



The pink MAP to optimizing revenue cycle success..

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Agenda

- Saint Francis Health System by the Numbers
- Challenges
- Culture and Accountability
- Approach to Process Improvement
- Outcomes and Measures

Pink City on a Hill



- 1,081 Beds
- 307 employed physicians
- 8,300 employees
- \$1.2 billion in net patient revenue
- 60,000 admissions
- 130,000 emergency room visits
- 370,000 outpatient visits
- 1,100,000 physician office visits

Saint Francis Health System

Epic Journey



- Went live with Epic ambulatory May 6, 2014
 - Big bang all physician offices
- Went live with Epic inpatient June 29, 2014
 - All three inpatient facilities at once

Challenges

- Industry shift
- Need for change
- What we are up against

Changing a Culture

Goal.....

Create a structure to drive accountability in order to improve financial metrics

Post EPIC implementation revenue cycle key performance metrics back to baseline

Chief Financial Officer

Managed Care/Contracting

Hospital Billing

Physician Billing

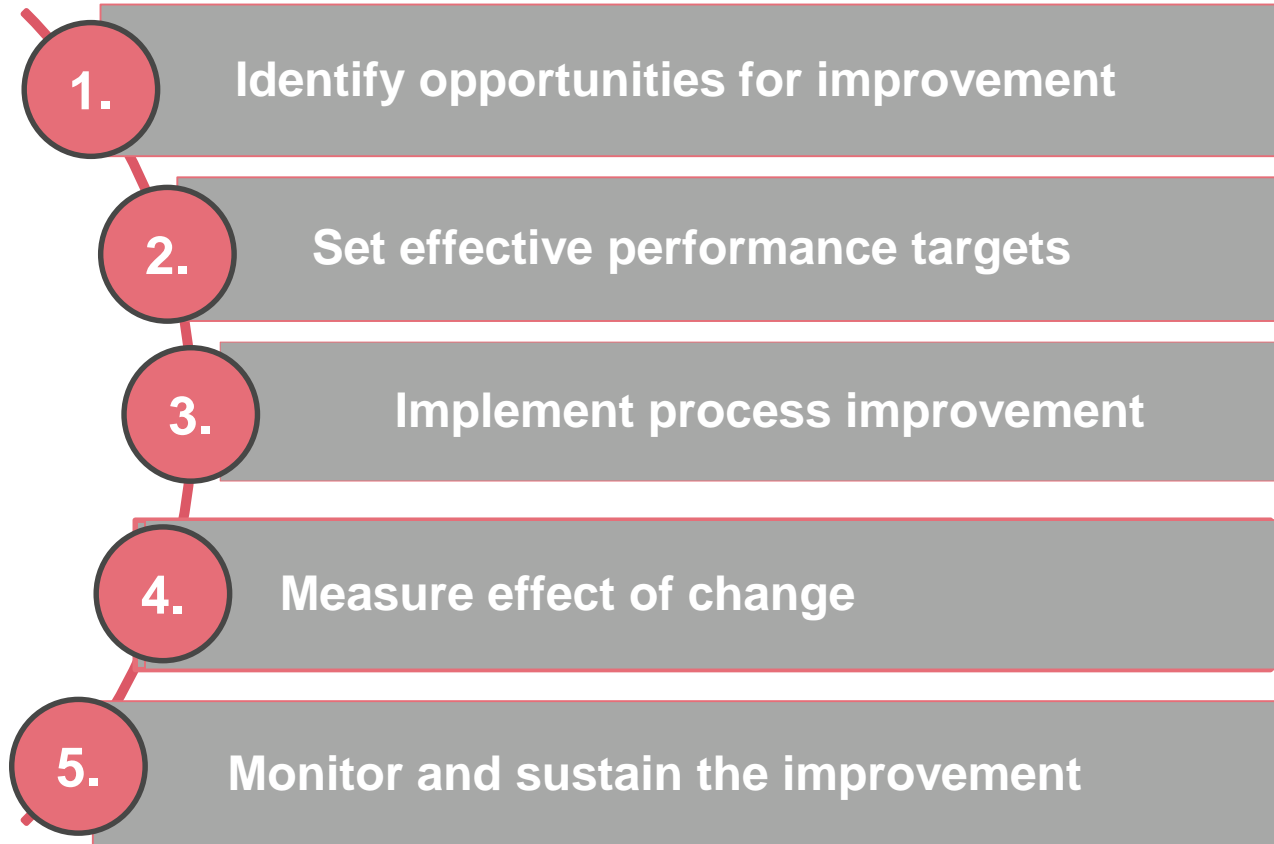
Health Information Management

Admitting/Registration

Centralized Scheduling

Pre-Arrival

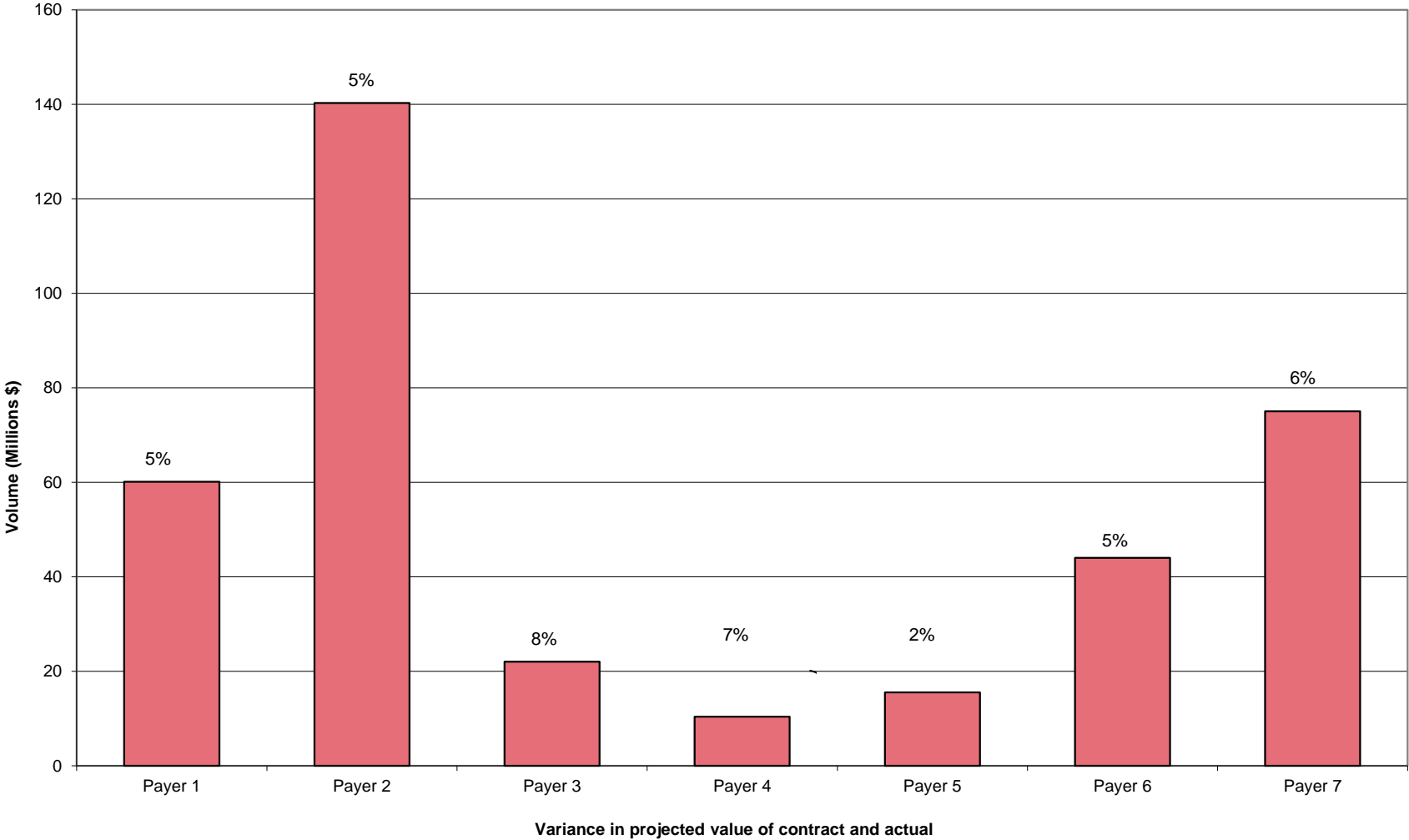
Keys to Performance Improvement Management



Identify Opportunities to Improve

- Analyze data
 - Candidate for bill
 - Coding days
 - Discharge not final billed errors
 - Days in accounts receivable
 - Aging trending
 - Aging by financial class
 - **Payment variances from contract**
 - **Denials**
- Prioritize improvement opportunities
 - Quick wins
 - High-impact improvement opportunities
 - Long-term strategic

