OVERVIEW

ACQUISITION

INTEGRATION

CHALLENGES

HEALTHCARE TODAY

KEY COMPONENTS

DEVELOPING A PLAN

STEPS

REVENUE CYCLE OPTIMIZATION
• The act or action of acquiring; specifically: the obtaining of controlling interest in a company—compare merger, takeover.

• A thing gained or acquired.

What does this mean in Healthcare Organizations?
BUSINESS INTEGRATION PLAN

PRIORITIES

Finance  Performance Operations  Business Office  Managed Care  Process & Procedures  Revenue Integrity
REVENUE CYCLE INTEGRATION

SYSTEM INTEGRATION

- The passing information between the two systems over a bridge, the systems share the same code and database.
- Changing Technology
- Antiquated Technology
- Managing the change of Technology
Today's Challenges

- Eligibility
- Patient Estimates
- POS Collections
- Financial Clearance

- Coding volume
- Retention
- Physician Query
- Compliance

- Denials
- Workflow Management
- Technology
- Regulation

- GMLOS
- CMI
- Concurrent Denials
- Physician Education

Patient Access

HIM

Patient Accounting

Case Management/CDI
FUNDAMENTAL COMPONENTS OF OPTIMIZING REVENUE CYCLE MANAGEMENT

- Investment in appropriate Time & Resources.
- Highly disciplined Pilot Project.
- Commitment to consistent metrics.
- Avoid productivity slow down.
- Creating environment for process improvement.
- Establish common goals, targets and initiatives.
- Understanding of Core Competencies of target areas of improvement.
**Organizational Focus**

- **Lower Costs**
  - Improving the patient experience of care (including quality and satisfaction)

- **Better Health**
  - Reduce the per capita cost of health care

- **Better Care**
  - Improving the health of populations
"The achievements of an organization are the results of a combined effort of each individual" – Vince Lombardi
OPTIMIZATION STEPS

REVENUE CYCLE ENHANCEMENT
STEP ONE: SELF ASSESSMENT

Data Analytics

Managed Care Performance

Revenue Integrity

Account Stagnation

Human Capital
DATA ANALYTICS

- Quality
- Comprehensive Reporting
- Decision Making Ability
- React to Facts
- Integration
ANALYTICS MATURITY CURVE
Managed Care Performance

- Payment Accuracy
  - Underpayments
  - Overpayments
  - Adjudication Time

- Denials
  - Clinical
  - Technical
  - Audits
**Revenue Integrity**

**Charge Accountability**
- Facility Charging
- Daily Charge Reconciliation
- Suspense Report
- Charge Description Master

**Contingency Plan**
- Hospital Administration
- Facility Departments
- Central Business Office
- Process Re-alignment

**Training**
- Patient Access
- Facility Departments
- Central Business Office
- Charging Process
ACCOUNT STAGNATION

ACCOUNTS ARE IN STATE OF NOT FLOWING OR MOVING WHICH PREVENTS LACK OF ACTIVITY GROWTH AND/OR ADJUDICATION.

Self Pay
- Early Out
- Bad Debt
- International

Insurance
- Aged A/R
- Small Balance

Third party Liability
- Auto
- Workers Compensation

RCM Specialty Services
- Zero Balance Reviews
- Medicaid Eligibility
- Human Capital - the skills, knowledge, and experience possessed by an individual or population, viewed in terms of their value or cost to an organization

- Employee Retention - refers to the ability of an organization to retain its employees

- Professional development - is learning to earn or maintain professional credentials such as academic degrees to formal coursework, conferences and informal learning opportunities situated in practice. It has been described as intensive and collaborative, ideally incorporating an evaluative stage.
The application of typical elements of game playing (e.g., point scoring, competition with others, rules of play) to other areas of activity

"gamification is exciting because it promises to make the hard stuff in life fun"
**Step Two: Developing a Strategic Plan**

- **Opportunities**
- **Scope**
- **Goals**
- **Organizational Support**
- **Change Management**
S.T.E.E.E.P.

- Safe
- Timely
- Effective
- Efficient
- Patient Centered
- Equitable
PROCESS IMPROVEMENT

1. Find Process to Improve
2. Organize a Team that Knows the Process
3. Clarify Current Knowledge of the Process
4. Understand Sources of Process Variation
5. Select the Process to Improve
Organizational Dexterity

- Ability for an organization to make whatever internal changes necessary to respond effectively to the changing environment, as quickly as possible.
PATIENT ENGAGEMENT

- Price Transparency
- Patient Estimates
- Online Bill Pay
- Letters & Statements
VENDOR MANAGEMENT

PATIENT RESPONSIBILITY

- Early Out
- Bad Debt
- Balance After Insurance

COMMERCIAL

- A/R
- Denial

INTEGRATION

- Technology
Cost to collect is one of HFMA’s MAP Keys and is one important indicator of the overall efficiency of a hospital’s collections management process. According to HFMA, expenses associated with functions like eligibility and insurance verification, transcription and coding, and clinical documentation improvement should be included in the calculation of cost to collect. It should exclude certain other factors, though, like software licensing fees and physical space costs.
**Measurable Benchmarks**

**Patient Access**
- Insurance Verification Rate
- Point of Service Collections
- Average Registrations per Shift

**HIM**
- Outpatient Charts Coded per Day
- MPI Duplicates
- Chart Delinquency Greater than 30 Days

**Case Management**
- Case Mix Index
- Geometric Mean Length of Stay
- Denied Days

**Revenue Integrity**
- Discharged Not Final Billed
- Late Charge Hold Period
- CDM Duplicate Items

**Central Business Office**
- Cash as a Percent of Net Revenue
- Commercial A/R greater than 90 Days
- Bad Debt Write off as a Percent of Gross Revenue
GLOBAL LABOR ARBITRAGE

- An economic phenomenon where jobs move to nations where labor and the cost of doing business is inexpensive.

(BOT) BUILD OPERATE TRANSFER
- Set up international facilities
- Co-Manage
- Transfer assets after time

VIRTUAL CAPTIVE
- Shared Governance
- Dual Reporting Relationships
- Fixed Costs

OUTSOURCE
- Contractually Driven SLA
- Percent of Net
- No Governance
Return on investment (ROI) measures the gain or loss generated on an investment relative to the amount of money invested. ROI is usually expressed as a percentage and is typically used for personal financial decisions, to compare a company's profitability or to compare the efficiency of different investments.
# Net Back/Return on Investment

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<th>Collection % of Net Placement</th>
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QUESTIONS

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