administrative costs to the health system.

It is estimated that if all health insurers were able to eliminate all claim-payment errors, the health-care system would save \$17 billion a year. In fact, approximately 1 in 7 (more than 14 percent) health-insurance claims go unpaid, which is a high denial rate. The turnaround is between 45 and 90 days, thus creating significant outstanding receivables for medical practices.

Why has the health-care community put up for so long with the health-claims issue, which protracts revenue cycles and frustrates patients as well as medical practices and other health-care providers? Because innovative entrepreneurs such as Michael Fossum, doctor of osteopathy at SilverTree Health, have only recently developed a robust engine to solve the problem.

There isn't anyone that takes independent medical-practice profits more seriously than Fossum, the founder and CEO. The company diligently works to help independent medical practices remain independent by improving billing processes and driving more profits per patient.

It is the only medical-billing software and service company that guarantees an increase in profits. The one-of-a-kind approach combined with the company's coding experts equals a miraculous boost in collected revenue of 20 to 30 percent for its clients in just a very short period.

What a concept: Use today's technology to solve the industry's persistent \$17 billion-a-year problem.

Ray Torres is president of Torres & Associates LLC, a boutique business-consulting firm with emphasis in telecom and IT health solutions. He has served on the boards of several privately held technology companies.