Net Contract Under Performance Realization to Expected



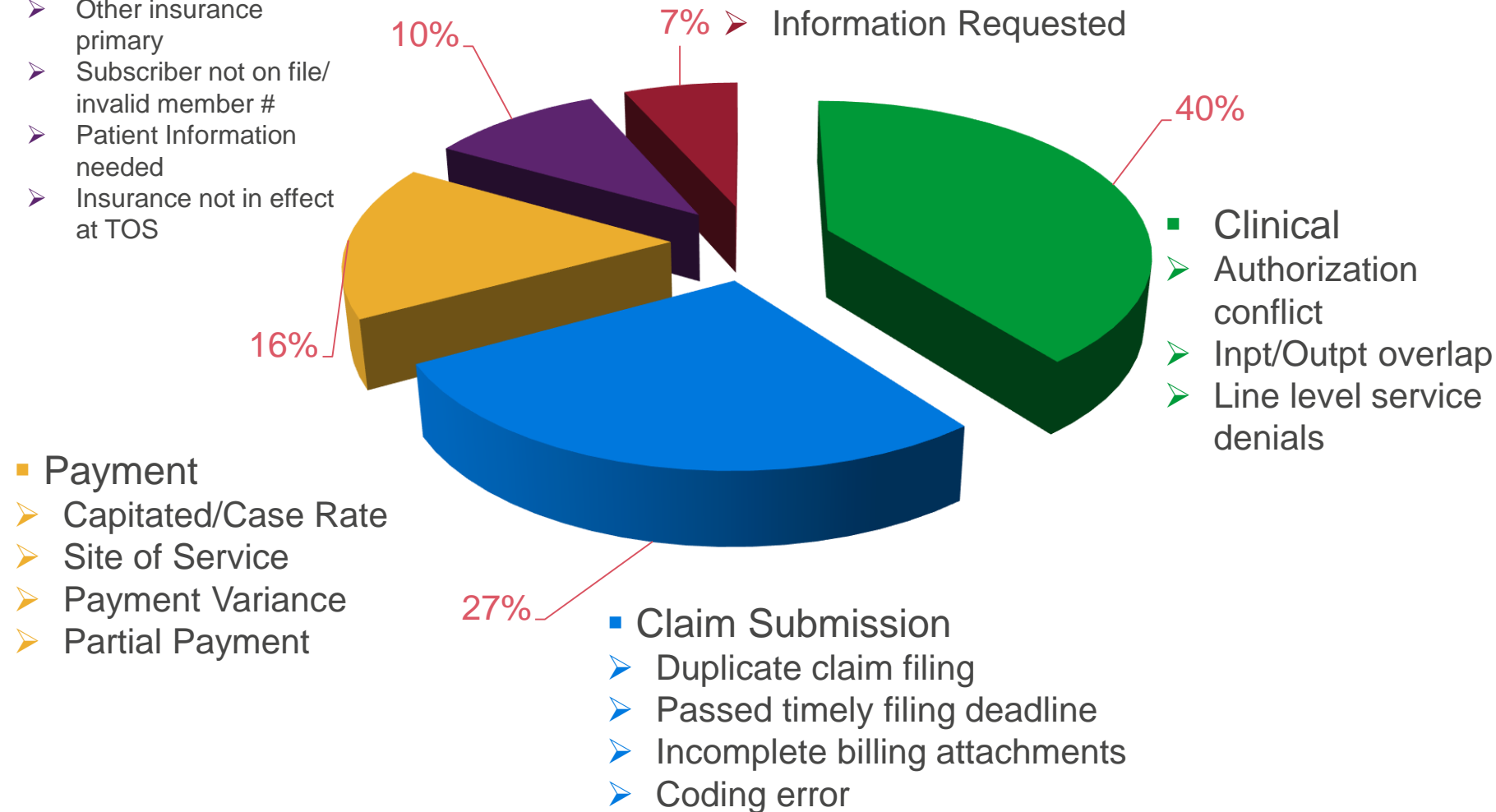
Reasons for Claim Denials

■ Eligibility

- Invalid payer info
- Other insurance primary
- Subscriber not on file/invalid member #
- Patient Information needed
- Insurance not in effect at TOS

■ Pended

- In Review
- Information Requested



Set Effective Performance Targets

- Set KPI based goals
 - Reduction in accounts receivable over 90 days
 - Denial prevention
 - Increase realization on managed care contracts
 - Coding days two days or fewer
 - Candidate for bill fewer than five days
 - AR days less than 35
- Develop standardized and predictable processes for denial resolution
- Instill a sense of ownership for denial management across the entire revenue cycle (prevention)

Implement Process Improvement

- Identify key stakeholders (director level and above)
 - Patient accounting
 - Case management
 - Pre-arrival
 - Managed Care/Contracting
 - Coding
 - Clinic Managers
 - Information Services

- Establish regular weekly work sessions
- Develop payer expectations
- Develop action steps
 - Denials assigned to key stakeholders
 - Denial resolution expected
 - Create payer dashboards

- Dashboards for each of your key stakeholders in the revenue cycle
- Goals with performance expectations
- Weekly meetings with each of the key stakeholders of the revenue cycle
- Instill a sense of ownership across the entire revenue cycle
- Weekly monitoring of assigned tasks
- Regular scheduled meetings with managed care payers

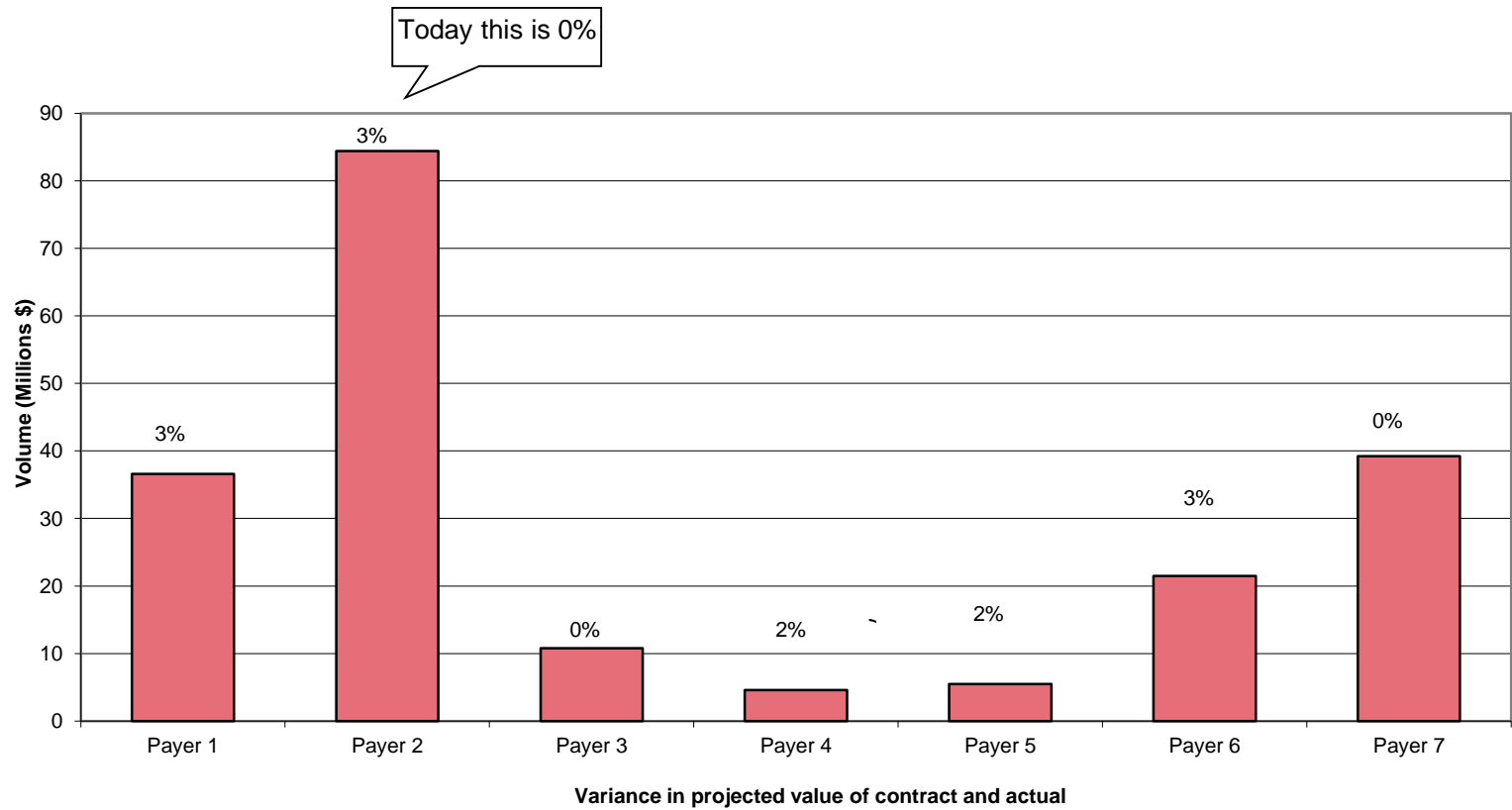


Accountability: The ability to measure and report on a routine basis in a predictable manner with set expectations.

