

Case study

McLaren Health Care

Key players



Challenge

By all accounts, in 2020 McLaren Health Care had a mature, well-functioning clinical documentation integrity (CDI) program. The team easily completed both concurrent and prebill reviews; second-level reviews of diagnosis-related groups (DRGs); and high-level DRG reconciliation while also having a retrospective post-bill audit in place.

But despite this advanced program, McLaren — a 2,246-bed health system in Michigan — struggled to keep up with evolving healthcare and coding regulations. Both teams faced growing pressure — the CDI team needed to improve Case Mix Index (CMI) and financial results without compromising CMS compliance, and the coding team to enhance quality and recover missed revenue amid frequent external audits.

“It became increasingly clear that we needed a more powerful solution to come close to matching payer reviews and better manage the complexity of documentation and coding today,” said Shawn MacPhee, McLaren’s Director of CDI.

The CDI team adapted to this new normal by prioritizing a specific set of cases for a deep dive. But this strategy meant that only charts that met their criteria got a thorough review.

Solution

With AI use in healthcare growing exponentially, McLaren’s team had options. They sought a scalable solution that could do full-population review of inpatient claims and identify opportunities before claim submission. The payment model had to reflect the value provided. And, most importantly, it needed to be a helpful tool — not a replacement for CDI or coding staff.

So, MacPhee started looking for a solution. When existing SmarterDx client Premier Inc., introduced the McLaren team to the company, they were impressed

“We found this solution that could enhance our team’s capabilities without substantially altering workflows or replacing clinical expertise,” explained Katerina Serdenkovski, VP Revenue Cycle at McLaren.

With more than a decade of experience under her belt, MacPhee knew that grouping charts this way meant that her team would have to leave dollars on the table.

The McLaren team could do a lot, but analyzing 30,000 data points per patient chart — and do it with incredible speed and precision — was a task for advanced clinical AI. And they needed that AI speed.



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— Shawn MacPhee

That’s because SmarterDx’s physician-designed clinical AI platform covered all of the team’s requirements. It was a purpose-built AI that understood clinical reasoning. It was created by physicians who were also data scientists themselves. It would compliment the McLaren’s team, not replace them.

As for the details, the McLaren team learned that SmarterPrebill would automatically review every data point in every patient chart, analyze the information, and connect it all. Whether the details came from clinical notes, lab results, provider orders, medication lists, vital sign reports, radiology imaging, or anywhere else in the chart, SmarterDx’s clinical AI platform would find and identify query opportunities for the teams so they could capture any missing or incorrect diagnoses.

Solution, cont.

It would also then prompt them to approve the recommendations — all before final billing. In short, using SmarterPrebill meant out with the busy work, in with meaningful work.

The cherry on top? The cost. With SmarterPrebill, McLaren would be adopting a results-based pricing model, meaning they only pay for findings their team approves that would have otherwise been missed. That means no upfront investment was necessary to uncover a net new revenue stream, and they would pay less over time as their team continued to improve and evolve.

MacPhee was in. SmarterPrebill went live across seven of McLaren's main campuses in a short 10 weeks' time.

Results

Within the first four months of implementation, McLaren realized an impressive \$3.8M in net new revenue. And, MacPhee noted, only a small percentage of McLaren's charts had findings that accounted for this increase in revenue. This validated her belief that her team was just as top-notch as she thought.

McLaren's CDI specialists agree. SmarterPrebill allows them to spend their time using their clinical judgment to review cases that need the expertise only they can provide. Plus, it removes inefficient work from their days.



SmarterDx has helped us achieve more than we thought possible...capturing over \$11 million in annualized net new revenue after fees."

— Dave Mazurkiewicz

Checklist for success:

How SmarterDx's clinical AI platform met (and exceeded) McLaren's needs

- ✓ **Guaranteed 5:1 ROI**
- ✓ **Quick implementation timeline**
- ✓ **Contingency-based pricing model**
- ✓ **No financial risk**
- ✓ **Supported CDI team, didn't replace them**
- ✓ **Recommended by consulting firm**



\$11.3M

realized annual net new revenue

"SmarterDx has exceeded my expectations completely," said MacPhee. "The team uses and loves it, and it delivers revenue and quality results, the impact of which is felt throughout the organization. It's just been a win across the board."

With the pilot program's success under their belt, MacPhee worked alongside McLaren's leadership to expand their partnership with SmarterDx. With full implementation of SmarterPrebill across the health system, McLaren has annualized over \$11M in net new revenue.

"SmarterDx has helped us achieve more than we thought possible," said McLaren Chief Financial Officer Dave Mazurkiewicz. "In the three years of our partnership, they have helped us identify missing and incorrect diagnoses before final billing. We are now reviewing 100% of clinical data across 100% of patient charts, capturing over \$11 million in annualized net new revenue after fees."

What's next

With the overwhelming success of implementing SmarterPrebill, McLaren didn't hesitate to expand their AI offerings when SmarterDx announced the launch of SmarterDenials. The new solution scans the patient record and generates appeals letters backed by the clinical evidence needed to win — recovering more revenue, and faster. As of August 2025, SmarterDenials has generated over 9,360 annualized appeals for the McLaren team.



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