Improving Revenue Cycle Management in Rural Arkansas

November 14, 2019
REVENUE CYCLE: PART I
TODAY’S OBJECTIVES: PART I

- Define the Revenue Cycle
- Help Identify Work Processes Within the Revenue Cycle
- Discuss the Importance of a Revenue Cycle Team
- Pros and Cons of Working with RCM partners
- Bringing it Full Circle
DEFINING THE REVENUE CYCLE
**Revenue Cycle**: All the administrative, clinical and financial processes which represent the “life cycle” of a patient account from patient engagement through payment resolution for an encounter, an episode of care or a series of recurring encounters.

The inter-related functions, when executed efficiently, result in the maximum reimbursement in the shortest amount of time (A/R days). A weakness in any of the individual processes can directly effect the overall revenue cycle performance.
Not just:

- Back office
- Billing
- A/R Management
- Collections
IDENTIFYING THE WORK PROCESSES WITHIN YOUR REVENUE CYCLE
The success of any business or industry is to attract and retain customers. This is no different for health care. Our patients are our customers. We serve consumers even in rural markets. Our paradigm must change.
THE C.A.R.E. MODEL®

“THE SOFTER SIDE OF REVENUE CYCLE MANAGEMENT”

© InQuiseek Consulting
Who exactly are your patients?
Who are your prospective patients?

Know the demographic profile of your community or service area:

- Age
- Gender
- Ethnicity
- Health & Insurance Status
- Income
- Educational Attainment
- Average Commute Time
- Household status
- Competition/Referral Base
1. Patient Access

- Patient Engagement
- Marketing
- Community Perception
- Ease and Speed of Scheduling
- Registration and Admission Experience
- Customer Service Model
ROADBLOCKS AND CHALLENGES THAT OCCUR DURING REGISTRATION
Not having the right people in those roles. Making sure the front desk understands how important they are. Update job descriptions and job codes.

Staff not adequately trained or don’t have the tools they need.

Establishing medical necessity or getting authorization prior.

Incomplete/poorly designed forms/duplicated info.

Patient demographics not verified.

Health plan not verified.
• Registration errors/omissions.

• Payer tables not well maintained—too messy to pick correct one. Tables need cleaning up.

• Secondary Medicare Payer questionnaire

• Third-party liabilities/Workers Comp determination. Make sure your staff is knowledgeable about how different health plans are structured.

• Understand High Deductible Plans and off-setting HSA and MSAs.
Have a financial counselor or supervisor available to discuss payment options. Protect your patient access staff from confrontation.

Verify coverage and deductibles in advance. Use system add-in tools to reduce on-phone time or bottlenecks. Register with payer portals.

Train staff to be casual but direct about the patient’s anticipated cost share of the service.

Good customer service does not mean we are too nice to take care of business.
2. Services Provided

- Communication and Education
- Medical Necessity
- Charge Capture Processes (clinical side)
- Clinical Documentation
- Optimization of Technology
- Chargemaster and GL Mapping (finance side)
Aspects of Providing or Rendering Clinical Services

- Patient Interface/Patient Experience
- Staff Training and Skill
- Documentation of Services
- Technology: Hospital Information System, Clinical Equipment, Medical Record
- Clinical Documentation
- Charge Capture
- Financial Policies: Pricing Transparency, Patient Education and Counseling, Staff Training
COMMON PROBLEMS WITH CHARGE CAPTURE AND CLINICAL DOCUMENTATION
Workflow inefficiencies—redundancy in processes, redundancy in footsteps, redundancy in data collection.

Poorly designed templates or forms

Illegible or poorly designed notes (handwritten)

System limitations and security matrix problems

System Tables/Files not updated or linked correctly

Visits or Days not Reconciled
Missed Charges (Who enters what? How captured?)

Other Charge Errors

System Descriptions/Naming Conventions

Hybrid Charge Capture

Charges for services not performed; wrong service captured.

Late Charges

Chargemaster/Fee schedule errors
Services Performed but not documented or not captured. Sub-system crossover problems.

- Lab
- Injections and Infusions
- Nursing Services
- Provider Services (Bedside)
- Pharmacy
- Imaging

- Order not on chart/ Telephone Orders

- Chief Complaint not addressed or Diagnosis is inconsistent with CC.
Discrepancies in the Record (gender/laterality/HPI & Exam)

Diagnosis Sequencing is incorrect

Diagnoses coded that were not addressed/related to visit.

Lab results not on chart or reviewed

Poorly Designed or Written Notes/Templates

Inadequate EHR Mastery

Unsigned or Incomplete Records (30 days?)