- Report results
 - Reduction in accounts receivable
 - Insight into payment delays and denials
 - Hold payers accountable
 - Better contract language

Contract Realization

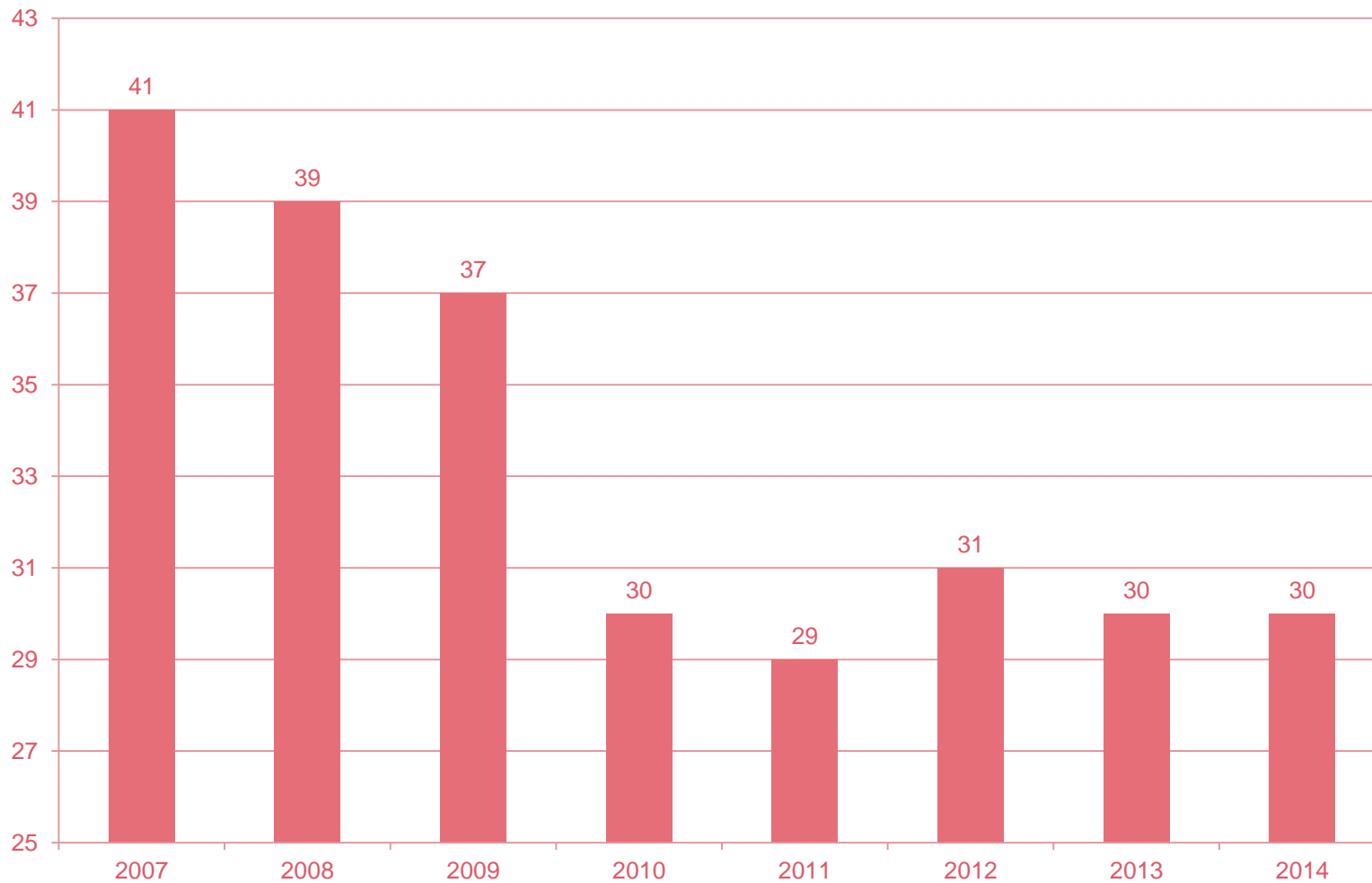
SAINT FRANCIS HOSPITAL
PPO Products - Volume by Payor
Variance Between Negotiation and Actual Performance



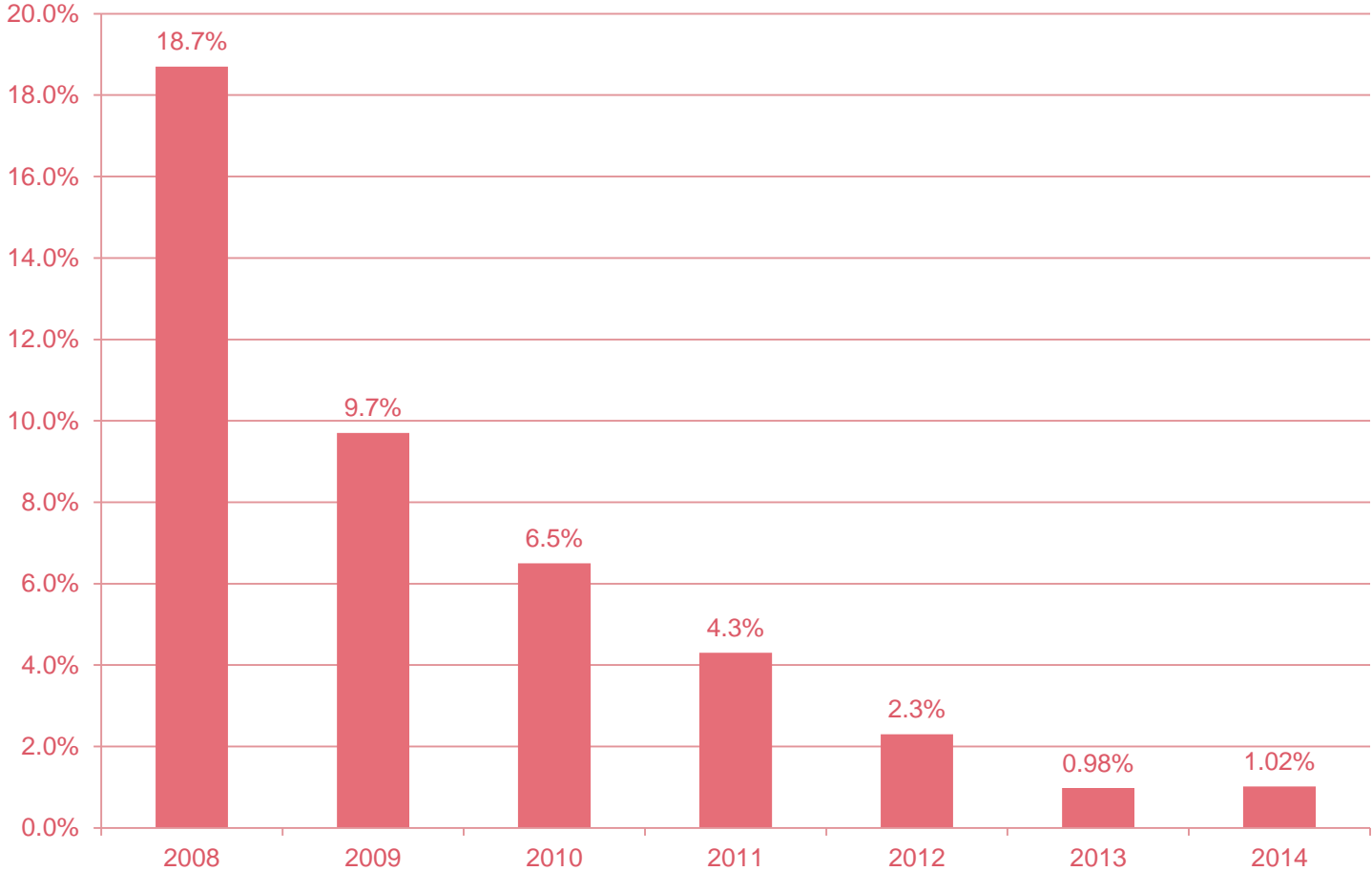
The Revenue Cycle Journey

You cannot manage a process
unless you can measure your
progress.....

