Florida Hospital Achieves Significant Quality Improvements Plus \$72.5 Million in Increased Appropriate Reimbursement with Nuance Clinical Documentation Improvement

Adventist Health System affiliated hospitals to implement enhanced CDI solution embedded with Cerner's clinical and financial health IT system

BURLINGTON, Mass., April 27, 2016 – <u>Nuance Communications, Inc.</u> (Nasdaq: NUAN) today announced that Florida Hospital has realized significant improvements in its Case Mix Index (CMI), resulting in \$72.5 million increase in appropriate reimbursement since the implementation of <u>Nuance CDI</u>. Additionally, Florida Hospital reduced its observed-to-expected mortality rates by 48 percent and achieved ICD-10 compliance. These clinical and financial improvements were a direct result of the substantial increase in clinical documentation integrity, accuracy and physician engagement that resulted from Nuance's clinically-focused CDI solution.

Florida Hospital deployed Nuance's CDI program, powered by the JATA Compliant Documentation Management Program®, at Florida Hospital in summer 2014 and completed an expansion across eight affiliated hospitals by May 2015.

After driving great success over several years, Florida Hospital will expand its program and leverage the enhanced Nuance Clintegrity™ CDI solution embedded within Cerner's Millennium® electronic health record and revenue cycle solutions. This integration will provide clinicians and clinical documentation specialists with a seamless and highly-efficient workflow that supports the quality of physician documentation with minimal disruptions. Nuance clients will also leverage computer-assisted physician documentation (CAPD) technology, which provides automated CDI clarifications to physicians, integrated into Cerner's Document Quality Review solution.

"Both financially and clinically, implementing Nuance's CDI program has been a tremendous success," said Jeff Hurst, SVP and senior finance officer at Florida Hospital. "Since deploying, we've seen a 29 basis point increase in CMI that equates to a \$72.5 million increase in appropriate revenue over two years. Physician participation is also a strong success measurement and we've seen up to 92 percent response rates and strong engagement from physicians in our CDI program."

"Having Nuance's CDI solutions embedded within Cerner Millennium will provide clinicians with a singular view of the application, eliminating the need to transfer information between multiple programs, reducing workflow steps and creating a more efficient process," said Rick Heise, SVP of Revenue Cycle, Cerner. "Through this enhanced solution, hospitals will be able to more accurately document a patient's care process and diagnosis and will be positioned to collect appropriate reimbursement for delivered care."

Exceeding CDI Goals and National Averages

Based on national averages, Florida Hospital aimed to improve its CMI by eight basis points through more thorough and accurate clinical documentation of the patient care delivered. Instead, its CMI improved from 1.59 basis points pre-implementation to 1.88 by fall 2015. CMI basis points at Florida Hospital are worth approximately \$2.5 million a year, resulting in a total of \$72.5 million appropriate reimbursement increase.

"We focused on improving the integrity of our documentation and making sure everything was as timely, thorough, and accurate as possible," said Hurst. "Our physicians deliver great care and we focused conversations with them on ensuring that they get measured and rewarded for it, a process that plays an

important role in a health system's publicly-reported outcomes."

Before the Nuance CDI implementation, Florida Hospital's observed-to-expected mortality rates were well above the national average, which related to gaps in clinical documentation. Working with Nuance to establish an <u>Advanced Practice CDI™ program</u> and other key documentation integrity initiatives, Florida Hospital more accurately documented the disease acuity of its patient population, which resulted in reduced observed-to-expected mortality rates by 48 percent in less than a year. The health system is now tracking toward the top quartile of the industry average because of continuous improvements. Clinicians now provide a more complete picture of a patient's health and recommend better treatment plans, ultimately providing better patient outcomes.

Excellent Physician Engagement

Strong relationships and alignment between Florida Hospital's administration and physician leadership were instrumental in the success of the CDI program. Education and engagement of 2,200 medical staff — only 20 percent employed by the organization — drove the documentation initiative. With physician response rates to CDI clarifications between 87 and 92 percent, medical teams are fully engaged and working to connect timely and accurate documentation to the high-quality care they provide.

"Nuance's award winning clinically-focused CDI approach leads to a 4-8 percent improvement in CMI, and more importantly, better overall quality ratings and patient care," said Satish Maripuri, EVP and GM of the <u>Nuance Healthcare Division</u>. "As healthcare providers struggle with decreasing reimbursements and enhanced focus on quality outcomes and proper risk adjustment, we work with our clients and strategic allies such as Cerner to deliver CDI solutions that optimize both clinical and financial outcomes as demonstrated at Florida Hospital."

Nuance's fully-managed, compliant CDI program has a leadership history as the No. 1 CDI program in the industry as ranked by hospital administrators, most recently reported by the 2015 Black Book Clinical Documentation Improvement Solutions survey. The program touches all aspects of an institution's clinical documentation process through technology and professional services. To learn more about Nuance's CDI program, please visit the Nuance website.

About Nuance Communications, Inc.

Nuance Communications, Inc. (NASDAQ: NUAN) is a leading provider of voice and language solutions for businesses and consumers around the world. Its technologies, applications and services make the user experience more compelling by transforming the way people interact with devices and systems. Every day, millions of users and thousands of businesses experience Nuance's proven applications. For more information, please visit www.nuance.com. Connect with Nuance on social media through the healthcare blog, What's next, as well as LinkedIn, and Twitter.

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