



Kern Medical's Prior Authorization Transformation

The Kern Medical Story:

Kern Medical is an acute care teaching center with 222 beds, offering the only advanced trauma care between Fresno and Los Angeles, California. Since its founding in 1867, it has provided a range of primary, specialty, and multi-specialty services, including high-risk pregnancy care, inpatient psychiatric services, and a growing network of outpatient clinics providing personalized patient-centered wellness care. A top-flight regional healthcare system, Kern Medical is a leading voice for health, healing, and wellness in the Central Valley.

The Challenge

Kern Medical faced the same prior authorization process challenges familiar to many healthcare organizations, limited by inefficiencies and manual interventions. Kern Medical needed to meet compliance with CMS Interoperability and Patient Access final rule (CMS-9115-F) to improve the electronic exchange of healthcare data and streamline processes related to prior authorization. They regularly navigated through multiple systems, including Cerner and payer portals, to initiate prior authorizations and track verification status. This required continuous follow-ups via fax or phone, leading to delays and increased administrative burden. The manual and tedious nature of the process not only consumed valuable staff time but also posed risks of errors and denials due to incomplete or delayed authorizations. This was evident in Kern Medical's subpar authorization resolution rate of 68%.

At a Glance

Problem

Kern Medical struggled with a 17% prior authorization-caused denial rate, a 68% authorization resolution rate, and a process limited by inefficiencies and manual interventions.

Solution

Kern Medical partnered with Valer to automate its prior authorization workflows, create operational efficiency, and exceed its prior auth benchmark goals.

Results

- Improved prior authorization-caused denial rate from 17% to 2%
- Increased authorization resolution rate from 68% to 97%
- Reduced workload of 2 full-time employees, enabling reallocation to a separate under-staffed team
- Enhanced operational excellence

The Solution

The Kern Medical team recognized the opportunity to improve and streamline their internal authorization workflow. For Kern, “streamlining” specifically meant setting goals and finding an efficient, user-friendly solution that supported compliance and demonstrated measurable KPIs to validate ROI. By bringing on Valer as its automation partner, Kern Medical benefited from decreased labor expenses and prior authorization-caused denials and saw a significant increase in authorization resolution rate in alignment with NAHAM’s Key CP-2. Moreover, Kern Medical was able to break down internal silos and enhance administrative productivity across the health center.

Results, Powered by Valer

Since Valer’s adoption in November 2022, Kern Medical’s authorization resolution rate has surpassed industry standards at **97%**. According to NAHAM’s Best Practice Recommendations, this rate is established by dividing the total number of authorizations required by the number of authorizations obtained. The operating efficiencies resulting from implementation allowed Kern to **reduce two full-time employee authorization positions** in its pre-services unit and reallocate those resources to their financial counseling unit. Ultimately, Kern Medical streamlined operations in four key areas:

- **Operational Excellence:** Valer accelerated the prior auth approval process, reduced manual errors, enhanced security, and freed up staff for more strategic tasks.
- **Productivity:** Valer eliminated time-consuming manual processes and decreased the time spent on follow-ups with payers.
- **Efficiency:** Valer enabled faster decision-making, eliminated the need for outside portals, and provided a centralized location for status tracking. It also helped improve Kern’s prior authorization-caused denial rate from **17% to 2%**.
- **Reporting:** Valer provided real-time insights into prior auth statuses and gave the Kern Medical patient access teams the tools to make data-driven decisions.

Built Around You

Valer’s technology speeds and simplifies prior authorization and referral management by automating submission, status checking, verification, reporting, and EHR synchronization across all healthcare settings, specialties, and payers from one platform and portal.

“At Kern Medical, our mission is to have a community-first mindset. Everything we do and strive for is to better the community we proudly serve. Innovative solutions like Valer’s prior authorization automation help us do our work more effectively and allow us to make a greater impact on the patients we serve.”

– Amber Teves, Manager of Front-End Revenue Cycle at Kern Medical

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