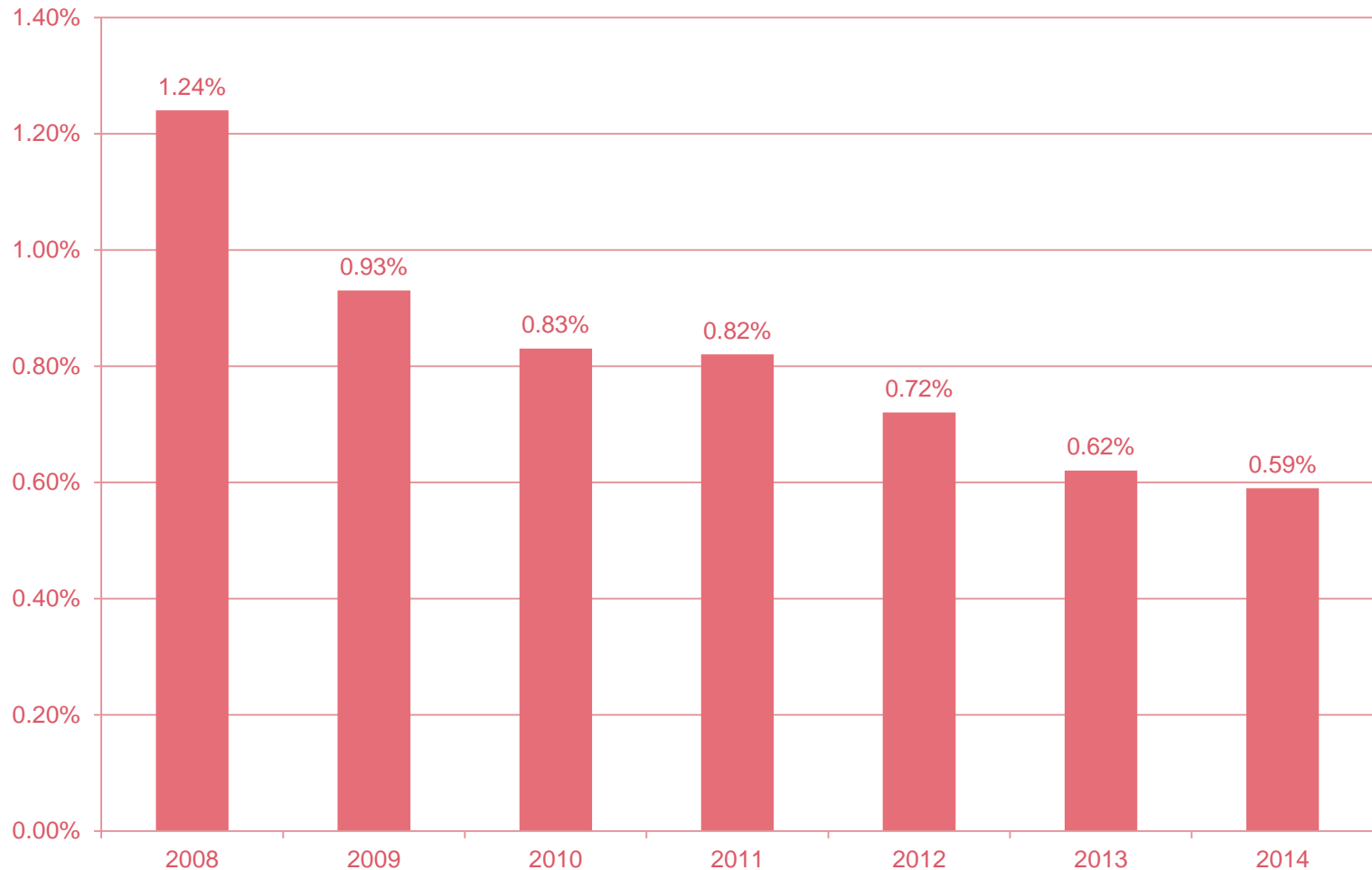
Days in Accounts Receivable



Commercial Accounts Receivable Greater than 90 Days Old

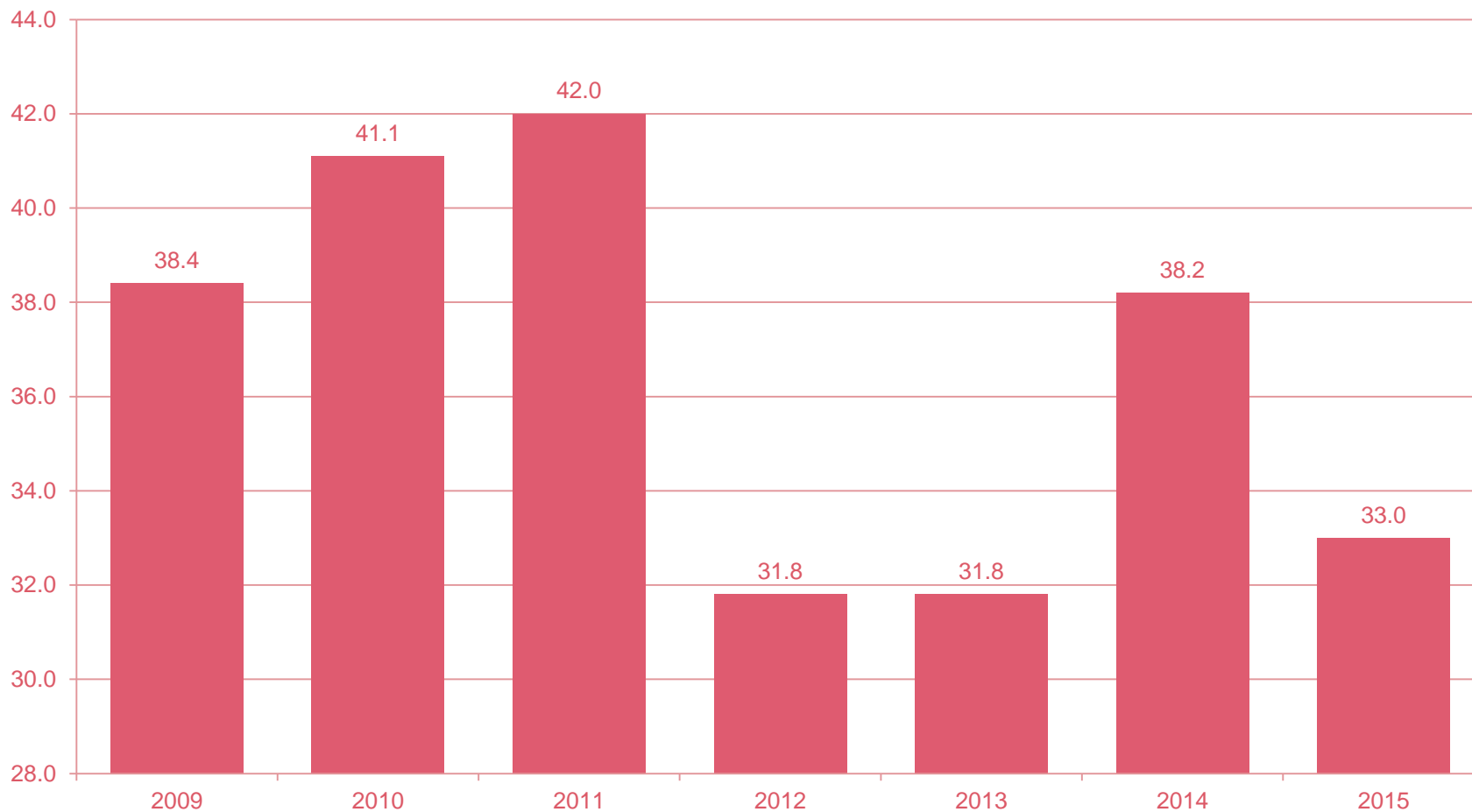


Denials as a Percentage of Gross Accounts Receivable



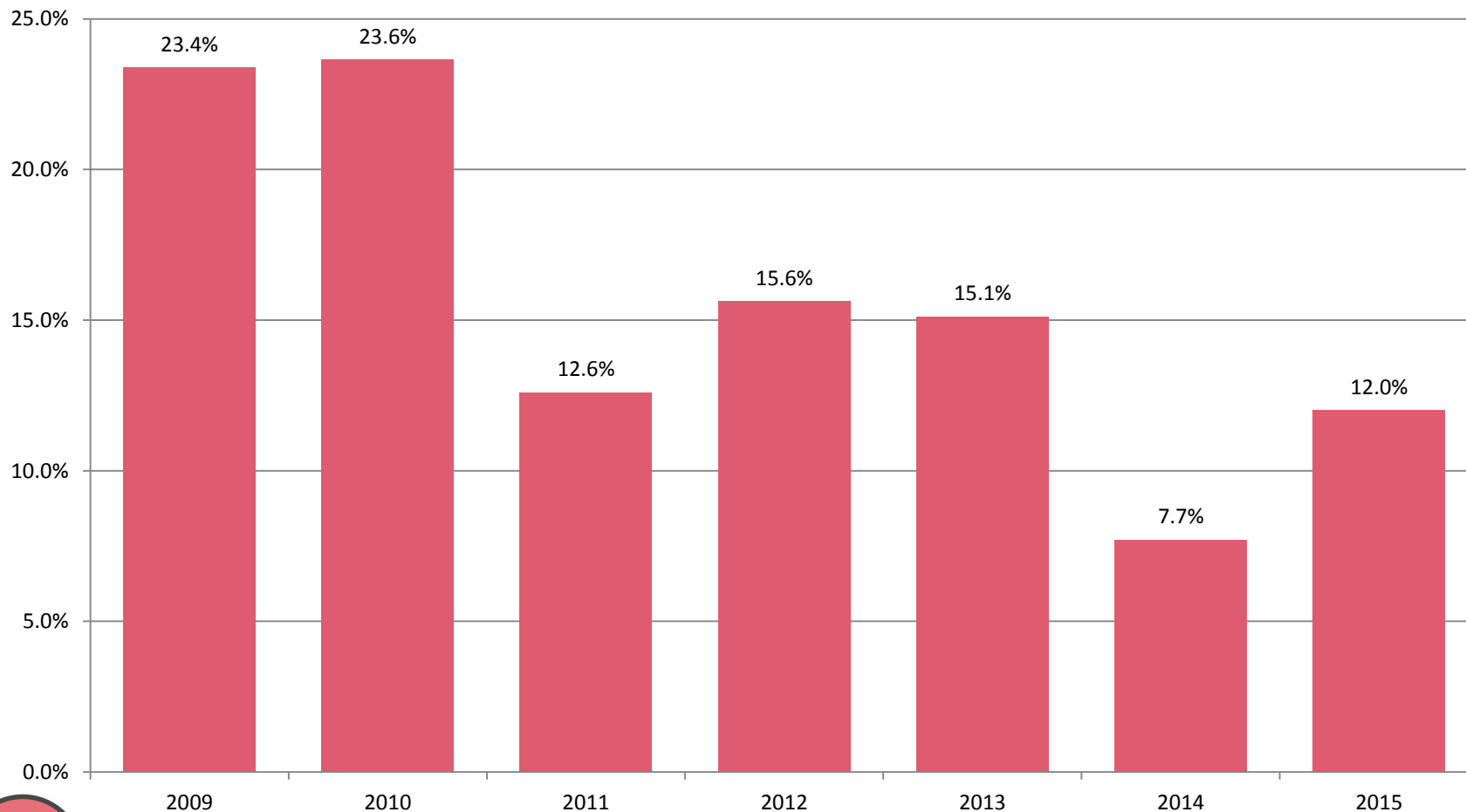
Professional Billing

Days in Accounts Receivable



Professional Billing

Commercial Accounts Receivable Greater than 90 Days Old



Professional Billing



- Proactive daily management
- Maintain the engagement of the key stakeholder
- Realize not a focused project but ongoing process
- Look to identify trends in denials earlier
- Evaluate performance targets and set stretch goals