Bills on hold for provider review/finalization.
3. **Claims Process**

- Contracting and Credentialing
- NUBC Guidelines
- System Configuration
- Edits
- RTP
- Claim Adjudication
- Managing Denials
DELAYS AND HOLD-UPS IN CLAIMS PROCESSING
- Payers not set up correctly in your system
- Providers/provider numbers not set up correctly in your system
- Incomplete or Delayed Credentialing or Provider Enrollment
- NUBC Guidelines Not Followed
- Missing Condition Codes
- Missing Occurrence Codes
- Bypassing Billing Edits (adding -59)
- Too restrictive system edits
Clearinghouse/Software Problems/EDI Issues

- Submitting Duplicate Claims
- Missing or incomplete patient information
- Claim submitted to wrong payer
- Use of non-specified diagnosis or procedure codes
- Conflicts with payer’s business rules
- Sometimes payers do make mistakes
Best Practices in Claims Management

- Start with Patient Access/Registration because it’s where the claim is created.
- It’s easier to prevent denials in the first place than to correct them on the back end.
- Have periodic internal “tracer” audits as part of your revenue cycle function as well as your compliance plan.
- Establish relationships with your partners: Payers, Clearinghouse, Outsourced Vendors.
4. Payment

- Deductibles and Coinsurance
- Primary Insurance
- Secondary Insurance
- Patient Responsibility
- Transparency
- Patient Statements
- Financial Policies
- Managing Bad Debt
MAXIMIZING COLLECTIONS
- Educate and train staff about:
  - Deductibles and Coinsurance
  - Types of Insurance Plans
  - Financial Policies
  - Script them, if necessary.

- Educate patients about financial responsibility.

- Be caring but not apologetic.

- Have clear financial policies. Apply them consistently.

- Have online payment options and point of service payment options. Make it easy.

- Be timely in filing, in sending statements and in managing bad debt.
Getting Paid: It is Possible!

- Patient Access staff must know how to talk about patient responsibility.

- Insurance Verification is worth the cost.

- Establishing Medical Necessity is NECESSARY.

- Timeliness in everything. Being proactive.

- Speak up—payers make mistakes, know how to escalate an issue, clear communication.
Streamlining Workflow and Having Lean Processes
Front Desk is Key

Marketing
Perception
Patient Engagement
Customer Service
Registration

Clinical Services
Documentation
Coding
Charge Capture

Quality and Performance Improvement

Payor Contracting
System Configuration
Claims Submission

Financial Policies
Denial Management
Billing Practices
Collections
Use Tools to Gain Understanding

Follow the motion to identify areas for improvement; eliminate redundancy; ensure charge capture; and streamline processes for both patients and staff.

Spaghetti Mapping
WHY EVEN A SMALL ORGANIZATION NEEDS A REVENUE CYCLE TEAM

--NOT TOO SMALL!
Who are the people responsible for the processes?
WHEN TO USE YOUR REVENUE CYCLE TEAM?

- When considering a change in services
- To problem-solve reimbursement issues
- To provide analysis of trends or hot topics
- To bring new ideas to the table
- To help reengineer work flow or processes
BUILDING AN EFFECTIVE REVENUE CYCLE TEAM
• Recognize Individual Strengths, Knowledge and Skills

• Leave Personal Agendas Outside the Door

• Strive for a Common Goal or Outcome. Be missional.

• Seek Performance and Process Improvement

• Incentivize In a Way that Strengthens Your Team
• Prevent Silo-ing!
• Encourage Collaboration
• Reward Problem-solving and creativity
• No one gets thrown under the bus!
• Zero tolerance for blame-shifting
• Accountability and Responsibility
• Maintain community engagement.

• Timely and Clear Statements

• Create Buy-In

• Positive patient-staff-community relationships

• Help patients overcome doubts about technology

• Remember that the patient is our customer. Know your community demographics.
SHOULD YOU OUTSOURCE PARTS OF YOUR REVENUE CYCLE MANAGEMENT?
PROS & CONS OF OUTSOURCING RCM IN RURAL HEALTHCARE

Pros

- Can Fill Skill and Rural Workforce Gaps
- Advanced Health Information Technology
- Standardized Processes
- Economy of Scale
- Objective Input

Cons

- Loss of Local Workforce
- Moving Processes farther from the Knowledge Base
- Loss of Staff Engagement/Buy-in
- Loss of Control
- “Rural” is different
- Enter 3rd party relationships with clear expectations

- Establish and maintain clear communication

- Expect routine phone calls, reports, and collaboration.

- Don’t let the tail wag the dog!

- Evaluate the vendor’s performance

- Maintain local staff involvement and buy-in
COMING FULL CIRCLE
TO OPTIMIZE REVENUE CYCLE PERFORMANCE
BRINGING IT FULL CIRCLE
Buy-In

Efficient Processes

Team Leadership

From Patients, Providers, Staff and Community

Creating A Well-Functioning Team

Find Ways to Problem Solve and Improve

Defining the Revenue Cycle and Functions
REVENUE CYCLE: PART II
TODAY’S OBJECTIVES: PART II

- Identifying Key Financial Performance Indicators
- Service Lines: What to do?
- Customer Service as a priority
- Being Vested in the Community
- Strength in Numbers: The Power of Collaboration
Jeff and Patty Harper are the principals of InQuiseek Consulting, a national consulting firm that primarily services critical access hospitals and rural health clinics. Since 2001, our philosophy has been to empower and strengthen healthcare providers through education, improved operational performance and enhanced regulatory compliance. Together with our team of financial and clinical consultants, we offer decades of knowledge and experience.

Jeff Harper
jharper@inquiseek.com
318-243-5974

Patty Harper
pharper@inquiseek.com
318-243-2687