

As it outgrew a fleet of expensive-to-operate inkjet printers, RC McLean re-engineered its business processes and upgraded its corporate image while generating significant savings with new Lexmark network lasers and MFPs.

## Medical-billing firm saves \$121,000 over four years, streamlines operations with Lexmark printers and MFPs

### The Organization

RC McLean & Associates, Inc. (RCM) is a 55-person practice-management firm that provides billing and other professional services to more than 300 anesthesiologists and other medical specialists throughout the United States.

Known for maintaining close professional relationships with its physician client base, RCM has developed highly regarded proprietary software in response to the healthcare industry's ever-changing billing and insurance procedures. In addition to its Santa Ana, Calif. headquarters, RCM operates two satellite offices.

### The Challenge

Healthcare providers spend \$7 billion annually processing insurance claims. Statistics indicate that it currently costs a typical medical practice between \$10 - \$15 per claim to process insurance for their patients and that the turnaround on paper insurance claims is 30, 60, even 90 days or longer, creating a serious paperwork burden on the practice. And, today, much of that burden is associated with paper. But, as more and more medical practices are moving to electronic medical records, the challenge of imaging documents becomes paramount. Paper claims take about 35 minutes to process and are rejected at a rate of 30 to 35 percent, whereas less than one percent of electronic claims are rejected.

Insurance forms, doctors' services rendered sheets and other incoming documents are often electronically imaged by scanning and archiving them in an electronic document management system. Invoices are generated and mailed to patients. Payments are processed. Tying it all together is a series of lengthy detailed reports, some printed and mailed to physicians weekly, others generated for internal use. "For a small company, we generate a large amount of paper," said Gary Conway, RCM's Vice President of Operations.

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Vice President of Operations  
RC McLean and Associates, Inc.  
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For a company with just 55 employees, an inventory revealed that RCM had 40 printers. Nearly each employee with a computer had a personal, locally attached inkjet printer at or under their desk. Though attractive for their low purchase price, inkjets are often costly to



operate in a high-volume business environment. In addition, inkjet printers, designed for home use are not able to withstand the rigors of continuous use. As a result, inkjet printers often broke down, requiring frequent repair or replacement, impairing productivity in the office.

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A mountain of internal reports, generated by RCM's IBM AS/400, include accounts receivable and analytics sorted by physician. These reports were printed on several dot matrix printers that were speedy, but produced low-quality text on continuous-form paper. The dot matrix printers were noisy and required ribbons that were becoming increasingly difficult find.

With its client base continuing to grow, RCM decided the time had come to find ways to make its business processes more efficient, eliminate its dozens of non-networked inkjet printers, reduce costs and speed up its processes. It also needed to find a way to streamline the process of scanning incoming documents for archiving in its central electronic document management system.

RCM's solution provider, Dempsey-Bluevar, brought together key RCM employees and a team of medical-industry specialists from Lexmark. Together they performed a detailed needs assessment, identifying areas of opportunity for improved workflow, device consolidation and cost savings.

“Lexmark's approach is different from that of its competitors,” said Michael Cobin of Dempsey-Bluevar. “Its knowledge within the medical industry, and other industries, gains them instant credibility with our clients because they speak their language, get up to speed faster and recommend solutions that are uniquely suited to our client's businesses.”

That was precisely the case at RC McLean.

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### The Solution

Based on the recommendations of the joint needs assessment task force, RCM installed three strategically located Lexmark networked monochrome laser printers and one multifunction printer (MFP). Equipped with duplex printing capability, the devices print on both sides of the page automatically, cutting paper consumption in half without requiring any changes to the applications running on its AS/400 system. “Not only do we get our reports faster, the results are far more professional than the old-fashioned dot matrix output, and the office is significantly quieter,” said Conway.

RCM now delivers reports to physicians that feature the company's corporate logo, boosting its own professional image. In addition, RCM now has the ability to generate charts for its physicians that track billings, revenues and cash flow.

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Finally, to improve its document-imaging processes and raise the quality of the images being archived for later electronic retrieval, RCM installed a Lexmark MFP. With a high-quality business-class monochrome laser printer at its core, Lexmark MFP technology seamlessly integrates an auto-feed document scanner, copier and network fax into a single space-saving unit designed to withstand the demands of a business environment. Using barcoded cover sheets generated on its Lexmark devices to identify and index documents being scanned, RCM has speeded its document imaging process while simultaneously assuring absolute accuracy, eliminating any possibility of document misfiling.

With security and confidentiality features built into Lexmark's MFPs, medical billing offices, like RCM, can be assured that patient information is safe and that they are in compliance with the Health Insurance Portability and Accountability Act (HIPAA). The touchscreen on Lexmark's MFPs make them easy for employees to use, but robust authentication controls give information access only to individuals who have such privileges.

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### The Results

RCM projects savings of about \$121,000 over four years by switching to Lexmark technology. “That is a lot of money to a small company,” said Conway. By retiring its inkjet printers, RCM no longer purchases expensive ink cartridges needing frequent replacement. With its dot matrix printers gone, hard-to-find ribbons and continuous-form paper are no longer needed. In total, RCM reduced its printer fleet from about 40 devices to just four. To assure top-quality results and reliable service from its Lexmark monochrome lasers and MFPs, RCM uses only genuine Lexmark supplies.

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The receivables and analytics reports generated for internal use by the dot matrix printers are now printed on a Lexmark laser printer. In addition to greatly improving readability, RCM is taking advantages of the Lexmark's two-sided duplex printing to cut paper consumption in half.

Conway acknowledges that while removal of employees' personal printers within arms' reach in favor of several networked high-speed laser printers was met with skepticism, staffers were quickly won over. “Reports were generated faster, printed on both sides to simplify handling, the quality was vastly better, and individual output mailboxes make document retrieval quick and easy,” he said. “Everyone appreciated that and our reputation gets a boost at the same time.”

Though RCM could have chosen printing technology from a variety of manufacturers, Lexmark alone is developing a partnership with the company. “Lexmark went further by understanding us and developing a comprehensive forward-looking document management strategy that will serve us well into the future,” Conway said. “We talk to our Lexmark representatives all the time. I can't remember the last time any other printer manufacturer even called us.”

For RC McLean, upgrading to Lexmark has generated significant savings and streamlined operations, providing the basis for future growth and a healthy business.