Celebrate Successes

Your Challenge

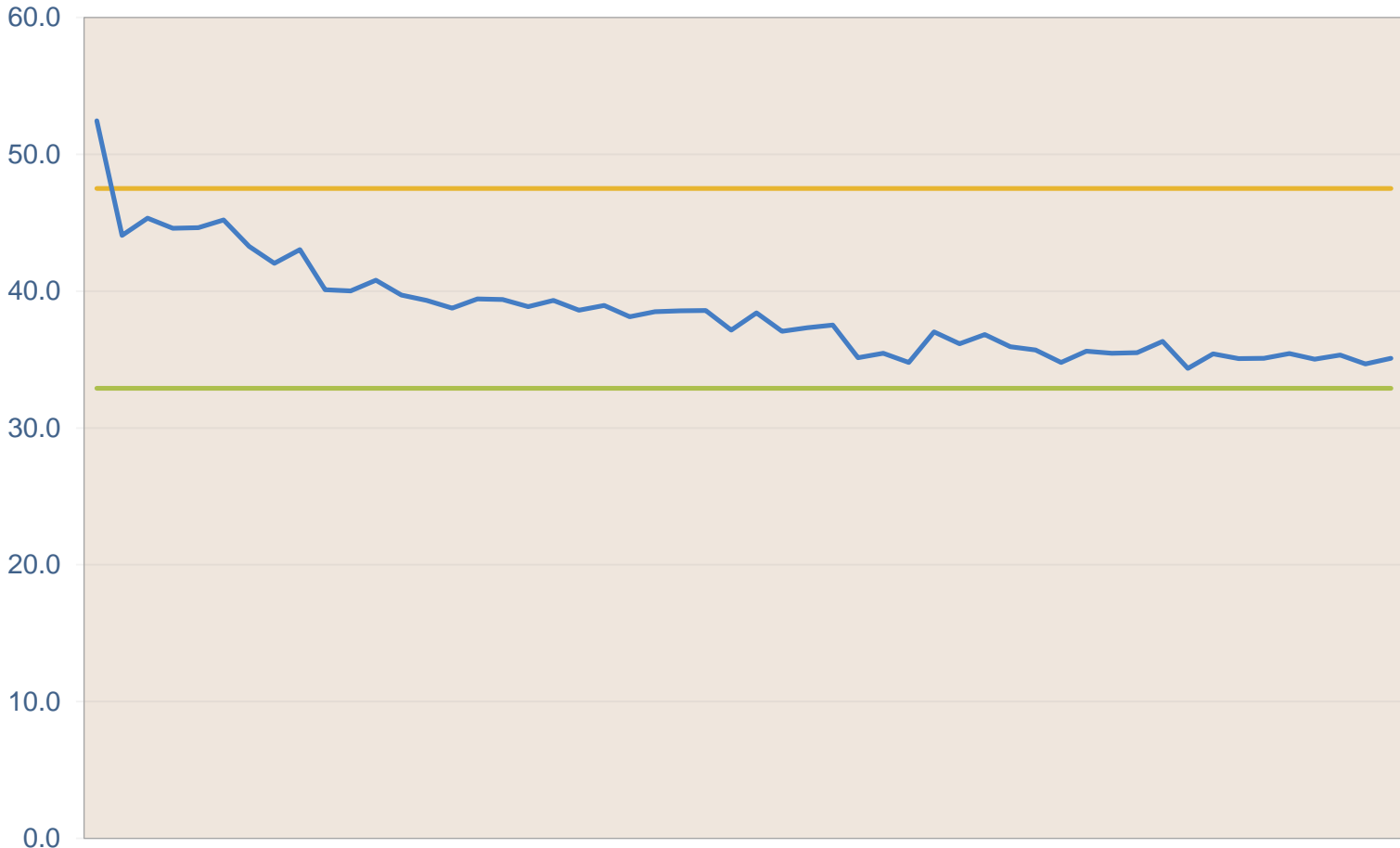
- Organizations must continue to do more with less
- Culture must elevate the importance of process improvement
- Greatest opportunity is engaging key stakeholders
- The way to achieving financial metrics is through performance tracking and implementing successful practices

Revenue cycle results post go live with EPIC

The true PINK test ...

Hospital Billing

AR Days (of Revenue)



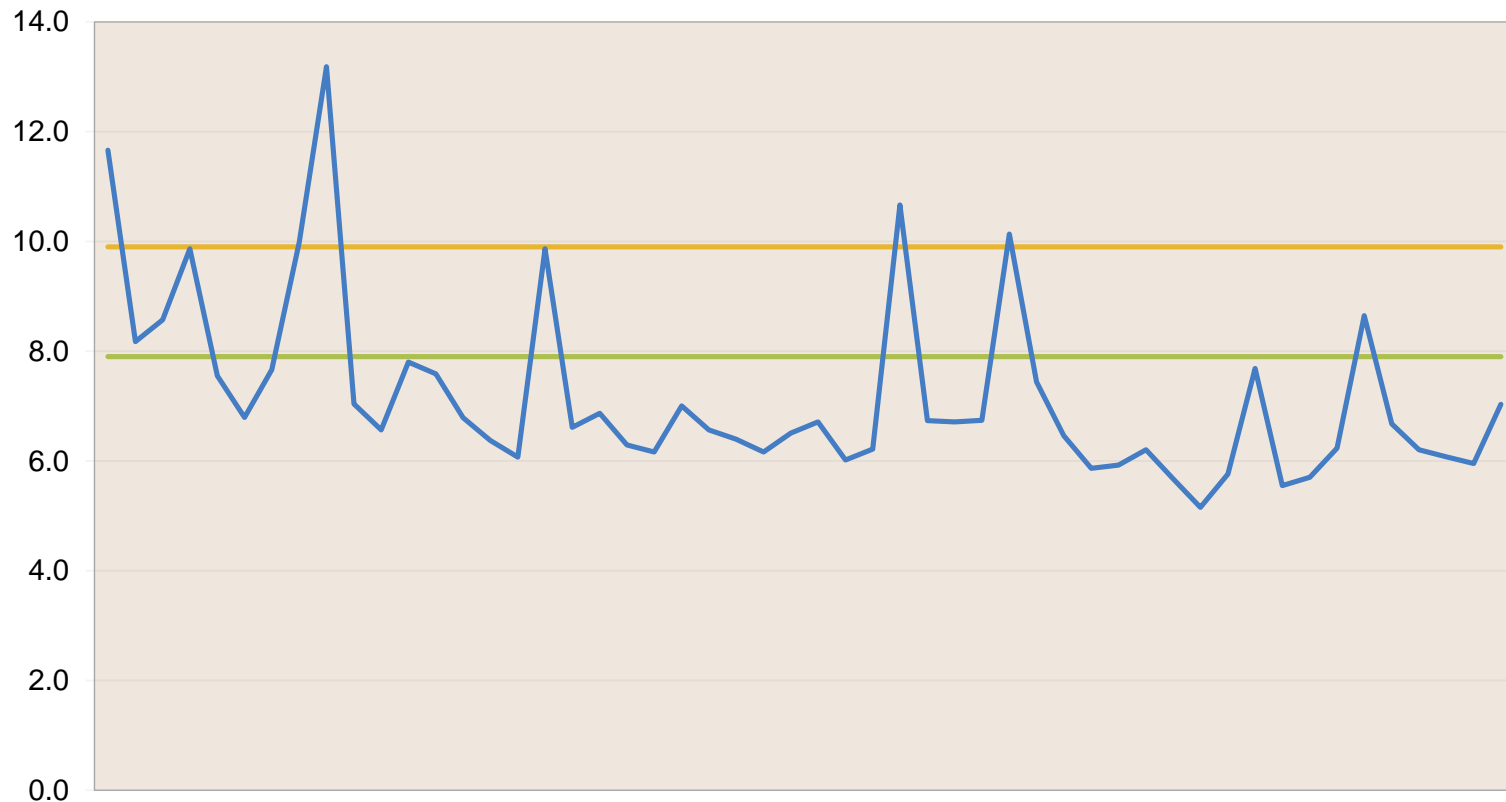
Blue Line: Saint Francis Health System

Tan Line: Average of all Benchmarking Survey participants

Green Line: Average of survey participants in Top Quartile of System

Hospital Billing

DNFB Days (of Revenue)



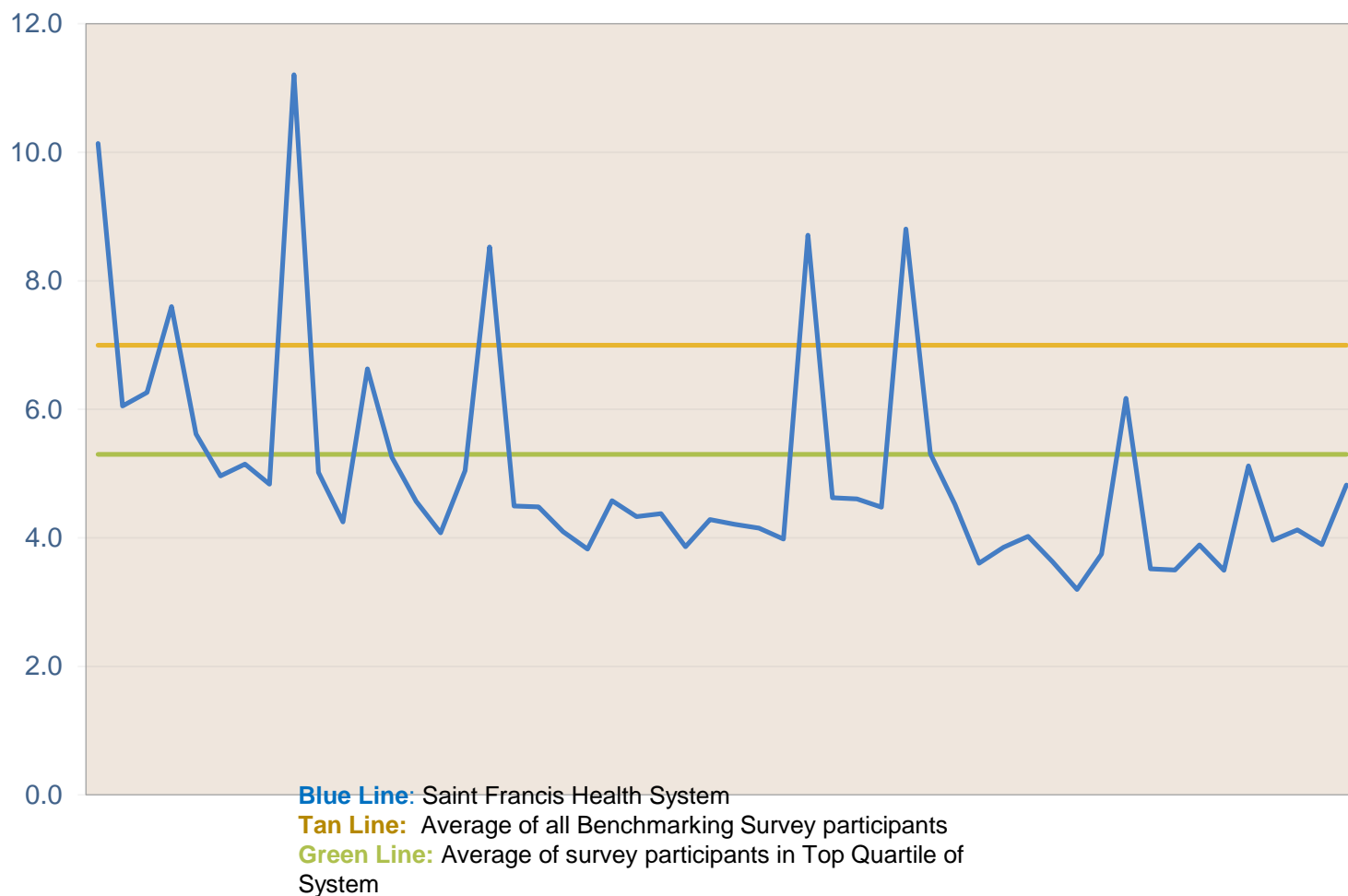
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Hospital Billing

CFB Days (of Revenue)



Hospital Billing

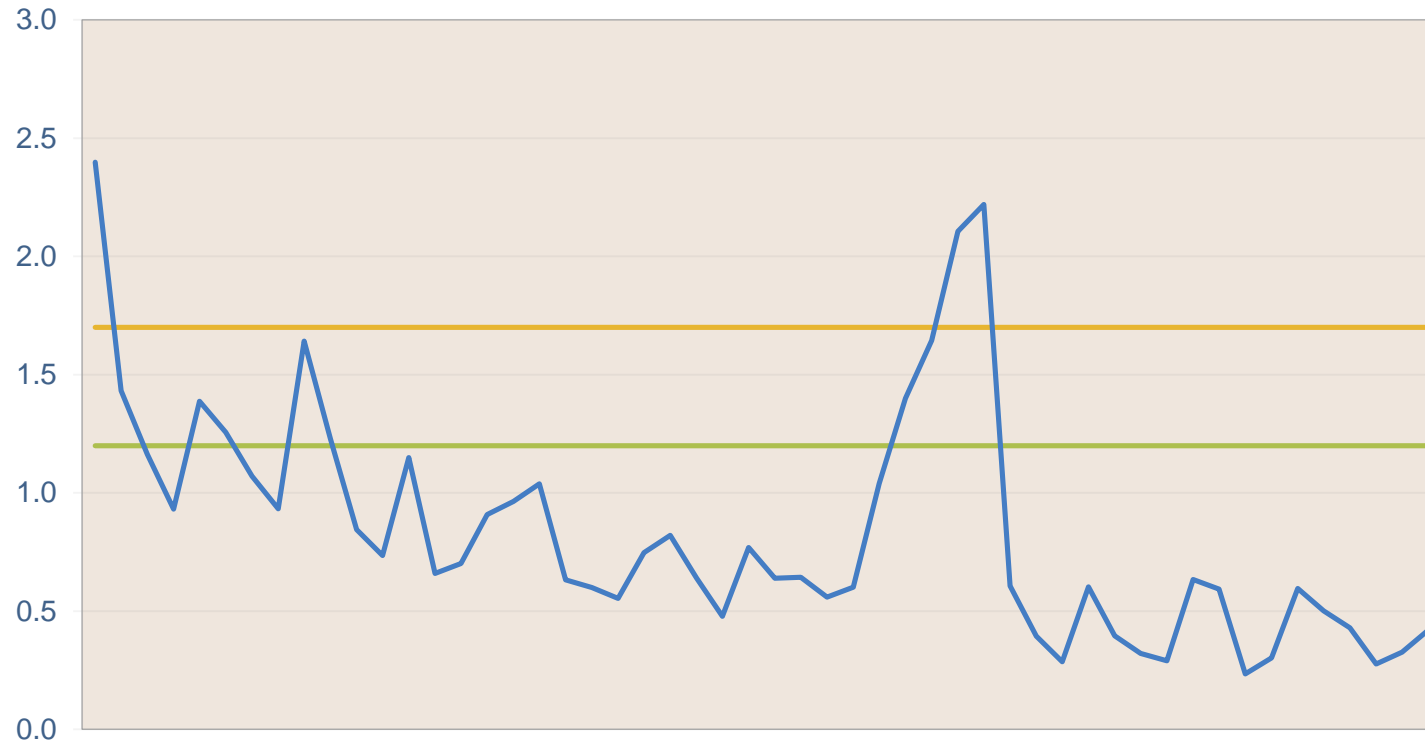
Coding Days (of Revenue)



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Hospital Billing

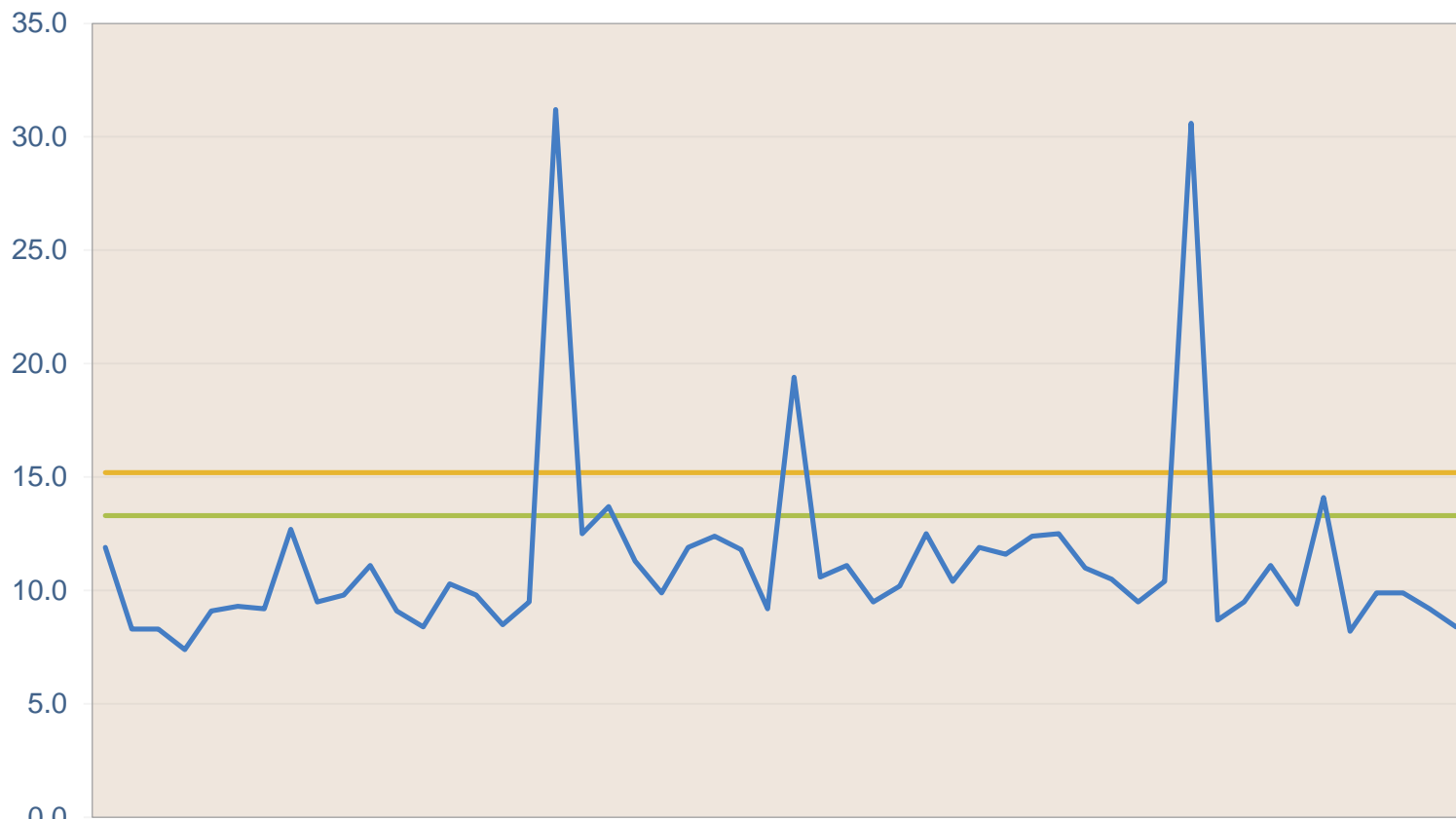
Claim Edit Days (of Revenue)



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Hospital Billing

Billed Lag Days (Calendar Days)



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Hospital Billing

Claims with Open Denials Days (of Revenue)



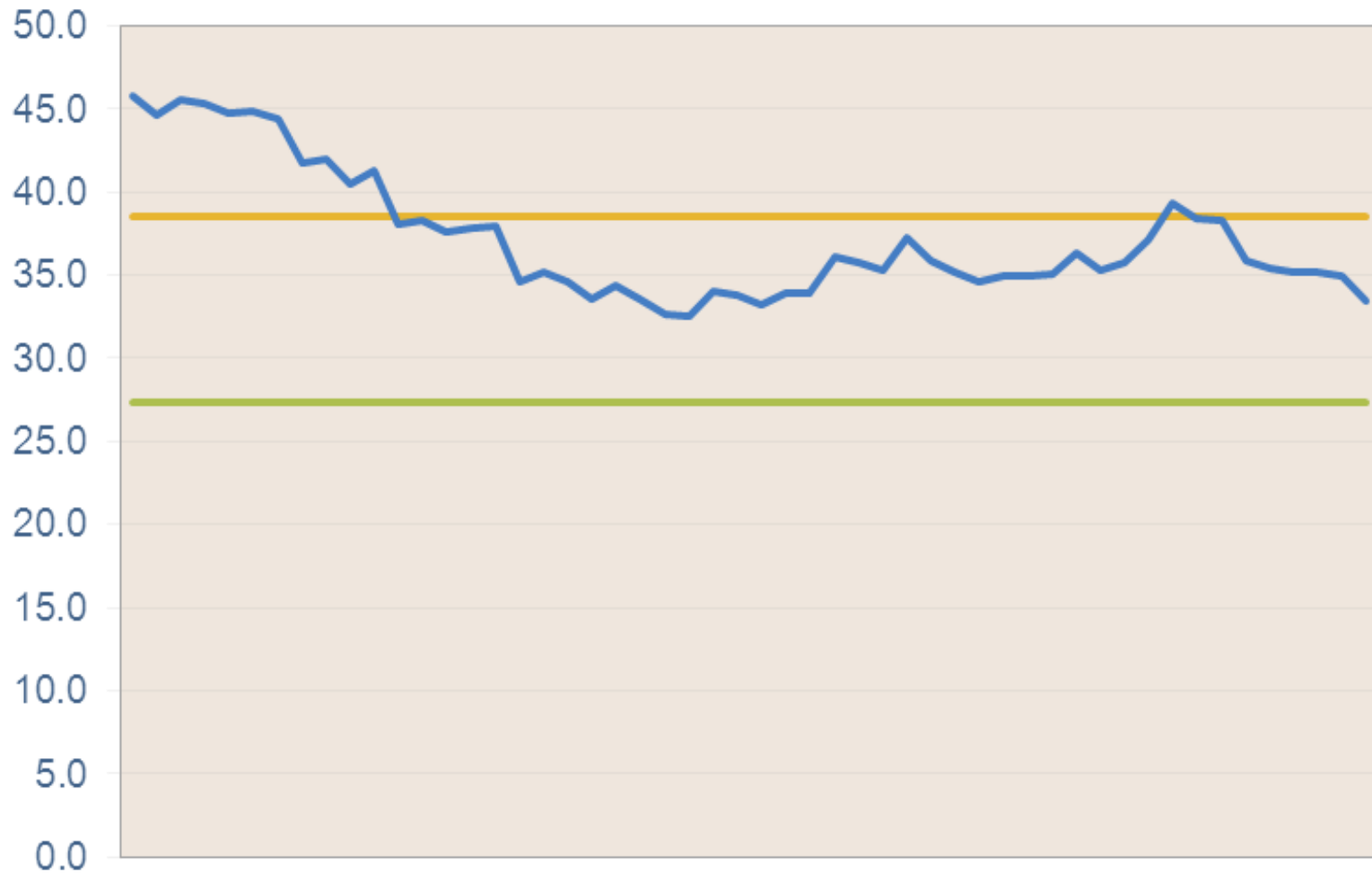
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AR Days

Professional Billing Results post go live with EPIC

Professional Billing

AR Days (of Revenue)



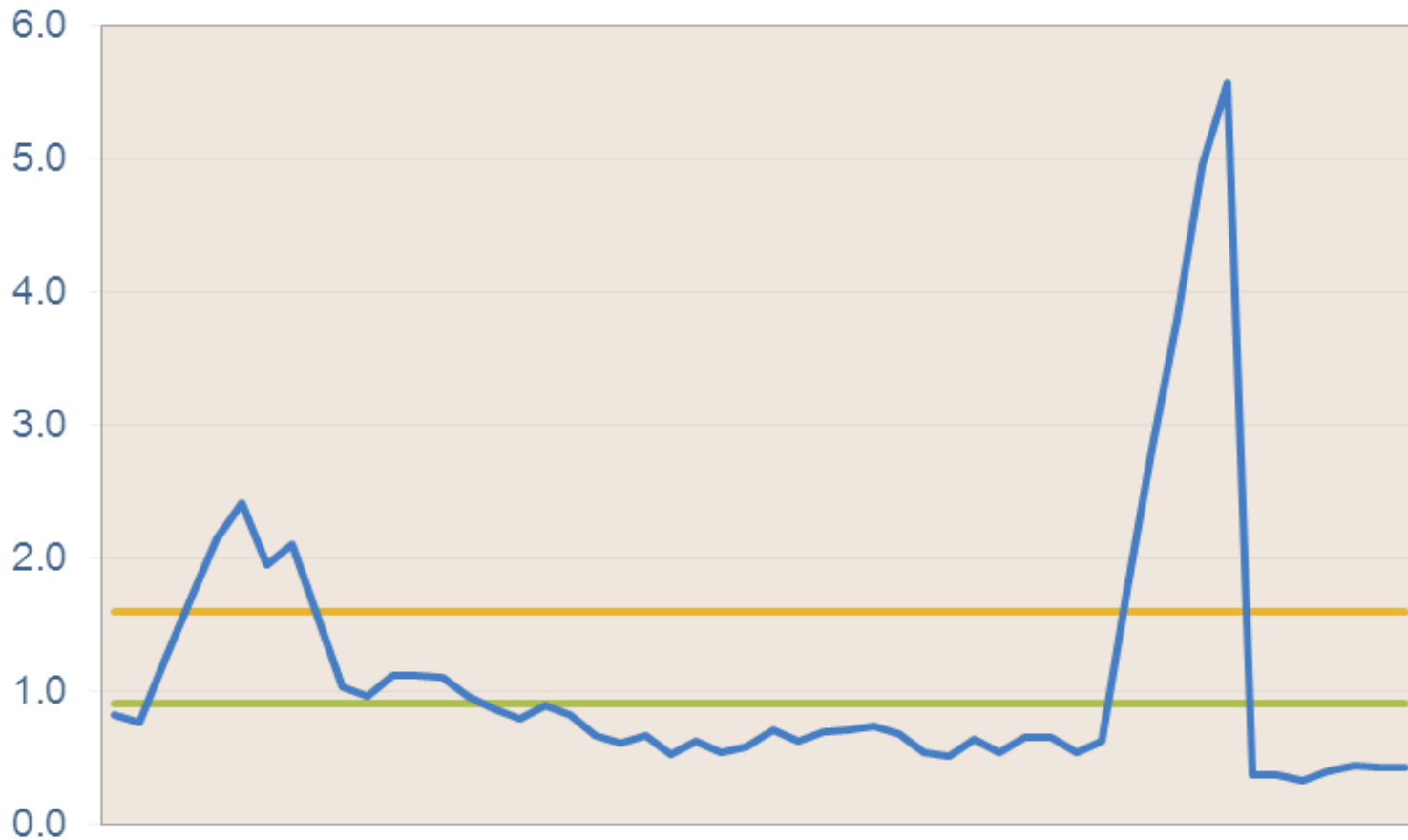
Professional Billing

Charge Review Days



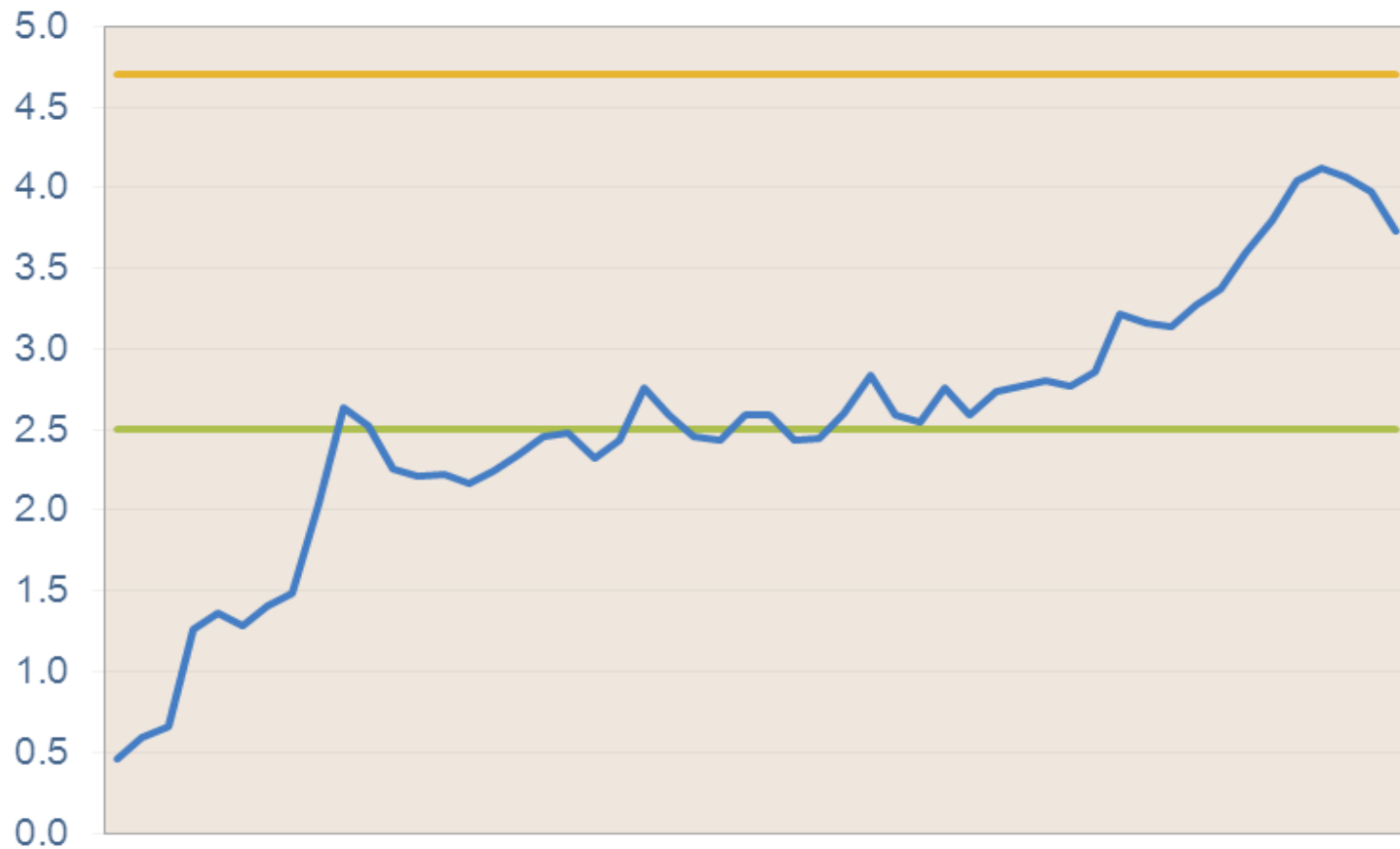
Professional Billing

Claim Edit Days



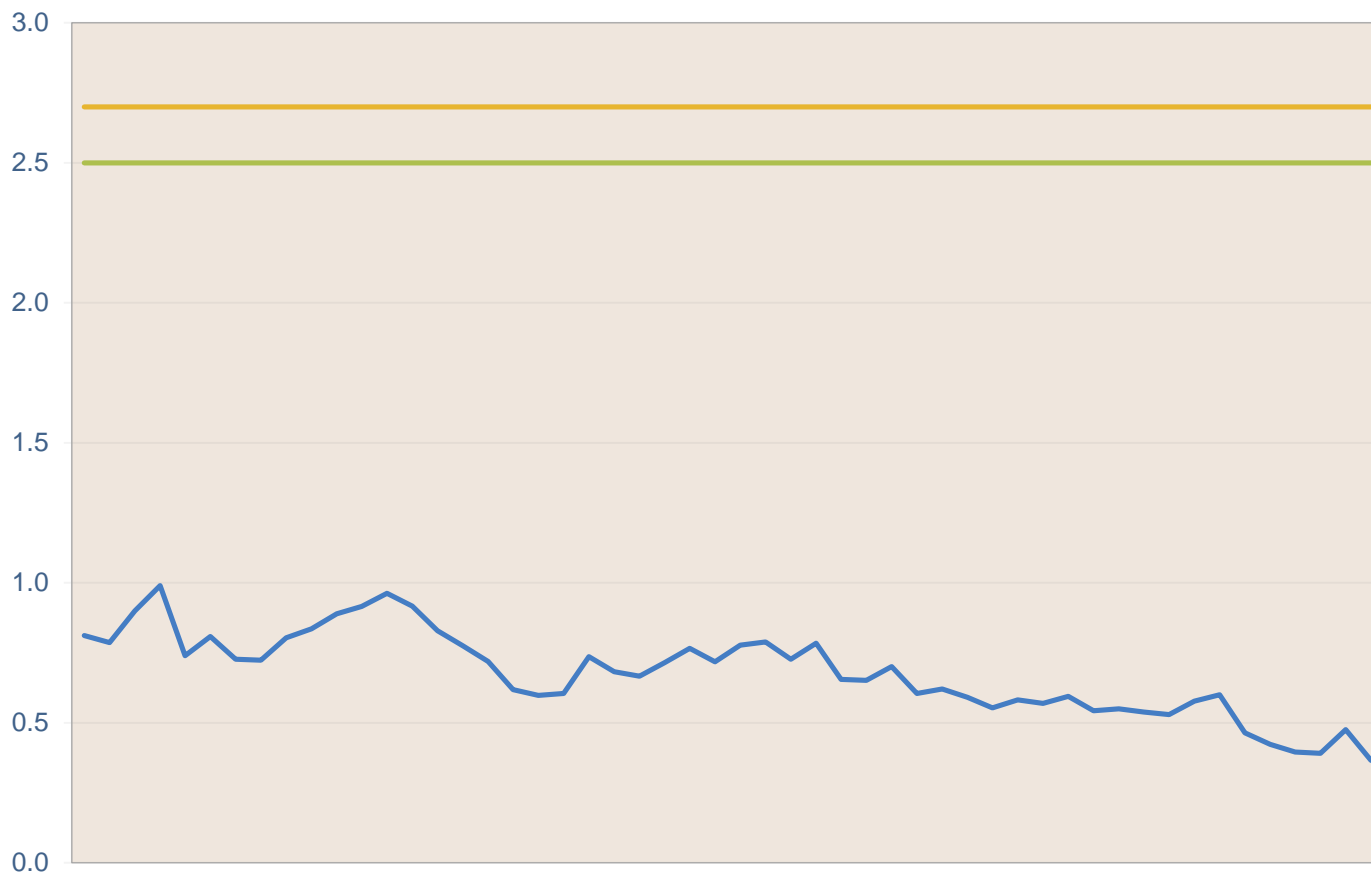
Professional Billing

Open Denials



Professional Billing

Undistributed Days



Value That is Created



Improve cash flow



Create efficiencies and improve workflow processes



Create ownership of process



Prepare for future changes

It is not enough to do your best; you must know ***what to do, and*** then ***do your best.***

- W. Edward Demmings

Thank You!